

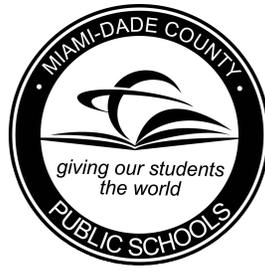
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

**Comprehensive Annual Financial Report
For The Fiscal Year Ended June 30, 2013**





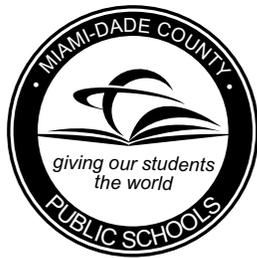
**THE SCHOOL BOARD OF
MIAMI-DADE COUNTY, FLORIDA**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
For the Fiscal Year Ended June 30, 2013

**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, 2013

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THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

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I. Introductory Section



The School Board of Miami-Dade County, Florida
1450 Northeast Second Avenue
Miami, Florida 33132



December 11, 2013

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, 2013 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

"Miami-Dade County Public Schools is entering an age of convergence. Digital convergence is the portal through which students of today and tomorrow will access information, stimulate inquiry, and cultivate knowledge. The school district is committed to utilizing technology to enhance effective instruction and prepare students for success in the 21st Century."

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 third 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 41,720 full and part-time employees. Full-time employees numbered approximately 33,000 during 2012-13, including nearly 21,000 instructional professionals. The District’s annual operating budget for fiscal year 2013-14 is in excess of \$2.8 billion to serve an estimated enrollment of 353,491 students. Beginning in 2002, student enrollment gradually decreased by nearly 25,000 students. In 2009-10, it began a slight increase and that trend continues in 2013-14.

The outlook for Florida is brighter that it has been in years. The economy hasn’t returned to pre-recession levels, but improvement is steady but slow. Much of this can be attributed to a rebound in the housing industry. Tourism remains robust and banks are becoming more open to lending. Concerns remain, of course - the impact of the Federal healthcare law in small businesses, still relatively high unemployment which was 7.3% in August 2013 compared to 8.9% a year ago (August 2012) and economic policies being debated in Congress and in the State Legislature.

**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 has already launched 69 projects worth \$180 million just within the first year, with all design services and contracting work being done by local firms.

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 25, 2013 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 properly 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.

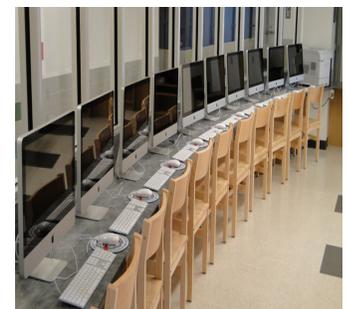
The accompanying financial statements demonstrate that even under a period of changing operational conditions, the District continues to achieve a policy of sound financial management.

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 McGladrey 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, McGladrey LLP was assisted by Sharpton Brunson & Company, and Rodriguez, Trueba & Company, PA.





The Auditor's report on the financial statements is included in the financial section of this report. A separate report will be issued by the Auditor General to further satisfy the requirements of OMB circular A-133 and the Single Audit Act of 1996.

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.

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



Broad Prize Winner Miami-Dade County Public Schools (M-DCPS) has been named the winner of The Broad Prize for Urban Education, an annual award that honors urban school districts across the country that are making the greatest progress in raising student achievement. This is the fifth time that M-DCPS had been recognized as a finalist. The District was also a finalist in 2006, 2007, 2008 and 2011.

Common Core Standards Florida is one of 45 states implementing Common Core Standards in language arts and mathematics beginning next year. The new standards will require students to master fewer education standards at a higher level and emphasize critical thinking and problem solving. The rigorous standards will better prepare our students to compete in a global economy. Miami-Dade County Public Schools has been implementing the Common Core State Standards (CCSS) in grades

K-2 for the past two years. This school year, the school district is offering a blended curriculum in grades K-12 – blending both the Next Generation Sunshine State Standards and the CCSS in English language arts and mathematics.



Cambridge International Examinations Agreement M-DCPS broke new ground in international collaboration by entering into an agreement with Cambridge International Examinations, part of the University of Cambridge in the United Kingdom. M-DCPS will become the first major school district in the United States to build such a relationship. Over the next three years, M-DCPS will roll out 80 Cambridge Programs in 70 schools, including the Cambridge Primary Program in elementary schools, the Cambridge Secondary 1 Program in middle schools, and the Cambridge International General Certification of Secondary Education (Cambridge IGCSE) and the Cambridge Advanced International Certificate of Education (Cambridge AICE) Diploma Programs in senior high schools. These new Cambridge Program schools will complement the 20 existing Cambridge programs currently in 16 M-DCPS schools.

New Choice/Magnet Programs Forty-two new choice/magnet program offerings will be created in 38 schools with strands that include: Cambridge, science, mathematics, legal studies, information technology, and the arts.



STEM Mobile A self-contained high end science lab will be added to the District's fleet of rolling classrooms. Serving students in 5th and 8th grades as well as high school Biology students, this mobile lab will bring hands-on, biology-focused activities to schools across the District.

iPrep Math This program will fuse technology with personalized student learning to create a true 21st Century educational experience in this critical content area in 49 middle schools.

Districtwide Accreditation This rigorous process involves a comprehensive external review of the District's schools, performance, practices, and policies. The accreditation process culminates with the granting of Accreditation by AdvancED and certifies to the community that M-DCPS is a High Quality School System committed to continuous improvement.

M-DCPS – FIU Transition Center This program will provide support to students with disabilities as they transition from high school to college with the goal of increasing the number of students with disabilities who enroll in college and successfully graduate.



International Student Academy – China Partnership This program will broaden the District's cultural landscape and create real-world connections for our students by providing opportunities for first-hand exchanges of information and ideas among peers from vastly different backgrounds.



Data DashBoard The DashBoard, an at-a-glance tool that will inform the decision-making process by helping to easily identify strengths and weaknesses within the organization, will provide real-time access to information on a variety of Key-Performance Indicators related to both academic and business performance.

Schools 21st Century Banking Transformation Initiative The District will use SAP technology to automate and reduce school-site tasks related to cash collection, payment processing, recording and reconciliation of financial transactions.

Food Acquisition and Distribution Program By leveraging economies of scale, it is anticipated that the District will save at least \$1 million in food costs annually while still providing outstanding quality and nutrition.

Owners Control Insurance Program This program will provide better coverage to protect the District, while saving money and providing expensive and often difficult-to-procure coverage for micro/small/minority sub-contractors as a component of District's initiatives.

PROGRAM HIGHLIGHTS

M-DCPS Educator Named 2013 National Teacher-of-the-Year by Magnet Schools of America Tere Pujol-Burns, lead teacher of the International Studies Magnet Program at Sunset Elementary School, was named the 2013 National Teacher of the Year by Magnet Schools of America. The award recognizes an outstanding, dedicated full-time magnet teacher who exemplifies excellence in academic achievement through innovative programs that promote equity and diversity for students in magnet schools, and who has demonstrated excellence in the teaching profession, community, and parental involvement.



Thirty-five National Magnet Schools of Merit Awards Thirty-five Magnet Schools in Miami-Dade County public schools have been recognized by Magnet Schools of America for their commitment to high academic standards, curriculum innovation, successful desegregation/diversity efforts, specialized teaching staffs, and parent community involvement. No other school district has ever received such a high number of awards within a single school year, and for the second year in a row, M-DCPS out-performed all other school districts nationwide by a large margin.

Twenty-one Schools Named Best Twenty-one Miami-Dade County public high schools earned their way onto Newsweek magazine's list of the 1,000 Best High Schools in America.

Teen and Police Service Academy School Police will be launching clubs in up to five schools, pairing officers as club sponsors with at-risk teens. Participants will engage in public service projects, peer-to-peer counseling and other activities designed to reduce youth crime and truancy and increase positive relationships and successful school outcomes.



Computer Refresh and Mobile Device Initiative The District will be investing in new computers and mobile digital devices for student use. As part of the District's Digital Conversion, this endeavor will broaden technology access, leveraging the new wireless infrastructure provided through last year's E-Rate funded wireless initiative.



WiFi Zones Students will be able to access the web and educational content anywhere they carry their digital devices, and schools will be transformed into "virtual" neighborhood hubs with the capacity to provide free Internet access, particularly in underserved communities.

Technology-based, indoor, fitness trail for elementary school recess This innovative program will motivate students and teachers to embrace physical activity as a lifelong habit.

Adult Education Student Portal The portal will offer a unified web presence where individuals can easily access information, curriculum, records, schedule appointments, and even take care of any financial obligations.

Leading Edge Certification - Digital Educator Miami-Dade teachers will have the opportunity to receive training aligned to national benchmarks, indicators, and competencies associated with the effective use of educational technology.



iHeat Peer Assistance and Review Program Designed as a complement to the District's teacher evaluation system, iHeat will allow teachers in selected schools to participate in peer observations, receive job-embedded support and professional development, and get feedback that will lead to performance improvement.

e-VALUE Custodial Training Program and Evaluation Guide The guide will ensure that high standards are uniformly applied district-wide, and that the District's custodial staff receive training and access to educational opportunities that will enhance their professional skills.

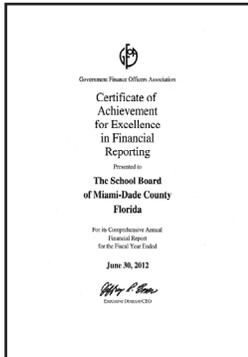
M-DCPS Administrators Named Top Principal and Assistant Principal in Florida Two Miami-Dade County Public Schools' administrators won top honors for their superior leadership skills during the eighth-annual Commissioner's Summit for Principals. Dr. Pablo Ortiz, former principal of Miami Edison Senior High, was named the Florida Outstanding Principal of the Year and Denise Barrett-Johnson, assistant principal at Lake Stevens Middle School was named Florida Outstanding Assistant Principal of the Year.





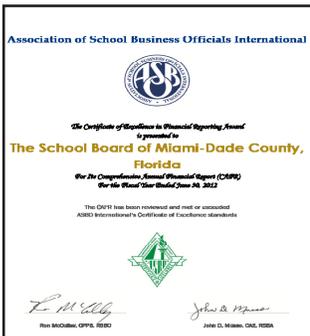
Financial Awards The Council of the Great City Schools recently recognized the Miami-Dade County Public Schools (M-DCPS) for employing the highest standards in financial management, accountability and fiscal control.

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.



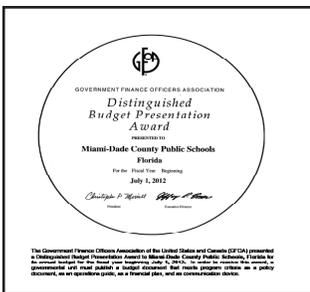
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to The School Board of Miami-Dade County for the fiscal year ended June 30, 2012. This was the twenty-eight consecutive year that the District 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, 2012. This is the twenty-nine 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, 2012. In order to qualify for the Distinguished Budget Presentation Award, the District's budget document was judged 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



Richard H. Hinds, Ed.D., 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. Lawrence S. Feldman
Vice-Chair
District 9



Dr. Wilbert "Tee" Holloway
District 1



Dr. Dorothy Bendross-Mindingall
District 2



Dr. Martin Karp
District 3



Ms. Susie V. Castillo
District 5



Ms. Raquel A. Regalado
District 6



Mr. Carlos L. Curbelo
District 7



Dr. Marta Pérez
District 8

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

Mr. Carlos L. Curbelo, Member from District No. 7

Present term began	November 2012
Present term expires	November 2016
Began as a Board Member	November 2010

Dr. Marta Pérez, Member from District No. 8

Present term began	November 2010
Present term expires	November 2014
Began as a Board Member	November 1998

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

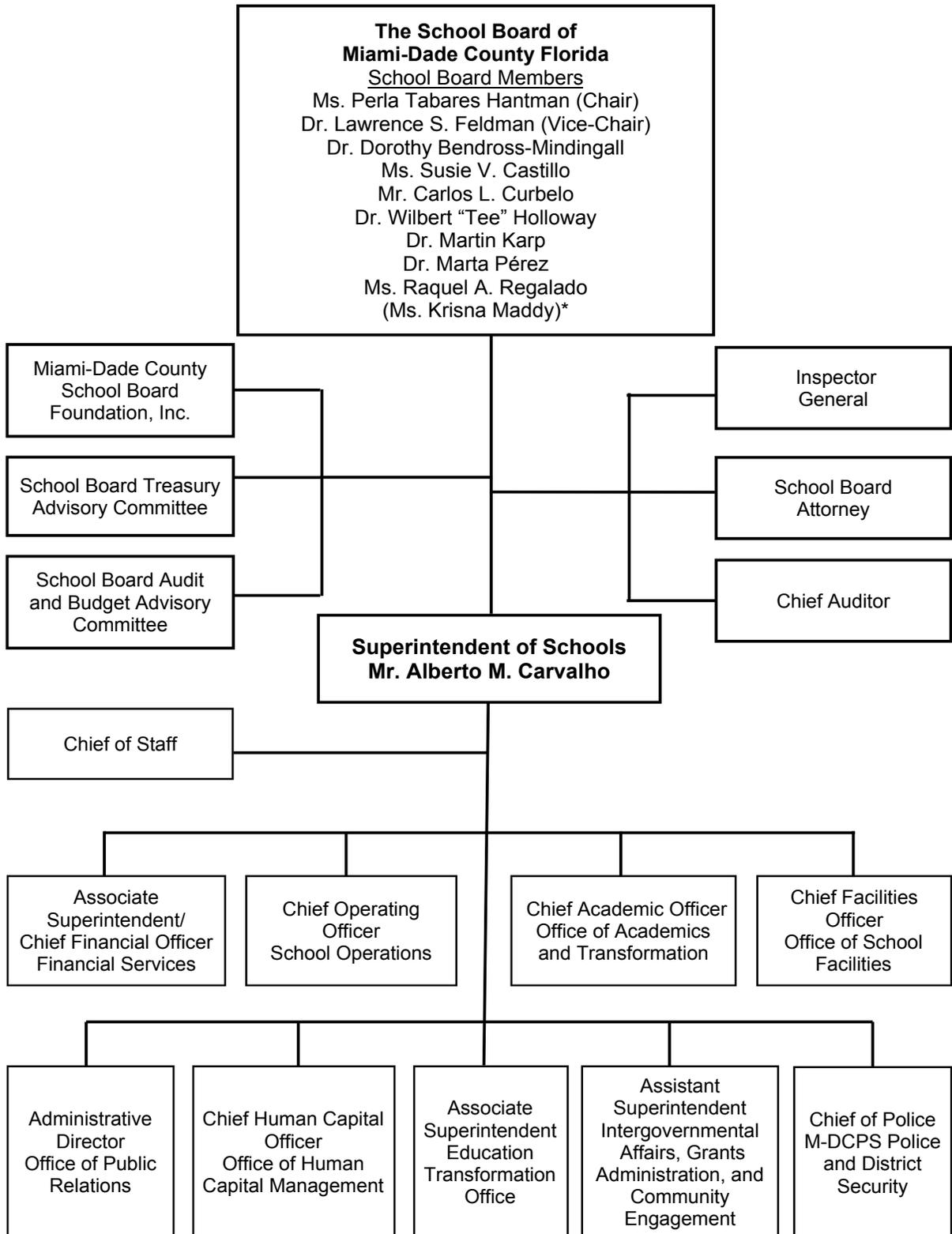
Present term began	November 2012
Present term expires	November 2016
Began as a Board Member	November 2008

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Other Principal Officials - Appointed

Mr. Alberto M. Carvalho	Superintendent of Schools
Ms. Milagros R. Fornell	Chief of Staff
Dr. Richard H. Hinds	Associate Superintendent/Chief Financial Officer, Office of Financial Services
Mrs. Valtena G. Brown	Chief Operating Officer, School Operations
Ms. Maria L. Izquierdo	Chief Academic Officer, Office of Academics and Transformation
Mr. Ian A. Moffett	Chief of Police and District Security
Dr. Pablo G. Ortiz	Associate Superintendent, Education Transformation, Education Transformation Office
Mr. Jaime G. Torrens	Chief Facilities Officer, Office of School Facilities
Ms. Enid Weisman	Chief Human Capital Officer, Office of Human Capital Management
Ms. Iraida R. Mendez-Cartaya	Assistant Superintendent, Intergovernmental Affairs, Grants Administration, and Community Engagement
Mr. John Schuster	Administrative Director, Office of Public Relations

**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, 2012

Executive Director/CEO

Association of School Business Officials International



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

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

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2012*

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 'Ron McCulley', written over a horizontal line.

Ron McCulley, CPPB, RSBO
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

Date: January 18, 2012

II. Financial Section





Independent Auditor's Report

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

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, 2013, 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, 2013, 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.

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 funding progress, and schedules of employee 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 as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2013, on our consideration of the School Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.



Miami, Florida
November 25, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)



**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2013
(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, 2013.

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, 2013, the General Fund had a total fund balance of \$84.4 million. This fund balance was comprised of \$7.1 million of non-spendable funds, \$1.5 million of restricted funds, \$17.8 million of assigned funds and \$58.0 million of unassigned funds.

General fund balance decreased by \$(59.8) million or (41.5)% from the previous year primarily due to a shortfall in property tax revenues and increases in costs.

Capital Projects funds ended the year with a fund balance of \$68.8 million, a decrease of \$(66.2) million or (49)% from the previous year primarily due to declining revenues as a result of a lower tax roll and debt capacity limitations.

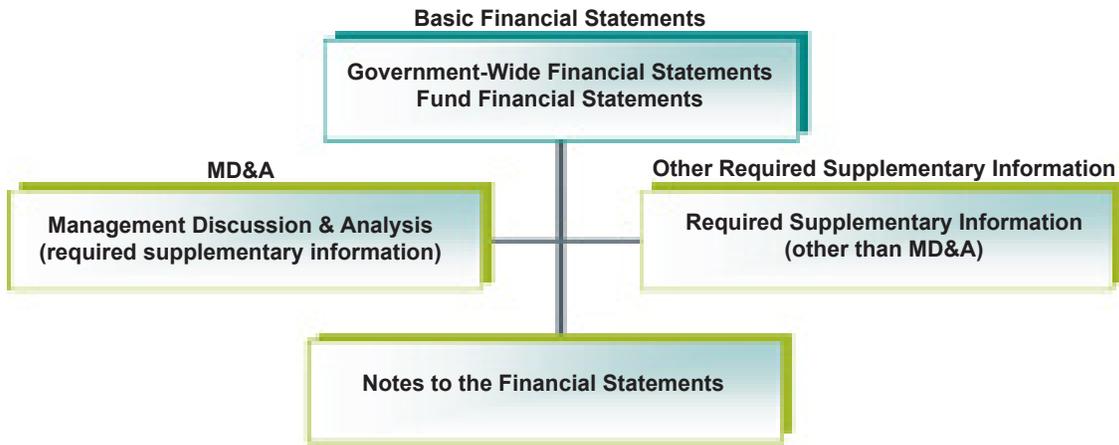
Debt Service funds ended the year with a fund balance of \$77.6 million, a decrease of \$(2.1) million or (2.6)% from the previous year primarily due to funds used to refund previously issued debt.

Special Revenue funds ended the year with a fund balance of \$18.1 million, an increase of \$804 thousand or 4.6% from the previous year primarily due to slight increases in revenue in the Food Service fund.

Both Moody's Investor Services and Standard & Poor's maintained the District's stable outlook and cited the District's notable gradual financial improvement with a strong management team and future ability to fund capital improvements with general obligation debt of \$1.2 billion approved by the voters on November 6, 2012.

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. 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, Other Federal Programs, Federal Economic Stimulus Funds, American Recovery and Reinvestment Act (ARRA) Economic Stimulus Debt Service Fund, Capital Improvement-Local Optional Millage Levy (LOML) Funds, Certificates of Participation (COPs) Funds, and American Recovery and Reinvestment Act (ARRA) Economic Stimulus Capital Projects 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 90.

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, 2013 and 2012.

CONDENSED STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES June 30, 2013 and 2012 (\$ in millions)

Categories	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)
Current and Other Assets	\$ 509.7	\$ 697.2	\$ (187.5)	(26.9) %
Capital Assets, Net	4,663.8	4,724.9	(61.1)	(1.3) %
Total Assets	\$ 5,173.5	\$ 5,422.1	\$ (248.6)	(4.6) %
Deferred Outflows of Resources				
Accumulated decrease in fair value hedging derivatives	\$ 28.9	41.2	(12.3)	(29.9)
Current Liabilities	\$ 399.7	\$ 445.3	\$ (45.6)	(10.2) %
Long-term Liabilities	3,407.3	3,529.5	(122.2)	(3.5) %
Total Liabilities	3,807.0	3,974.8	(167.8)	(4.2) %
Net Position				
Net Investment in Capital Assets	1,550.2	1,626.4	(76.2)	(4.7)
Restricted	104.2	120.5	(16.3)	(13.5) %
Unrestricted (deficit)	(259.0)	(258.4)	(0.6)	(0.2) %
Total Net Position	\$ 1,395.4	\$ 1,488.5	\$ (93.1)	(6.3) %

The District's total assets plus deferred outflows of resources were \$5.2 billion and total liabilities were \$3.8 billion as of June 30, 2013. Both assets and liabilities declined as result of the use of resources to reduce liabilities.

The District's net position totaled approximately \$1.4 billion. Most of this amount represents the District's 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 \$104.2 million are reported separately to show legal constraints, from debt covenants and enabling legislation. The \$(259.0) million 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, and other post employment benefits, at June 30, 2013. 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, 2013 and 2012.

CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES For Fiscal Years Ended June 30, 2013 and 2012 (\$ in millions)

Revenues	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)	
Program Revenues:					
Charges for Services	\$ 54.5	60.7	\$ (6.2)	(10.2)	%
Operating Grants & Contributions	132.5	121.7	10.8	8.9	%
Capital Grants & Contributions	50.7	38.2	12.5	32.7	%
Total Program Revenues	237.7	220.6	17.1	7.8	%
General Revenues:					
Ad Valorem Taxes	1,525.0	1,537.6	(12.6)	(0.8)	%
Grants & Contributions Not					
Restricted to Specific Programs	1,495.7	1,415.4	80.3	5.7	%
Investment Earnings	3.2	3.7	(0.5)	(13.5)	%
Miscellaneous Revenues	47.0	33.4	13.6	40.7	%
Total General Revenues	3,070.9	2,990.1	80.8	2.7	%
Total Revenues	3,308.6	3,210.7	97.9	3.0	%
Expenses					
Instructional Services	1,960.1	1,918.3	41.8	2.2	%
Instructional Support Services	284.4	277.4	7.0	2.5	%
Pupil Transportation	82.5	81.5	1.0	1.2	%
Operations & Maintenance of Plant	342.7	344.3	(1.6)	(0.5)	%
Food Service	150.3	145.1	5.2	3.6	%
School Administration	153.6	154.6	(1.0)	(0.6)	%
General Administration	13.8	11.3	2.5	22.1	%
Business/Central Services	67.0	69.7	(2.7)	(3.9)	%
Facilities Acquisition and Construction	26.6	77.9	(51.3)	(65.9)	%
Administrative Technology Services	3.2	2.9	0.3	10.3	%
Interest on Long-Term Debt	129.3	136.3	(7.0)	(5.1)	%
Community Services	31.0	30.3	0.7	2.3	%
Unallocated Depreciation	157.2	155.6	1.6	1.0	%
Total Expenses	3,401.7	3,405.2	(3.5)	(0.1)	%
Increase (Decrease) in Net Position	(93.1)	(194.5)	101.4	52.1	%
Net Position Beginning	\$ 1,488.5	1,683.0	\$ (194.5)	(11.6)	%
Net Position Ending	\$ 1,395.4	1,488.5	\$ (93.1)	(6.3)	%

General Revenues for Ad Valorem Taxes decreased by \$(12.6) million or (0.8)% from the previous fiscal year as a result of decreases in property values. Grants & Contributions Not Restricted to Specific Programs increased by \$80.3 million or 5.7% primarily attributed to increases in state revenues, as well as other federal and local grants.

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 totaled \$3,244.5 million, excluding unallocated depreciation expense, of which \$237.7 million were financed by charges for services and other program revenues. The resulting net costs of \$3,006.8 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, 2013 and 2012 (\$ in millions)

	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)	
Total Cost of Services					
School Level Services	\$ 2,720.2	\$ 2,674.1	\$ 46.1	1.7	%
Instructional Support Services	284.4	277.4	7.0	2.5	%
Business/Central Services	199.5	208.9	(9.4)	(4.5)	%
General Administration	13.8	11.3	2.5	22.1	%
Facilities Acquisition & Construction	26.6	77.9	(51.3)	(65.9)	%
Total Cost of Services *	\$ 3,244.5	\$ 3,249.6	\$ (5.1)	(0.2)	%
Net Cost of Services					
School Level Services	\$ 2,518.8	\$ 2,477.2	\$ 41.6	1.7	%
Instructional Support Services	284.4	277.4	7.0	2.5	%
Business/Central Services	185.9	195.3	(9.4)	(4.8)	%
General Administration	13.8	11.3	2.5	22.1	%
Facilities Acquisition & Construction	3.9	67.8	(63.9)	(94.2)	%
Net Cost of Services *	\$ 3,006.8	\$ 3,029.0	\$ (22.2)	(0.7)	%

* 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, Other Federal Programs, Federal Economic Stimulus Funds, ARRA Economic Stimulus Debt Service Fund, Capital Improvement-Local Optional Millage Levy (LOML) Funds, Certificates of Participation (COPs) Funds, and ARRA Economic Stimulus Capital Projects 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 90.

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 2012/13 and 2011/12 (\$ in thousands)

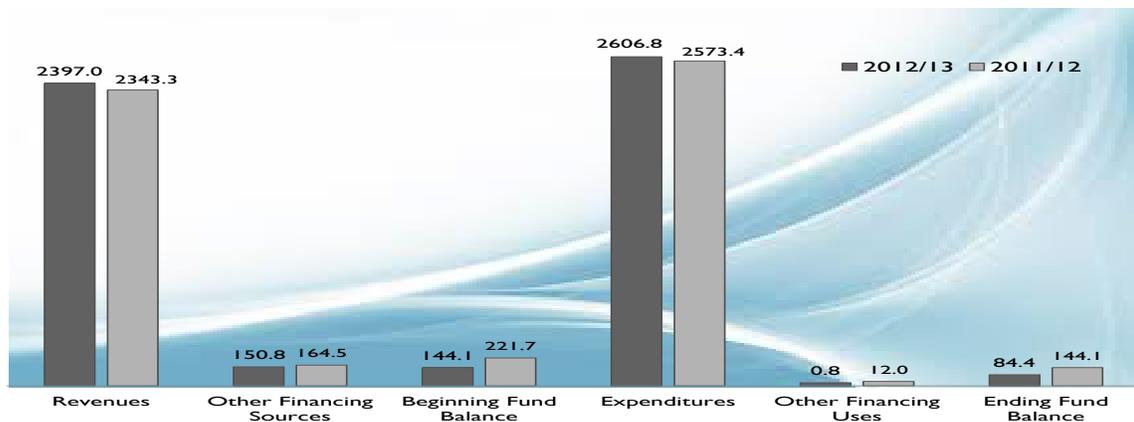
Categories	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)
Revenues	\$ 2,396,992	\$ 2,343,309	\$ 53,683	2.3 %
Other Financing Sources	150,828	164,518	(13,690)	(8.3) %
Beginning Fund Balance	144,143	221,712	(77,569)	(35.0) %
Total	\$ 2,691,963	\$ 2,729,539	\$ (37,576)	(1.4) %
Expenditures	\$ 2,606,809	\$ 2,573,396	\$ 33,413	1.3 %
Other Financing Uses	804	12,000	(11,196)	(93.3) %
Ending Fund Balance	84,350	144,143	(59,793)	(41.5) %
Total	\$ 2,691,963	\$ 2,729,539	\$ (37,576)	(1.4) %

The General Fund is the chief operating fund of the District. Revenues increased by \$53.7 million or 2.3% from the previous year. The increase is primarily due to a slight increase in the Base Student Allocation (BSA) and other State Categoricals.

Expenditures increased by \$33.4 million or 1.3% from the previous year. The increase in expenditures can be attributed to the increases in health insurance costs and increased payments to the growing number of charter schools.

Ending Fund Balance decreased by \$(59.8) million or (41.5)% primarily due to a shortfall in the collection of property tax revenues and increased costs.

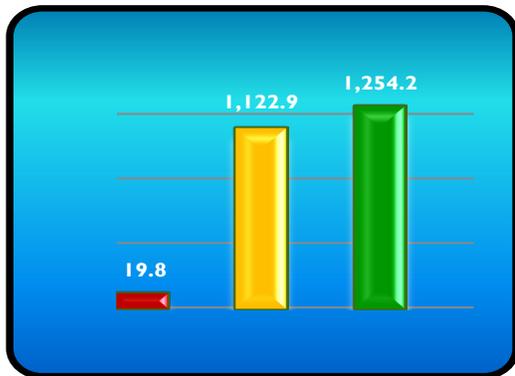
CHANGES IN GENERAL FUND ACTIVITY For Fiscal Years 2012/13 and 2011/12 (\$ in millions)



GENERAL FUND (continued)

Revenues By Source

Revenues - Overall revenues increased by \$53.7 million or 2.3% as follows:



REVENUES BY SOURCE
For Fiscal Years 2012/13 and 2011/12
(\$ in thousands)

Sources	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)
Federal	\$ 19,815	\$ 19,121	\$ 694	3.6 %
State	1,122,937	1,063,385	59,552	5.6 %
Local	1,254,240	1,260,803	(6,563)	(0.5) %
Total	\$ 2,396,992	\$ 2,343,309	\$ 53,683	2.3 %

■ Federal ■ State ■ Local

Federal sources increased slightly by \$.7 million or 3.6% from the prior year. This increase was primarily due to an increase in Medicaid reimbursement.

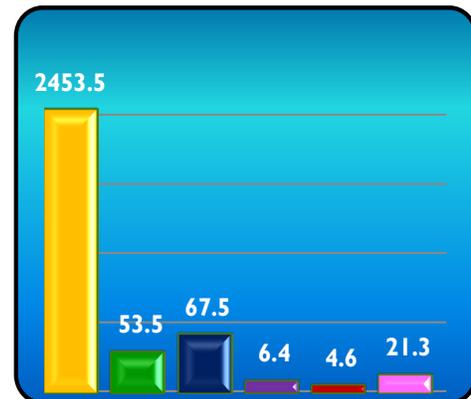
State sources increased by \$59.6 million or 5.6% from the prior year. This increase was primarily due to increases in FEFP funding and other State Categoricals.

Local sources decreased by \$(6.6) million or (0.5)% from the prior year. This decrease was primarily due to a reduction in property taxes due to a lower tax roll resulting from the real estate market decline together with reductions in investment interest revenue. These declines were partially offset by increases in other local revenues.

Expenditures By Function

Expenditures - Overall expenditures increased by \$33.4 million or 1.3% as follows:

Functions	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)
School Level Services	\$ 2,453,509	\$ 2,428,682	\$ 24,827	1.0 %
Instructional Support Services	53,502	50,437	3,065	6.1 %
Business Services/ Central Adm.	67,534	71,175	(3,641)	(5.1) %
School Board	6,362	6,210	152	2.4 %
General Administration	4,570	5,007	(437)	(8.7) %
Facilities & Other Capital Outlay	21,332	11,885	9,447	79.5 %
Total	\$ 2,606,809	\$ 2,573,396	\$ 33,413	1.3 %



■ 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 2012-13 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.

OTHER FEDERAL PROGRAMS

While the primary sources of revenue for this fund are federal grants, some state and local grants are included. Grants included in this fund, both entitlement and competitive, have restrictions on how the grant proceeds may be used. These restrictions are established by the grantor agencies or organizations. As a result, in compliance with generally accepted accounting principles, revenues in this fund are recognized only to the extent that eligible expenditures have been incurred. Therefore, no fund balance is recognized.

FEDERAL ECONOMIC STIMULUS FUNDS

For the fiscal year ended June 30, 2013 the District received \$45.1 million in Federal Economic Stimulus Funds. Of this amount \$30.1 million was in Race to the Top (RTTT) grants. RTTT is a program designed to spur reforms in state and local district K-12 education.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) ECONOMIC STIMULUS DEBT SERVICE FUND

The American Recovery and Reinvestment Act (ARRA) Economic Stimulus Debt Service Fund was established for Debt Services for American Recovery and Reinvestment Act school construction bonds.

CAPITAL IMPROVEMENT-LOCAL OPTIONAL MILLAGE LEVY (LOML)

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 to the operating budget. For the 2012-13 fiscal year the District availed itself of 0.061 of the 0.25 mills flexibility provided by law. Total fund balance of \$34.5 million represents a reduction of \$(22.1) million or (39.0)% from the previous year related to the reduction in property tax revenues. The total \$34.5 million fund balance is restricted for capital projects.

CERTIFICATES OF PARTICIPATION (COPs) FUNDS

Certificates of Participation (COPs) Funds are a funding mechanism that provides funds for the construction of new facilities or for the purchase of vehicles, furniture and fixtures. Ending fund balances in the fiscal year 2012-2013 totaled 15.8 million compared to 30.9 million in the previous year representing a reduction of 15.1 million or 49% primarily due to a significant reduction in the construction program resulting from decreased revenues and debt limitations. Total fund balance is restricted for capital projects according to legal restrictions imposed by the COPs Master Lease Agreement and Trust Indenture.



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 2012-13 were \$81.1 million less than the originally adopted budget as follows:

Federal funds were \$3.0 million higher than anticipated due primarily to an increase in the Medicaid reimbursements of \$3.5 million, and small decreases in Impact Aid, R.O.T.C. and Community Schools.

State funds were \$40.7 million less than the originally adopted budget primarily due to the elimination of McKay Scholarships \$35.2 million, a decrease in the FEFP funds received due to changes in enrollment of \$6.5 million, and miscellaneous small adjustments totalling an increase of \$1.0 million.

Local revenues were \$64.4 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 \$71.3 million, and increases in Community School Programs \$1.0 million, and in other accounts \$5.9 million.

Other Financing Services increased \$21.0 million due to the increase in transfers from other funds.

Ending fund balance as of June 30, 2013 was \$84.4 million comprised of nonspendable fund balances totaling \$7.1 million, representing inventories and prepaid items, restricted fund balance totaling \$1.5 million in state categorical programs, assigned fund balance \$17.8 million, which included rebudgets and outstanding purchase orders and unassigned fund balance totaling \$58.0 million.

In the fiscal year 2012-13 tentative budget, the District made budgetary reductions to manage increases in costs that exceed \$64.0 million. In the future the District will continue to review the budget, focusing on maintaining essential educational services as we anticipate continuing revenue shortfalls and cost increases.



CAPITAL ASSETS AND DEBT ADMINISTRATION

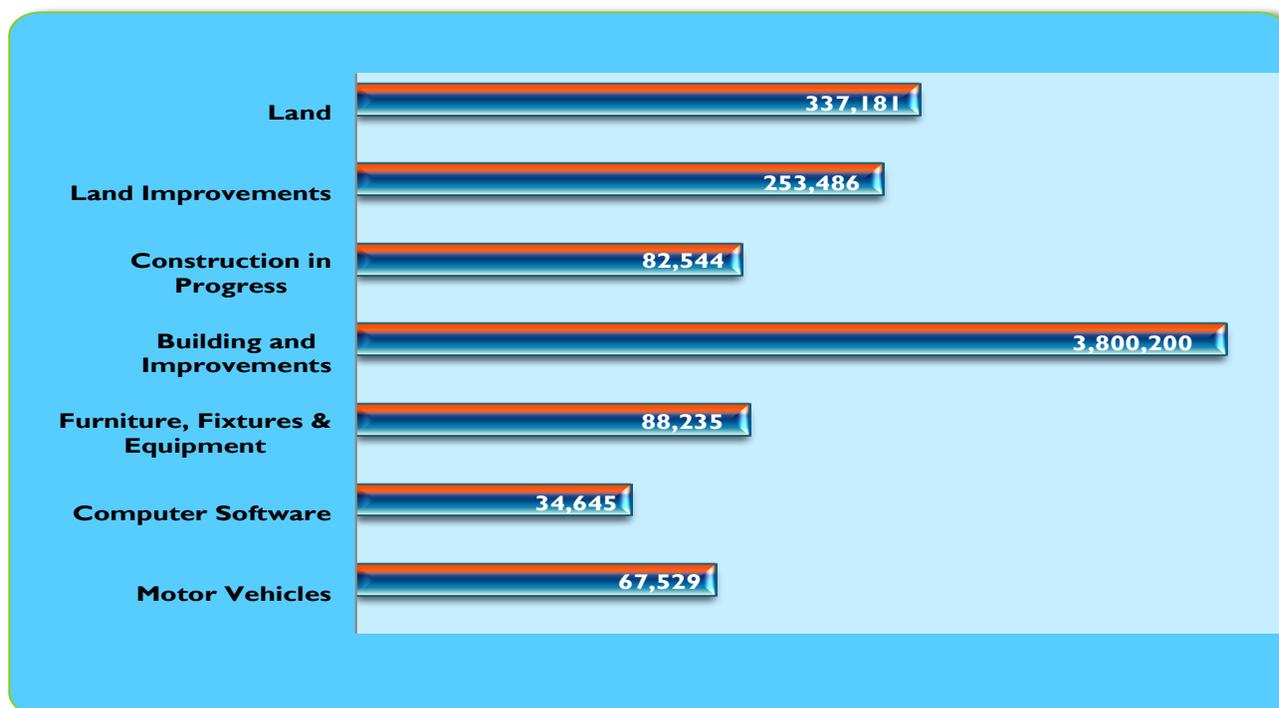
Capital Assets - At June 30, 2013, the District had \$4.7 billion invested in different categories of capital assets, net of accumulated depreciation, as shown in the table below.

CAPITAL ASSET ACTIVITY At June 30, 2013 and 2012 (\$ in thousands)

Categories	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)
Land	\$ 337,181	\$ 336,502	\$ 679	0.2 %
Land Improvements	253,486	239,922	13,564	5.7 %
Construction in Progress	82,544	61,939	20,605	33.3 %
Building and Improvements	3,800,200	3,889,545	(89,345)	(2.3) %
Furniture, Fixtures & Equipment	88,235	86,377	1,858	2.2 %
Computer Software	34,645	51,317	(16,672)	(32.5) %
Motor Vehicles	67,529	59,326	8,203	13.8 %
Total	\$ 4,663,820	\$ 4,724,928	\$ (61,108)	(1.3) %

Detailed information reflecting the District's capital asset balances and activity for the fiscal year ended June 30, 2013 is provided in Note 4 to the Financial Statements.

CAPITAL ASSET ACTIVITY At June 30, 2013 (\$ 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.

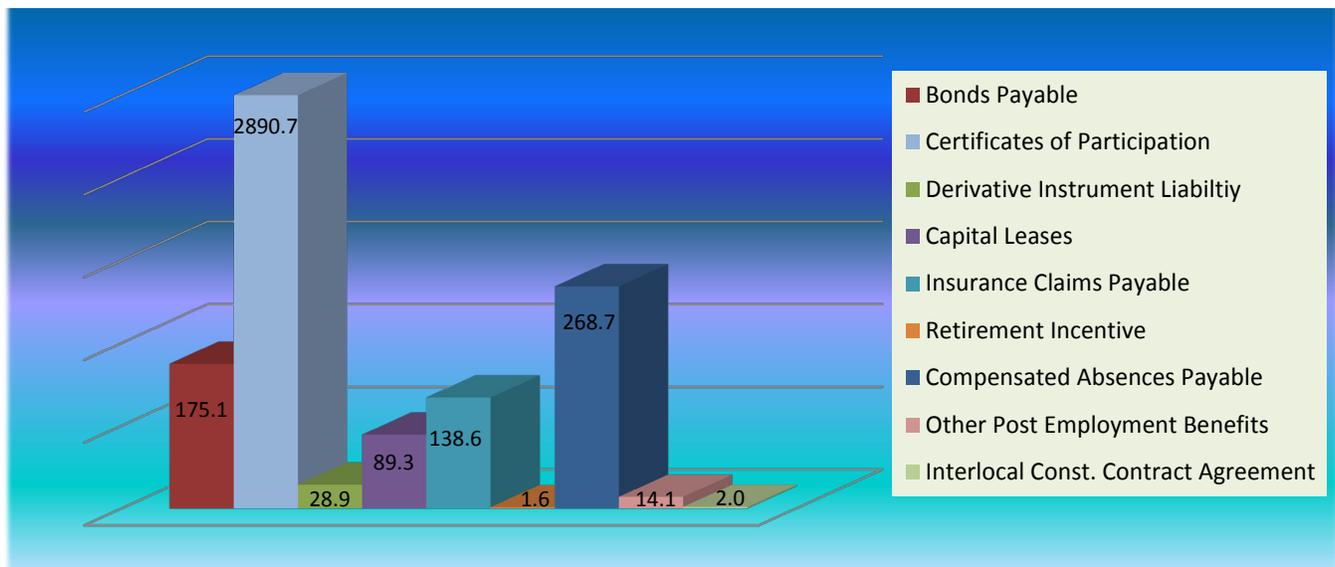
CHANGES IN LONG TERM LIABILITIES At June 30, 2013 and 2012 (\$ in thousands)

Categories	2012/13	2011/12	Difference Increase (Decrease)	% Increase (Decrease)
Bonds Payable	\$ 175,096	\$ 226,235	\$ (51,139)	(22.6) %
Certificates of Participation Payable by the Foundation	2,890,701	2,947,672	(56,971)	(1.9) %
Derivative Instrument Liability	28,863	41,182	(12,319)	(29.9) %
Capital Leases	89,332	120,096	(30,764)	(25.6) %
Insurance Claims Payable	138,635	129,776	8,859	6.8 %
Retirement Incentive Benefits	1,552	2,428	(876)	(36.1) %
Compensated Absences Payable	268,688	258,536	10,152	3.9 %
Other Post Employment Benefits	14,099	17,853	(3,754)	(21.0) %
Interlocal Construction Contract Agreement	2,000	400	1,600	400.0 %
Total	\$ 3,608,966	\$ 3,744,178	\$ (135,212)	(3.6) %

Overall liabilities decreased by \$(135.2) million or (3.6)% from the prior year. The most significant reductions are reflected in Bonds Payable of \$(51.1) million, Certificates of Participation of \$(57.0) million, and Capital Leases of \$(30.8) million. These reductions are primarily due to repayment of existing debt.

Detailed information relating to changes in long-term liabilities for the fiscal year ended June 30, 2013 is provided in Note 14 to the Financial Statements.

CHANGES IN LONG TERM LIABILITIES At June 30, 2013 and 2012 (\$ in millions)



ECONOMIC FACTORS

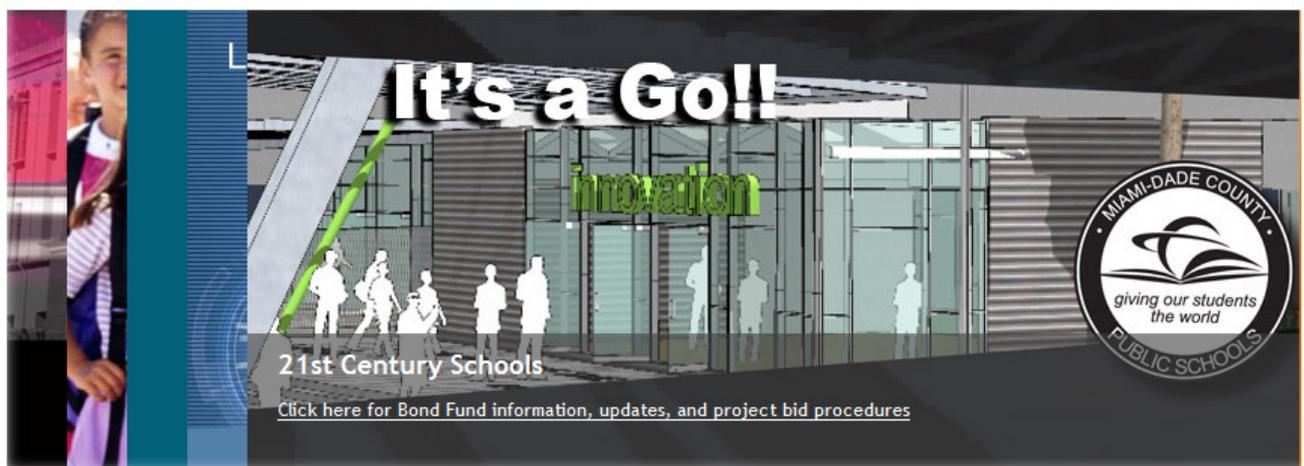
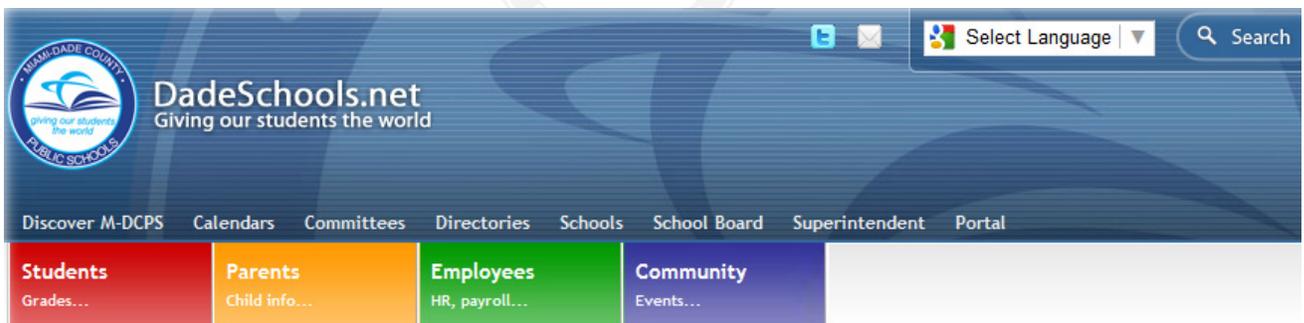
The State of Florida, by constitution, does not have a state personal income tax and therefore, the state operates primarily using sales, gasoline and corporate income taxes. Despite a slow economic recovery and continued funding challenges, the District, through prudent fiscal management, maintains 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, 2013
(amounts expressed in thousands)

	Primary Government
	Total Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 70,928
Cash and investments	149,436
Cash and investments with fiscal agents	1,463
Restricted cash and investments	2,554
Total cash, cash equivalents, and investments (Note 3)	224,381
Taxes receivable, net (Note 16)	74,952
Accounts and interest receivable	2,132
Due from other agencies (Note 6)	80,306
Inventories	9,282
Prepaid and other current assets	23,781
Total current assets	414,834
Non-current assets:	
Restricted cash and investments (Note 3)	70,340
Deferred debt issuance costs	24,590
Capital assets (Note 4):	
Non-depreciable capital assets	673,211
Depreciable capital assets	6,050,810
Less accumulated depreciation	(2,060,201)
Total capital assets, net	4,663,820
Total non-current assets	4,758,750
Total assets	5,173,584
DEFERRED OUTFLOWS OF RESOURCES	
Accumulated decrease in fair value of hedging derivatives	28,863
Total deferred outflows of resources	\$ 28,863

See accompanying notes to the basic financial statements

	<u>Primary Government Total Governmental Activities</u>
LIABILITIES	
Current liabilities:	
Accounts and contracts payable and accrued expenses	\$ 34,799
Accrued payroll payable	116,889
Due to other agencies (Note 6)	8,235
Unearned revenues	504
Accrued interest payable	31,762
Retainage payable on contracts	5,881
Current portion of long-term liabilities (Note 14)	201,617
Total current liabilities	<u>399,687</u>
Non-current liabilities:	
Non-current portion of long-term liabilities (Note 14)	<u>3,407,349</u>
Total non-current liabilities	<u>3,407,349</u>
Total liabilities	<u>3,807,036</u>
NET POSITION	
Net investment in capital assets	1,550,257
Restricted for:	
State required carryover programs	1,522
Food service	17,523
Debt service	44,570
Capital projects	38,448
Other purposes	2,130
Unrestricted (deficit)	(259,039)
Total net position	<u>\$ 1,395,411</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
 (amounts expressed in thousands)

	Program Revenues		
Expenses	Charges for Services	Operating Grants and Contributions	
Primary government:			
Governmental Activities:			
Instructional services	\$ 1,960,112	\$ 32,219	\$ -
Instructional support services	284,372	-	-
Pupil transportation services	82,507	715	-
Operation and maintenance of plant	342,735	-	-
School administration	153,552	-	-
General administration	13,806	-	-
Business/central services	66,956	-	-
Administrative technology services	3,223	-	-
Food services	150,301	21,546	132,541
Community services	30,982	-	-
Facilities acquisition and construction	26,584	-	-
Interest on long-term debt	129,252	-	-
Unallocated depreciation/amortization (*) (Note 4)	157,235	-	-
Total governmental activities	\$ 3,401,617	\$ 54,480	\$ 132,541

(*) This amount excludes depreciation/amortization that is included in the direct expenses of the various functions.

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>
\$ -	\$ (1,927,893)
-	(284,372)
-	(81,792)
14,394	(328,341)
-	(153,552)
-	(13,806)
-	(66,956)
-	(3,223)
-	3,786
-	(30,982)
22,708	(3,876)
13,591	(115,661)
-	(157,235)
<u>\$ 50,693</u>	<u>(3,163,903)</u>

General Revenues:

Taxes (Note 16):

Property Taxes, Levied for Operational Purposes	1,184,421
Property Taxes, Levied for Debt Service	44,454
Property Taxes, Levied for Capital Projects	296,122
Grants and Contributions Not Restricted to Specific Programs	1,495,657
Investment Earnings	3,228
Other	46,986
Total General Revenues	<u>3,070,868</u>

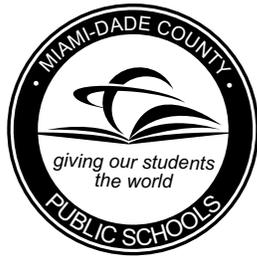
Change in Net Position	(93,035)
Net Position - Beginning of Year	1,488,446
Net Position - End of Year	<u>\$ 1,395,411</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013
(amounts expressed in thousands)

	General	Other Federal Programs	Federal Economic Stimulus Funds
ASSETS			
Cash and cash equivalents	\$ 70,722	\$ 121	\$ -
Equity in pooled cash and investments	45,595	149	313
Cash and investments with fiscal agents (Note 12)	-	-	-
Total cash, cash equivalents, and investments (Note 3)	116,317	270	313
Taxes receivable, net (Note 16)	53,738	-	-
Accounts and interest receivable	1,774	-	-
Due from other agencies (Note 6)	20,772	29,065	6,147
Due from other funds (Note 5)	38,090	-	-
Inventories	6,173	-	-
Prepaid and other assets	1,568	-	-
Total assets	\$ 238,432	\$ 29,335	\$ 6,460
LIABILITIES			
Accounts and contracts payable and accrued expenditures	\$ 17,268	\$ 2,848	\$ 4,199
Accrued payroll and compensated absences (Notes 8 and 14)	119,681	1,528	477
Due to other funds (Note 5)	-	22,878	1,608
Due to other agencies (Note 6)	2,500	1,957	-
Deferred/unearned revenues	12,159	120	-
Accrued interest payable	-	-	-
Estimated liability for insurance risks and pending claims (Notes 13 and 18)	2,465	-	-
Retainage payable on contracts	9	4	176
Total liabilities	154,082	29,335	6,460
FUND BALANCES			
Nonspendable	7,138	-	-
Restricted	1,522	-	-
Assigned	17,733	-	-
Unassigned	57,957	-	-
Total fund balances	84,350	-	-
Total liabilities and fund balances	\$ 238,432	\$ 29,335	\$ 6,460

See accompanying notes to the basic financial statements

ARRA Economic Stimulus Debt Service	Capital Improvement LOML Funds	Certificates of Participation	ARRA Economic Stimulus Capital Projects	Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 85	\$ 70,928
21	8,469	22,750	-	104,079	181,376
-	-	-	-	1,463	1,463
<u>21</u>	<u>8,469</u>	<u>22,750</u>	<u>-</u>	<u>105,627</u>	<u>253,767</u>
-	18,459	-	-	2,755	74,952
-	31	4	-	55	1,864
-	-	-	-	24,322	80,306
-	-	-	-	-	38,090
-	-	-	-	3,109	9,282
-	22,213	-	-	-	23,781
<u>\$ 21</u>	<u>\$ 49,172</u>	<u>\$ 22,754</u>	<u>\$ -</u>	<u>\$ 135,868</u>	<u>\$ 482,042</u>
\$ 21	\$ 2,729	\$ 2,543	\$ -	\$ 5,073	\$ 34,681
-	-	-	-	262	121,948
-	-	2,902	-	10,702	38,090
-	-	-	-	3,778	8,235
-	8,292	-	-	1,237	21,808
-	-	-	-	29	29
-	-	-	-	-	2,465
-	3,655	1,508	-	529	5,881
<u>21</u>	<u>14,676</u>	<u>6,953</u>	<u>-</u>	<u>21,610</u>	<u>233,137</u>
-	22,213	-	-	3,109	32,460
-	12,283	15,801	-	109,754	139,360
-	-	-	-	1,395	19,128
-	-	-	-	-	57,957
<u>-</u>	<u>34,496</u>	<u>15,801</u>	<u>-</u>	<u>114,258</u>	<u>248,905</u>
<u>\$ 21</u>	<u>\$ 49,172</u>	<u>\$ 22,754</u>	<u>\$ -</u>	<u>\$ 135,868</u>	<u>\$ 482,042</u>



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013
(amounts expressed in thousands)

Total Fund Balances – Governmental Funds **\$ 248,905**

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	\$ 6,724,021	
Accumulated depreciation	<u>(2,060,201)</u>	4,663,820

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.		21,379
--	--	--------

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	
	41,222	
	Liabilities	
	<u>(37,815)</u>	
	Net Position	3,407

Deferred charges for issuance costs are not financial resources and therefore are not reported as assets in the governmental funds.		24,590
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Deferred outflows of resources resulting from the decreases in fair value of hedging derivative instruments are reported only on the statement of net		28,863
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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	(1,683)	
Interest payable	<u>(31,733)</u>	(33,416)

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	(175,096)	
Capital leases	(89,332)	
Compensated absences	(262,149)	
Retirement incentive benefits	(1,350)	
Other post-employment benefits obligation	(14,099)	
Certificates of participation	(2,890,701)	
Derivative instruments liability	(28,863)	
Other long-term liabilities	(2,000)	
Claims payable	<u>(98,547)</u>	(3,562,137)

Total Net Position – Governmental Activities **\$ 1,395,411**

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, 2013
 (amounts expressed in thousands)

	General	Other Federal Programs	Federal Economic Stimulus Funds
Revenues:			
Local sources:			
Ad valorem taxes (Note 16)	\$ 1,184,737	\$ -	\$ -
Food service sales	-	-	-
Interest income	925	-	-
Net increase (decrease) in fair value of investments	(41)	-	-
Local grants and other	68,619	4,593	-
Total local sources	<u>1,254,240</u>	<u>4,593</u>	<u>-</u>
State sources (Note 15):			
Florida education finance program	610,377	-	-
Food services	-	-	-
State grants and other	512,560	-	-
Total state sources	<u>1,122,937</u>	<u>-</u>	<u>-</u>
Federal sources:			
Federal grants and other	19,815	307,848	45,120
Food services	-	-	-
Total federal sources	<u>19,815</u>	<u>307,848</u>	<u>45,120</u>
Total revenues	<u>2,396,992</u>	<u>312,441</u>	<u>45,120</u>
Expenditures:			
Current:			
Instructional services			
Basic programs	1,350,465	123,426	26,006
Exceptional child programs	295,140	47,770	-
Adult and vocational-technical programs	80,994	13,108	85
Total instructional services	<u>1,726,599</u>	<u>184,304</u>	<u>26,091</u>
Instructional support services	174,977	90,213	12,401
Pupil transportation services	75,233	5,823	40
Operation and maintenance of plant	340,439	428	-
School administration	152,392	56	409
General administration	77,188	10,643	1,729
Food services	-	-	-
Community services	28,603	992	1,188
Capital outlay	30,427	19,982	3,262
Debt service (Notes 9, 10, 11 and 12):			
Principal retirement	485	-	-
Interest and fiscal charges	466	-	-
Total expenditures	<u>2,606,809</u>	<u>312,441</u>	<u>45,120</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(209,817)</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):			
Transfers in (Note 5)	149,930	-	-
Transfers out (Note 5)	(804)	-	-
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	423	-	-
Proceeds from loans/leases/construction agreements	475	-	-
Total other financing sources (uses)	<u>150,024</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(59,793)	-	-
Fund balances - beginning of year	144,143	-	-
Fund balances - end of year	<u>\$ 84,350</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements

ARRA Economic Stimulus Debt Service	Capital Improvement LOML Funds	Certificates of Participation	ARRA Economic Stimulus Capital Projects	Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ 291,812	\$ -	\$ -	\$ 43,557	\$ 1,520,106
-	-	-	-	21,545	21,545
-	172	51	21	2,121	3,290
-	(20)	1	13	(15)	(62)
-	-	-	-	26,660	99,872
-	291,964	52	34	93,868	1,644,751
-	-	-	-	-	610,377
-	-	-	-	2,146	2,146
-	-	-	-	29,621	542,181
-	-	-	-	31,767	1,154,704
-	-	-	-	8,335	381,118
-	-	-	-	122,149	122,149
-	-	-	-	130,484	503,267
-	291,964	52	34	256,119	3,302,722
-	-	-	-	-	1,499,897
-	-	-	-	-	342,910
-	-	-	-	-	94,187
-	-	-	-	-	1,936,994
-	-	-	-	-	277,591
-	-	-	-	-	81,096
-	-	-	-	62	340,929
-	-	-	-	-	152,857
-	-	-	-	-	89,560
-	-	-	-	151,711	151,711
-	-	-	-	46	30,829
-	38,944	15,074	23,291	17,664	148,644
-	-	-	-	132,632	133,117
2,299	79	-	-	100,436	103,280
2,299	39,023	15,074	23,291	402,551	3,446,608
(2,299)	252,941	(15,022)	(23,257)	(146,432)	(143,886)
2,299	-	-	-	169,603	321,832
-	(275,008)	(81)	(846)	(33,093)	(309,832)
-	-	-	-	255,175	255,175
-	-	-	-	19,772	19,772
-	-	-	-	(272,796)	(272,796)
-	-	-	-	-	423
-	-	-	-	1,600	2,075
2,299	(275,008)	(81)	(846)	140,261	16,649
-	(22,067)	(15,103)	(24,103)	(6,171)	(127,237)
-	56,563	30,904	24,103	120,429	376,142
\$ -	\$ 34,496	\$ 15,801	\$ -	\$ 114,258	\$ 248,905

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, 2013
(amounts expressed in thousands)

Total Net Change in Fund Balances - Governmental Funds **\$ (127,237)**

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	\$ (16,488)	
Revenues not recorded this year in the fund level statements are recorded as revenue in the government-wide statements	<u>21,379</u>	4,891

An internal service fund is used by the District to charge the costs of health premiums to individual funds. The decrease in net position of the internal service fund is reported with governmental activities. (358)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, recoveries and donations) is to increase net position. 64,279

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	73,699	
Depreciation expense for the fiscal year	<u>(199,085)</u>	(125,386)

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 Certificates of Participation	(255,175)	
Premium on refunding of Certificates of Participation	(19,772)	
Proceeds from Construction Agreements	(1,600)	
Proceeds from Loans/Leases	<u>(475)</u>	(277,022)

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.

Decrease in other post-employment benefits liability	3,754	
Amount of compensated absences earned in excess of the amount paid	(8,861)	
Decrease in accrued salaries and benefits	14	
Increase in insurance claims payable	<u>(7,048)</u>	(12,141)

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	52,538	
Repayment of debt principal for General Obligation Bonds	38,515	
Repayment of debt principal for Capital Leases	31,239	
Repayment of debt principal for State Board of Education Bonds	<u>10,825</u>	133,117

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. 272,796

Issuance costs related to the issuance of debt are reported as expenditures in the governmental funds; however, these costs are capitalized and amortized over the life of the related debt issuance. In the Statement of Activities, amortization is recorded as additional interest expense for the period.

Issuance costs	2,151	
Amortization of issuance costs	<u>(3,977)</u>	(1,826)

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	(31,733)	
Amortization of premium on State Board of Education Capital Outlay Bonds (SBEs)	68	
Amortization of premium on Certificates of Participation (COPs)	10,304	
Amortization of premium on General Obligation School Bonds (GOBs)	947	
Amortization of loss related to advance refunding of SBEs	(18)	
Amortization of loss related to advance refunding of COPs	(3,721)	
Amortization of loss related to advance refunding of GOBs	(32)	
Payment of interest related to advance refunding of COPs	(33,055)	
Prior year accrued interest paid during current fiscal year	<u>33,092</u>	(24,148)

Total Change in Net Position of Governmental Activities **\$ (93,035)**

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2013
(amounts expressed in thousands)

	<u>Health Insurance Fund</u>
ASSETS	
Investments	\$ 40,954
Accounts and interest receivable	268
Total assets	<u>\$ 41,222</u>
LIABILITIES	
Accounts payable	\$ 118
Unearned revenues	74
Estimated unpaid health claims	37,623
Total liabilities	<u>37,815</u>
NET POSITION	
Unrestricted	<u>\$ 3,407</u>
Total net position	<u><u>\$ 3,407</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, 2013
(amounts expressed in thousands)**

	Health Insurance Fund
OPERATING REVENUES	
Charges for services	\$ 362,555
Other operating revenues	1,838
Total operating revenues	364,393
OPERATING EXPENSES	
Salaries	158
Employee benefits	32
Purchased services	162
Claims	341,623
Other	10,810
Total operating expenses	352,785
OPERATING INCOME	11,608
NONOPERATING REVENUES	
Interest revenue	34
Total nonoperating revenues	34
INCOME BEFORE OPERATING TRANSFERS	11,642
Transfers Out	(12,000)
CHANGE IN NET POSITION	(358)
NET POSITION - Beginning of year	3,765
NET POSITION - End of year	\$ 3,407

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, 2013
(amounts expressed in thousands)

	<u>Health Insurance Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and interfund services provided	\$ 362,305
Payments for claims	(340,089)
Payments to suppliers for goods and services	(11,043)
Payments to employees	(190)
Other receipts	1,838
Net cash provided by operating activities	<u>12,821</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to other funds	(12,000)
Net cash used by noncapital financing activities	<u>(12,000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts from interest	46
Purchase of investments	(867)
Net cash used by investing activities	<u>(821)</u>
Change in cash and cash equivalents	-
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u>\$ -</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ 11,608
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in accounts receivable	(187)
Increase (decrease) in accounts payable	(71)
Increase (decrease) in unearned revenues	(63)
Increase (decrease) in estimated unpaid claims	1,534
Total adjustments	<u>1,213</u>
Net cash provided by operating activities	<u>\$ 12,821</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, 2013
(amounts expressed in thousands)

	Pension Trust Fund	Agency Fund Schools' Internal Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ -	\$ 5,015
Investments		
Bonds	-	14,587
Certificates of deposit	-	3,022
Commercial paper	8,498	-
Equity mutual funds	15,456	-
Money market mutual funds	601	124
Total cash, cash equivalents, and investments	<u>24,555</u>	<u>22,748</u>
Interest receivable	-	34
Total assets	<u>\$ 24,555</u>	<u>\$ 22,782</u>
LIABILITIES		
Accounts payable	\$ -	\$ 30
Due to other agencies	-	3,892
Due to student organizations	-	18,860
Total liabilities	<u>-</u>	<u>\$ 22,782</u>
NET POSITION		
Held in trust for pension benefits	<u>24,555</u>	
Total net position	<u>\$ 24,555</u>	

See accompanying notes to the basic financial statements

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(amounts expressed in thousands)**

	Pension Trust Fund
ADDITIONS:	
Employer contributions (Note 17)	\$ 1,942
Interest on investments	225
Net increase in the fair value of investments	2,817
Less investment expenses	(6)
Total additions	4,978
DEDUCTIONS:	
Retirement benefit payments	4,139
Trustee services	10
Total deductions	4,149
Change in net position	829
Net position held in trust for pension benefits at beginning of year	23,726
Net position held in trust for pension benefits at end of year	\$ 24,555

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, 2013

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 its component unit, The Miami-Dade County School Board, Inc. (the "Foundation"). 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.

The District adopted GASB Statement No. 61 in the 2012-13 fiscal year financial statements. Based on the application of the Statement, 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.

Based on the application of the above GASB Statement criteria, the following component unit is included within the District's reporting entity:

Blended Component Units

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, 2013

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.

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.

Other Federal Programs accounts for and reports grant funds received from federal, state, and local sources.

Federal Economic Stimulus Funds account for and report on funds received from The American Recovery and Reinvestment Act of 2009 to stimulate the economy, save jobs and improve education. This fund did not meet the minimum criteria for major fund determination during fiscal year 2013. However, it will continue to be presented as a major fund for the purpose of consistency and at the discretion of the District.

ARRA Economic Stimulus Debt Service Fund accounts for and reports on Debt Service for American Recovery and Reinvestment Act school construction bonds. This fund did not meet the minimum criteria for major fund determination during fiscal year 2013. However, it will continue to be presented as a major fund for the purpose of consistency and at the discretion of the District.

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 2013. However, it will continue to be presented as a major fund for the purpose of consistency and at the discretion of the District.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

B. Basis of Presentation - continued

Certificates of Participation (COPs) Funds account for and report on funds received from the issuance of Certificates of Participation, used for the acquisition and construction of schools and ancillary schools. Also included are the Qualified Zone Academy Bonds used for renovations on existing schools. Given the importance of the COPs Funds, management has elected to consider these funds as a major fund.

ARRA Economic Stimulus Capital Projects Funds account for and report on proceeds received from the issuance of Qualified School Construction Bonds (QSCBs) and Build America Bonds (BABs) used for the construction, rehabilitation and/or repair of school facilities. This fund did not meet the minimum criteria for major fund determination during fiscal year 2013. However, it will continue to be presented as a major fund for the purpose of consistency and at the discretion of the District.

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.

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.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

C. Measurement Focus and Basis of Accounting – continued

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 debt are recognized when due.

Proprietary Fund – Proprietary funds are accounted for in accordance with the Governmental Accounting Standards Board, GASB issued Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. 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 insurance claims, administrative expenses and fees. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The Pension Trust Fund is reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and all liabilities associated with the operation of this fund 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).

D. New Pronouncements – Adopted and Unadopted

The GASB issued Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements in December 2010. This Statement codifies all sources of generally accepted accounting principles for state and local governments so that they derive from a single source.

The GASB issued Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Positions effective for reporting periods beginning after December 15, 2011. The statement provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The District adopted GASB 63 in the 2012-13 fiscal year financial statements and reclassified the prior net assets as net positions. In the statement of net position, assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position.

The GASB issued Statement No. 65, Items Previously Reported as Assets and Liabilities in March 2012. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

D. New Pronouncements – Adopted and Unadopted - continued

The GASB issued Statement No. 66, *Technical Corrections-2012 (an amendment of GASB Statements No. 10 and No. 62)* in March 2012. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012.

The GASB issued Statement No. 67, *Financial Reporting for Pension Plans (an amendment of GASB Statement No. 25)* in June 2012. This Statement is effective for financial statements for fiscal years beginning after June 15, 2013.

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 adoption of this Statement will require the District to record a liability for the unfunded portion of its cost sharing plan. The unfunded portion has not yet been determined.

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

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 are carried at fair value and include U.S. Agency obligations, Commercial Paper, Money Market Mutual Funds, Time Deposits and Guaranteed Investment Contract. Pension Trust Fund investments are recorded at fair value and include: U.S. Agency obligations, corporate bonds, money market funds, and corporate stocks.

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.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

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

Certain proceeds from bonds and Certificates of Participation (COPs) issuances, as well as resources for debt service payments and food service, are classified as restricted net assets on the Statement of Net Position because their use is limited by applicable bond covenants and other legal restrictions.

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

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:

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

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.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

K. Long-Term Debt and Compensated Absences

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, vested vacation and sick pay benefits, estimate for anticipated non-vested sick pay benefits, interlocal construction contract liabilities and postretirement benefits payable in future years. Bond premiums/discounts are amortized over the life of the bonds using the effective-interest method; while deferred gain/loss on advance refundings and issuance costs are amortized over the shorter of the remaining life of the refunded bonds or the life of the new bonds in a systematic and rational method, which approximates the effective-interest method.

In the fund financial statements, bond premiums and discounts, as well as issuance costs 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.

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 insurance claims reported and on insurance 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 fund level and government-wide presentations.

The District provides health insurance for its employees and eligible dependents. Effective January 1, 2010, the district changed from a fully insured plan to 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 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 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. 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 review as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as reductions of revenue in the year the adjustment is made.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

M. State Revenue Sources - Continued

The District receives revenue from the state to administer certain educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same educational programs. Any unused money is returned to the FDOE and so recorded in the year when returned. 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. The District received PECO appropriations during the 2012-13 fiscal year, solely for the distribution to the District's eligible Charter Schools.

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.

O. Deferred/Unearned Revenue

Deferred revenue in the governmental fund financial statements relate to property taxes receivable that are measurable, but not available. The unearned revenue in the Statement of Net Position primarily relates to the lease of Educational Broadband Service (EBS) licenses that will be amortized on a straight line basis over the life of the lease agreement.

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 and liabilities 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

The District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Revenues, Deferred Inflows of Resources, and Net Position*. The statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District currently reports accumulated decrease in fair value of hedging derivatives in this category.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

Q. Deferred Outflows/Inflows of Resources – Continued

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District currently does not have any items that qualify for reporting in this category

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.

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 and not included in other categories.

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.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

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, 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 3, 2013 for the fiscal year ended June 30, 2013.

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, 2013

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. Investments of the District's State Board of Education (SBE) bond proceeds held and administered by the SBE are 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, except for the Supplemental Early Retirement Funds, which are invested under 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.

In addition, under Board Policy 6535, Supplemental Early Retirement Plan, the following investments are also permitted.

- Corporate or Taxable Government Bonds rated investment grade
- Equity Securities including index funds and actively managed mutual funds

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

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, 2013 are as follows:

<u>Investment Type</u>	<u>Amount (\$ in thousands)</u>	<u>Weighted Average Maturity (Years)</u>
Commercial Paper	\$ 116,622	0.06
Guaranteed Investment Contract (GIC)	41,894	3.04
Money Market Mutual Funds	4,270	0.15
State Board of Education – COBI	1,462	
Time Deposits	13,060	0.25
U.S. Government Agency	72,031	0.45
U.S. Treasury Strip	1,286	16.14
Total Debt Investments	250,625	0.76
Corporate Stocks – Pension Trust Fund	15,456	
Total Investments	266,082	
Cash and Cash Equivalents	75,943	
Total Cash, Cash Equivalents, and Investments	\$ 342,024	

At June 30, 2013, \$31.0 million in cash and investments relate to unspent debt proceeds pertaining to various financings including Certificates of Participation (COPs), 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 \$342,024 million at June 30, 2013, was comprised of \$253,767 million in Governmental Funds, \$40,954 in Proprietary Fund - Health Insurance Fund, \$24,555 million in Fiduciary Funds - Pension Trust Fund and \$22,748 million in Fiduciary Fund - Agency Fund (Schools' internal Fund).

The School Board of Miami-Dade County currently has 4 GIC's associated with its Qualified Zone Academy Bonds (QZAB's). These contracts total approximately \$41,894 (in thousands) with internal rates of return ranging from 3.53% to 6.30% and maturity dates from December 2013 through December 2022.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

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

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 \$53 million in callable bonds between October 2013 through February 2014, 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 163 days.

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 Debt Investments
Commercial Paper	A-1+	35.00 %
Commercial Paper	A-1	8.83%
Federal Farm Credit Bank Agency	AA+	1.13%
Federal Home Loan Bank Agency	AA+	14.12%
Federal Home Loan Mortgage Corporation Agency	AA+	9.56%
Federal National Mortgage Association Agency	AA+	2.27%
Guaranteed Investment Contract	Not Rated	15.74%
Money Market Mutual Funds	AAAM	1.60%
State Board of Education – COBI	Not Rated	0.55%
Time Deposits	N/A	4.91%
U.S. Treasury Strip	AAA	0.48%

* Standards & Poor's ratings as of June 30, 2013.

Concentration Risks: 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 agency securities, 10% in Time Deposits with a single issuer, and unlimited U.S. Treasury Notes as well as Government Obligations Money Market Mutual Funds. Although all the investments were purchased within the established percentage threshold when compared to entire portfolio including cash equivalents as permitted by the policy, commercial paper investments with FCAR, GECC, and Toyota ended the year at 9.96%, 12.01%, and 8.71% of outstanding investments respectively due to the normal decrease of the portfolio's total value as other investments matured during the course of the year.

Custodial Risk: All securities in accordance with the District's investment policy under Policy 6144, with the exception of time deposits and guaranteed investment contract, 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, 2013, the deposit's fair value and book balances were \$75,943 (in thousands).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

4. CAPITAL ASSETS:

Capital asset balances and activity for the fiscal year ended June 30, 2013 are as follows (in thousands):

	<u>Balance July 1, 2012</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2013</u>
Non-Depreciable Capital Assets:				
Land	\$ 336,502	\$ 679	\$ -	\$ 337,181
Land Improvements	239,922	13,564	-	253,486
Construction-in-Progress	61,939	112,750	(92,145)	82,544
Total Non-Depreciable Capital Assets	<u>638,363</u>	<u>126,993</u>	<u>(92,145)</u>	<u>673,211</u>
Depreciable Capital Assets:				
Buildings and Improvements	5,447,679	65,060	(2,977)	5,509,762
Furniture, Fixtures, and Equipment	316,662	23,884	(23,005)	317,541
Computer Software	83,362	-	-	83,362
Motor Vehicles	130,724	18,090	(8,669)	140,145
Total Depreciable Capital Assets	<u>5,978,427</u>	<u>107,034</u>	<u>(34,651)</u>	<u>6,050,810</u>
Less Accumulated Depreciation/ Amortization for:				
Building and Improvements	1,558,134	154,400	(2,973)	1,709,561
Furniture, Fixtures, and Equipment	230,285	19,768	(20,747)	229,306
Computer Software	32,045	16,673	-	48,718
Motor Vehicles	71,398	8,244	(7,026)	72,616
Total Accumulated Depreciation/ Amortization	<u>1,891,862</u>	<u>199,085</u>	<u>(30,746)</u>	<u>2,060,201</u>
Net Capital Assets	<u>\$ 4,724,928</u>	<u>\$ 34,942</u>	<u>\$ (96,050)</u>	<u>\$ 4,663,820</u>

In fiscal year 2013, management evaluated and determined that certain capital asset construction-in-progress amounts from prior years were not properly accumulated and recorded in the Government-Wide financial statements. Consequently, management has adjusted capital asset construction-in-progress additions, in the amount of approximately \$55 million to correctly reflect the previously misclassified amounts.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

4. CAPITAL ASSETS, Continued:

For fiscal year ended June 30, 2013, depreciation/amortization by function is as follows:

Functions	Amount (\$ in thousands)	
Instructional Services	\$	2,502
Instructional Support Services		1,279
Pupil Transportation Services		6,877
Operation and Maintenance of Plant		1,280
School Administration		190
General Administration		141
Business/Central Services		208
Food Services		1,085
Other		8
Facilities Acquisition and Construction		28,280
Unallocated to a specific function		157,235
Total Depreciation/Amortization	\$	199,085

Construction-in-progress, as of June 30, 2013, is comprised of the following (in thousands):

	Incurred To Date	
Elementary Schools	\$	15,011
Middle Schools		273
Senior High Schools		66,699
Special Schools		132
Administration/Other		429
TOTAL	\$	82,544

As part of its capital outlay program, the District has entered into various construction contracts. At June 30, 2013, the District had construction commitments of approximately \$31.2 million.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS:

Interfund receivables and payables consisted of the following balances as of June 30, 2013 (in thousands):

	Due From Other Funds	Due To Other Funds
Major Funds:		
General Fund	\$ 38,090	\$ -
Certificates of Participation	-	2,902
Other Federal Programs	-	22,878
Federal Economic Stimulus Funds	-	1,608
Total Major Funds	38,090	27,388
Non-major Funds	-	10,702
Total Governmental Funds	\$ 38,090	\$ 38,090

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, 2013 are as follows (in thousands):

	Transfers to:			
	General Fund	ARRA Economic Stimulus Debt Service	Non-major Funds	Total
Transfers from:				
Major Funds:				
General Fund	\$ -	\$ -	\$ 804	\$ 804
Capital Improvement LOML	123,536	1,453	150,019	275,008
Certificates of Participation	-	-	81	81
ARRA Capital Projects	-	846	-	846
Non-major Funds	14,394	-	18,699	33,093
Total Governmental Funds	\$ 137,930	\$ 2,299	\$ 169,603	\$ 309,832
Internal Service Fund	12,000	-	-	12,000
Total Governmental Activities	\$ 149,930	\$ 2,299	\$ 169,603	\$ 321,832

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 amount transferred to make debt service payments. Transfers from the Internal Service Fund restores funding to the General Fund previously transferred to stabilize the Internal Service Fund.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

6. DUE FROM/TO OTHER AGENCIES:

Due from other agencies at June 30, 2013, are as follows (in thousands):

	<u>General Fund</u>	<u>Other Federal Programs</u>	<u>Federal Economic Stimulus Funds</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Federal Government:					
Medicaid Federal	\$ 7,119	\$ -	\$ -	\$ -	\$ 7,119
Food Service Reimbursement	-	-	-	16,751	16,751
Race to the Top	-	-	3,047	-	3,047
Miscellaneous Federal	153	5,727	255	-	6,135
State Government:					
Race to the Top	-	-	1,945	-	1,945
Adult Education	-	975	-	-	975
IDEA	-	4,658	-	-	4,658
Title I	-	12,317	900	-	13,217
Title II	-	1,277	-	-	1,277
Miscellaneous State	288	2,737	-	-	3,025
Local Government:					
Miscellaneous Local	4,084	1,374	-	189	5,647
Miami-Dade County	-	-	-	7,382	7,382
E-Rate	3,558	-	-	-	3,558
Clearwire Educational Broadband Service	3,050	-	-	-	3,050
Driver's Education Program	2,520	-	-	-	2,520
Total	\$ 20,772	\$ 29,065	\$ 6,147	\$ 24,322	\$ 80,306

Due to other agencies at June 30, 2013, are as follows (in thousands):

	<u>General Fund</u>	<u>Other Federal Programs</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Federal Government:				
Miscellaneous Federal	\$ -	\$ 470	\$ -	\$ 470
Local Government:				
Village of Key Biscayne	-	-	3,750	3,750
Charter Schools	2,500	-	-	2,500
Miscellaneous Local	-	1,487	28	1,515
Total	\$ 2,500	\$ 1,957	\$ 3,778	\$ 8,235

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

7. SHORT-TERM DEBT

Short-term debt activity for the fiscal year ended June 30, 2013, is as follows (in thousands):

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>
Tax Anticipation Note (TAN), Series 2012, issued on July 24, 2012, effective yield of 0.13%, with a maturity date of February 28, 2013.	\$ -	\$ 290,000	\$ 290,000	\$ -
Total	<u>\$ -</u>	<u>\$ 290,000</u>	<u>\$ 290,000</u>	<u>\$ -</u>

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, 2013

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, 2013, the accrued liability for compensated absences in the General Fund was \$6.7 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, 2013, the current and long-term portions were \$16,065 and \$254,175 respectively (in thousands).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

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 included as part of our Capital Assets. At June 30, 2013 the cost of leased equipment recorded in Capital Assets was \$173.7 million, with accumulated depreciation of \$86.7 million, for a net book value of \$87.0 million.

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, 2013 (in thousands):

Fiscal Year	Other Leases	Master Equipment	Lease Total
2014	\$ 549	\$ 25,286	\$ 25,835
2015	446	24,637	25,083
2016	365	23,988	24,353
2017	231	5,773	6,004
2018	39	2,687	2,726
2019 - 2023	-	12,633	12,633
	1,630	95,004	96,634
Less Amount Representing Interest *	170	7,132	7,302
Present Value of Minimum Lease Payments	\$ 1,460	\$ 87,872	\$ 89,332

* 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, 2013

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, 2013, amounts withheld and in the custody of the state totaled \$1,462 (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, 2013, 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, 2013, none of these bonds have been issued. Principal and interest on 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, 2013

10. LONG-TERM BONDS PAYABLE, Continued:

A summary of bonds payable as of June 30, 2013 is as follows (in thousands):

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2004A, due in varying annual payments through January 1, 2024, with interest rates ranging from 3.00% to 4.625%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1 through December 31, 2014 at par plus 1% premium, and thereafter at par.</p>	\$ 5,115	\$ 5,115	\$ 3,570
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2005A due in varying annual payments through January 1, 2025 with interest rates ranging from 3% to 5%. Interest is payable semi-annually on January 1 and July 1. Bonds are callable on January 1 through December 31, 2015 at par plus 1% premium, and thereafter at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 1996A & 1997A to achieve debt service savings.</p>	\$ 89,680	\$ 89,680	\$ 33,200
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2005B due in varying annual payments through January 1, 2020 with interest rates ranging from 3% to 5%. Interest is payable semi-annually on January 1 and July 1. Bonds are callable on January 1 through December 31, 2015 at par plus 1% premium and thereafter at par. The proceeds from these bonds were used to refund SBE Capital Outlay Bonds Series 1998A and 2000A to achieve debt service savings.</p>	\$ 2,735	\$ 2,735	\$ 1,540
<p>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.</p>	\$ 8,425	\$ 8,425	\$ 7,075

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

10. LONG- TERM BONDS PAYABLE, Continued:

	Authorized	Issued	Outstanding
<p>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.</p>	\$ 1,710	\$ 1,710	\$ 1,060
<p>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.</p>	\$ 1,355	\$ 1,355	\$ 1,200
<p>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.</p>	\$ 1,440	\$ 1,440	\$ 1,310
<p>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.</p>	\$ 640	\$ 640	\$ 580
<p>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.</p>	\$ 725	\$ 725	\$ 725

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

10. LONG-TERM BONDS PAYABLE, Continued:

	Authorized	Issued	Outstanding
<p>General Obligation Schools Bonds, Series 1994, consisting of Serial Bonds due in varying serial payments through August 1, 2014. Interest rates ranging from 5.0% to 6.4%, is payable February 1 and August 1. Bonds maturing on August 1, 2004 and thereafter were called on August 1, 2004 at the redemption price of 101%. The bonds were remarketed with the same maturity dates, rates, and issue date at a true interest cost of 2.66%. The sale resulted in the same cash flow as the prior debt service.</p>	\$	<p style="text-align: center;">Third in a series not to exceed 980,000</p> \$ 99,030	\$ 22,365
<p>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.</p>	\$	\$ 86,785	\$ 40,305
<p>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.</p>	\$	\$ 154,580	\$ 60,675
Total Long-Term Bonds Payable			\$ 173,605

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

10. LONG-TERM BONDS PAYABLE, Continued:

Several of the SBE long-term bonds are callable prior to maturity during the years 2013 through 2021. The 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
2014	\$ 52,000	\$ 8,031	\$ 60,031
2015	54,835	5,314	60,149
2016	41,445	2,863	44,308
2017	12,995	1,222	14,217
2018	1,425	575	2,000
2019 – 2023	6,125	1,954	8,079
2024 – 2028	4,585	669	5,254
2029 – 2033	195	10	205
Total	\$ 173,605	\$ 20,638	\$ 194,243

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION:**

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 2004A, 2005A, 2006C, and 2006D 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.

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. 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 2000, 2001, 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
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For the Fiscal Year Ended June 30, 2013**

**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION, Continued:**

The Internal Revenue Services (IRS) announced on March 4, 2013, that payments to issuers of the direct pay bonds are subject to a reduction of 8.7% of the amount budgeted for such payment. The sequester reduction rate will be applied to amounts claimed by an issuer on any IRS Form 8038-CP filed with the IRS that results in payment to such issuer on or after March 1, 2013. Accordingly, unless Congress acts to change the sequester percentage or otherwise changes the application of the cuts, the School Board anticipates the aggregate expected QSCB Issuer Subsidy, BAB Issuer Subsidy and QZAB Issuer Subsidy totaling \$3,629 (in thousands) for fiscal year 2013 to be reduced by 8.7% (which equates to a \$316 (in thousands) reduction), after March 1, 2013. As a result the corresponding increase in interest costs for the District must be paid from other revenue sources.

A summary of Certificates of Participation payable as of June 30, 2013 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>
2000 Qualified Zone Academy Bonds – Interest is paid by U.S. Government through issuance of federal income tax credits.	12/21/00	12/21/13	N/A	\$ 24,508	\$ 24,508
2001 Qualified Zone Academy Bonds – Interest is paid by U.S. Government through issuance of federal income tax credits.	06/01/01	06/01/15	N/A	15,000	15,000
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	2,600	2,600
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 0.94% @ June 30, 2013	54,650	43,500
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 0.81% @ June 30, 2013	75,000	56,940
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 0.81% @ June 30, 2013	75,000	56,945
2003A Series – Includes Capital Appreciation Bonds. Refunded the Series 1998B Issuance.	03/01/03	08/01/27	True Interest Cost 3.418% Assumed 3.5%-Beyond Mandatory Purchase Date	63,633	130

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION, Continued:**

A summary of Certificates of Participation payable as of June 30, 2013 is as follows (in thousands):

	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2004A Series – Serial Certificates. Partially refunded 2000A and 2001C Series.	08/12/04	10/01/20	True Interest Cost 4.29% 2.25% to 5.25%	\$ 87,210	\$ 52,280
2005A Series – Serial & Term Certificates.	06/28/05	04/01/20	True Interest Cost 3.892% 3.5% to 5%	56,380	4,080
2006A Series – Serial & Term Certificates.	03/15/06	11/01/31	True Interest Cost 4.49% 3.375% to 5.00%	201,080	155,545
2006B Series – Serial & Term Certificates.	04/11/06	11/01/31	True Interest Cost 4.54% 3.50% to 5.00%	208,150	164,255
2006C Series – Serial & Term Certificates.	05/10/06	10/01/21	True Interest Cost 4.41% 3.875% to 5.00%	53,665	36,460
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	10,055
2007A Series – Serial & Term Certificates.	05/10/07	05/01/32	True Interest Cost 4.52% 3.75% to 5.00%	316,515	280,955
2007B Series – Serial & Term Certificates.	05/24/07	05/01/32	True Interest Cost 4.47% 4.00% to 5.00%	101,265	89,650
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 0.94% @ June 30, 2013	90,825	90,825
2008A Series – Serial Certificates. Forward cash refunding 1998A & 1998C Series.	06/19/08	08/01/26	True Interest Cost 4.327% 5%	233,400	180,425
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 0.90%. 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 1.04% @ June 30, 2013	57,770	57,440
2009A Series – Serial & Term Certificates.	02/26/09	02/01/34	True Interest Cost 5.28% 3.00% to 5.375%	310,055	268,375
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

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION, Continued:**

	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
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 and term rate certificates refunding of Series 2003B. Term bonds include mandatory 3 year soft put on 5/1/14 of \$76,685 at 100%. If cannot be remarketed, interest shall accrue at 11% per year.	03/29/11	05/01/31	True Interest Cost 4.449% 2.5% to 5%	139,055	125,305
2011B Series – Include fixed rate and term rate certificates partially refunding 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 refunding Series 2003D (\$148,850). Term Bonds include a mandatory 4 year soft put on 8/1/2016 of \$58,780 at 100% with a gross savings of (\$424) and a net present value economic savings of \$7, 434. If cannot be remarketed, interest shall accrue at 11% per year.	07/05/2012	08/01/2029	True Interest Cost 3.606% 2% to 5%	149,365	149,365
2012B-1 Series – Serial Certificates. Partially refunding 2004A (\$15,575) with a gross savings of \$2,814 and net present value economic savings of \$2,270	07/05/2012	10/01/2020	True Interest Cost 2.814% 5%	13,765	13,765
2012B-2 Series – Serial Certificates. Partially refunding 2005A (\$16,725) with a gross savings of \$1,994 and a net present value economic savings of \$1,677	07/05/2012	04/01/2020	True Interest Cost 2.379% 4%	15,655	15,655
2013A Series – Serial Certificate. Partially refunding 2006A (\$15,335), 2006B (\$12,470), 2007A (\$9,525), 2007B (\$2,075) and 2008B (\$30,320) with a gross savings of (\$55,967) and a net present value economic dissavings of (\$9,364)	05/01/2013	05/01/2032	True Interest Cost 4.199% 5%	68,230	68,230
2013B Series – Serial Certificates. Fully refunding 2003D (\$2,110) and partially refunding 2009A (\$6,395) with a gross saving of (\$5,912) and a net present value economic dissavings of (\$793),	05/01/2013	02/01/2030	True Interest Cost 4.097% 5%	8,160	8,160
				\$ 3,349,975	\$ 2,878,597

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**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION, Continued:**

At June 30, 2013 the following defeased certificates remain outstanding:

Defeased Certificates	Amount Outstanding
2003D	\$ 150,960,000
2006A	\$ 15,335,000
2006B	\$ 12,470,000
2007A	\$ 9,525,000
2007B	\$ 2,075,000
2008B	\$ 30,320,000
2009A	\$ 6,395,000

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

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest****</u>	<u>Total Debt Service Requirements*</u>
2014**	\$ 70,217	\$ 117,513	\$ 187,730
2015	54,134	115,943	170,077
2016**	83,498	113,887	197,385
2017***	161,530	111,042	272,572
2018	116,155	105,646	221,801
2019 – 2023	641,976	453,315	1,095,291
2024 – 2028	838,430	310,400	1,148,830
2029 – 2033	855,632	111,839	967,471
2034 – 2037	57,025	1,070	58,095
Total	\$ 2,878,597	\$ 1,440,655	\$ 4,319,252

* 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.

** Requirements for 2014 and 2016 include mandatory soft puts. Series 2011A has a 3-year soft-put on May 1, 2014 of \$76,685, and Series 2011B has a 5-year soft-put on May 1, 2016 of \$70,000. Series 2012A has a 4 year soft put on 8/1/2016 of \$58,780. The District intends to remarket these in full, however if cannot be remarketed, interest shall accrue at 11% per year.

*** Requirements for 2017 include a 5-year floating rate note for COP Series 2008C, effective May 16, 2012 based on 70% of LIBOR plus .90%. 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 0.81% - 1.04%.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION, 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 \$12,319,103 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.

Date of Execution	Notional Amount Outstanding	Effective Date	Termination Date	Associated Certificates	Fixed Payable Swap Rate	Variable Receivable Swap Rate	Counterparty credit rating at June 30, 2013*	Fair Value at June 30, 2013
04-03-2006	\$56,940,000	04-01-2007	08-01-2027	COP 2002A	3.821%	70% 1Mo LIBOR	Aa3/AA-/AA	(8,698,363)
04-03-2006	\$56,945,000	04-01-2007	08-01-2027	COP 2002B	3.821%	70% 1Mo LIBOR	Aa3/AA-/AA	(8,838,355)
04-03-2006	\$57,440,000	08-01-2008	07-15-2027	COP 2008C	3.909%	70% 1Mo LIBOR	Aa3/AA-/AA	(11,326,116)

*Moody’s/S&P/FITCH

Using rates as of June 30, 2013, 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
2014	\$ 5,125	\$ 1,530	\$ 6,244	\$ 7,774	\$ 12,899
2015	\$ 7,560	\$ 1,443	\$ 5,997	\$ 7,440	\$ 15,000
2016	\$ 7,935	\$ 1,375	\$ 5,691	\$ 7,066	\$ 15,001
2017	\$ 8,330	\$ 1,306	\$ 5,397	\$ 6,703	\$ 15,033
2018	\$ 7,990	\$ 1,233	\$ 5,070	\$ 6,303	\$ 14,293
2019 – 2023	\$ 46,825	\$ 5,030	\$ 20,204	\$ 25,234	\$ 72,059
2024 – 2028	\$ 87,560	\$ 2,456	\$ 9,149	\$ 11,605	\$ 99,165
Total	\$ 171,325	\$ 14,373	\$ 57,752	\$ 72,125	\$ 243,450

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 tables 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
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**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION, 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, 2013, the variable rate was 0.06%, while the LIBOR rate was 0.19% on both the 2002A & 2002B certificates, and the District received 0.13% (70%) and 0.14% (70%) on the 2002A & 2002B certificates, respectively. As of June 30, 2013, 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 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>Amounts</u>
Restricted for Payment of State Board of Education and Capital Outlay Bonds	\$ 1,462
Restricted for Payment of District Bond Funds	32,402
Restricted for Other Debt Service	43,755
Total Available in Debt Service Funds	\$ 77,619

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, 2013

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	\$1,000,000	Statutory/\$1,000,000
General, Fleet Liability, and Errors and Omissions	\$200,000/\$300,000	\$500,000 per occurrence, \$3,250,000 annual aggregate
Property	\$100,000,000 per occurrence for hurricanes; \$500,000 per incident for all other perils. \$100,000 for each act of terrorism	\$20,000,000 per occurrence/annual aggregate for all perils including windstorms, earthquakes and floods. \$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, 2013. 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, 2013 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 assumptions of 2.5%.

The School Board authorized the purchase of Individual Stop Loss (ISL) coverage for its self-insured health program effective January 1, 2013, 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 Deloitte Consulting, LLP and Cigna. The calendar year 2013 monthly rates for the two offered Open Access Programs (OAP) are \$626 (OAP 10) and \$576 (OAP 20). The Board's contribution for employee only coverage is limited to the \$576 (OAP 20); therefore, employees who choose the \$626 (OAP 10) 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, 2013.

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, 2013.

There were no losses which exceeded coverage in fiscal years ended June 30, 2011, 2012 and 2013.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

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

A total estimated liability amount of \$138,635 was actuarially determined to cover reported and unreported claims payable at June 30, 2013. It is estimated that of the current portion, \$64,645 is due within a year. The remaining \$73,990 will be due in future years (in thousands).

	Estimated Liability For Pending Claims		
	Current Portion	Long-Term Portion	Total
Workers' compensation	\$ 22,309	\$ 63,171	\$ 85,479
General and occupational liability	3,673	7,998	11,671
Fleet liability	1,041	2,821	3,862
Group Health	37,623	-	37,623
Total	\$ 64,645	\$ 73,990	\$ 138,635

Changes in the balance of claims liabilities for the years ended June 30, 2012 and 2013 are as follows (in thousands):

	Balance July 1, 2011	Current year claims and changes in estimates	Claim payments	Balance June 30, 2012
Workers' compensation	\$ 74,498	\$ 27,764	\$ (26,203)	\$ 76,059
General and occupational liability	14,007	3,481	(4,045)	13,443
Fleet liability	2,957	2,105	(877)	4,185
Group Health	30,126	356,225	(350,262)	36,089
Total	\$ 121,588	\$ 389,575	\$ (381,387)	\$ 129,776

	Balance July 1, 2012	Current year claims and changes in estimates	Claim payments	Balance June 30, 2013
Workers' compensation	\$ 76,059	\$ 43,842	\$ (34,422)	\$ 85,479
General and occupational liability	13,443	447	(2,219)	11,671
Fleet liability	4,185	1,030	(1,353)	3,862
Group Health	36,089	337,169	(335,635)	37,623
Total	\$ 129,776	\$ 382,488	\$ (373,629)	\$ 138,635

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

14. CHANGES IN LONG-TERM LIABILITIES:

Long-term liabilities balances and activity for the year ended June 30, 2013 are as follows (in thousands):

	<u>Balance 7/1/12</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/13</u>	<u>Amounts Due Within One Year</u>
Bonds Payable	\$ 226,235	\$ (44)	\$ (51,095)	\$ 175,096 *	\$ 52,553 **
Certificates of Participation Payable by the Foundation, net	2,947,672	261,531	(318,502)	2,890,701 ***	45,328 ****
Derivative Instrument Liabilities	41,182	-	(12,319)	28,863	-
Capital Leases Payable	120,096	475	(31,239)	89,332	23,025
Self-Insurance Estimated Claims Payable	129,776	382,488	(373,629)	138,635	64,645
Retirement Incentive Benefits	2,428	-	(876)	1,552	202
Compensated Absences	258,536	33,794	(23,642)	268,688	15,864
Other Post Employment Benefits	17,853	-	(3,754)	14,099	-
Interlocal Construction Contract Agreement	400	1,600	-	2,000	-
Total	<u>\$ 3,744,178</u>	<u>\$ 679,844</u>	<u>\$ (815,056)</u>	<u>\$ 3,608,966</u>	<u>\$ 201,617</u>

* Includes unamortized premium in the amount of \$1,878 less a deferred loss on the remarketing of \$387.

** Includes principal payments plus unamortized premium in the amount of \$684 less a deferred loss in the amount of \$131.

*** Amount is more than the principal balance of \$2,878,597 in Note 11 by \$12,104 which represents the net unamortized premium less deferred loss on advanced COP refundings at June 30, 2013.

**** Includes principal payments plus unamortized premium in the amount of \$2,641 less a deferred loss in the amount of \$3,022.

Payments for insurance claims (other than health insurance claims that are paid from the Internal Service Fund), retirement incentive benefits, and compensated absences are paid by the General Fund. Capital Leases are mostly 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, 2013

15. STATE REVENUE SOURCES:

A major source of the District's revenue is received from the State of Florida, who provided approximately 35.0% of total revenues in fiscal year 2012-13. The following is a schedule of state revenue sources and amounts (in thousands):

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$ 610,377
Categorical Educational Programs	427,697
Workforce Development	81,017
Charter School Capital Outlay Funding	14,394
Capital Outlay and Debt Service (CO&DS) Withheld for SBE/COBI Bonds	13,532
Food Service Supplement	2,146
Adults with Disabilities	1,125
CO&DS Distributed	1,416
Workforce Education Performance Incentive	931
CO&DS Withheld For Administrative Expense	228
State License Tax	200
Interest on Undistributed CO&DS	143
SBE/COBI Bond Interest	59
Miscellaneous	1,439
Total	<u>\$ 1,154,704</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

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. 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 2012 have been recognized during the fiscal year ended June 30, 2013.

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 2012-13 the limit of 7.765 mills was levied. The total adjusted assessed value for calendar year 2012 on which the fiscal year 2013 levy was based on approximately \$198.1 billion.

Actual property taxes collected and reflected in the table below totaled 98.9% 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 final 2012 tax roll for the fiscal year 2012-13 (in thousands):

	<u>Millages</u>	<u>Taxes</u>		
		<u>Levied</u>	<u>Collected</u>	<u>Uncollected (Net)*</u>
<u>GENERAL FUND</u>				
Nonvoted School Tax:				
Required Local Effort	5.557	\$ 1,100,823	\$ 1,038,816	\$ 62,007
Discretionary Local Effort	.647	128,168	120,949	7,219
	<u>6.204</u>	<u>\$ 1,228,991</u>	<u>\$ 1,159,765</u>	<u>\$ 69,226</u>
<u>CAPITAL PROJECT FUNDS</u>				
Nonvoted Tax:				
Local Capital Improvements	1.561	\$ 309,229	\$ 291,812	\$ 17,417
<u>DEBT SERVICE FUNDS</u>				
Voted Tax:				
Debt Service - General				
Obligation Bonds	.233	\$ 46,156	\$ 43,557	\$ 2,599

Taxes reported in the Governmental Funds as reflected above includes 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 2012-13, the District considered \$68.1 million or 4.3% of levied taxes as uncollectible.

* The uncollected net amount reported above is recorded as deferred revenue in the governmental funds.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

17. RETIREMENT BENEFITS:

The School Board provides retirement benefits to its employees through the Florida Retirement System, the Supplemental Early Retirement Plan, 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 State Retirement Programs

The School Board participates in the Florida Retirement System (FRS) a cost sharing multiple employer public employee retirement system which is totally administered by the State of Florida, Department of Management Services, Division of Retirement. The District's payroll for employees covered by FRS for the year ended June 30, 2013 was approximately \$1.7 billion; the District's total payroll was approximately \$1.7 billion.

Prior to September 2002 all Florida Retirement System plans were defined benefit plans. Since September 2002 all covered employees may opt to participate in a defined contribution plan referred to as the Public Employee Optional Retirement Program (PEORP) established by the State of Florida. Participating employers pay to FRS a single rate established annually by the Florida Legislature. Other than a one year vesting requirement, the state has established no restrictions which would affect when an employee participating in the defined contribution plan may retire. Only restrictions imposed by the Internal Revenue Service would apply.

The 2011 Florida Legislature passed Senate Bill 2100, making significant changes to the FRS. The bill signed into law by Governor Rick Scott was effective July 1, 2011. Some of the changes impact current members while other changes will only impact future members who are initially enrolled in FRS on or after July 1, 2011.

Effective July 1, 2011, FRS members must contribute 3% of their gross salary amount on a pre-tax basis. Members participating in the Deferred Retirement Option (DROP) Program, and reemployed retirees who are not allowed to renew membership are not required to pay employee contribution. Members with an effective retirement date or DROP begin date on or before July 1, 2011 did not have a change in their 3% Cost of Living Adjustment (COLA). Members with an effective retirement date or DROP begin date on or after August 1, 2011 had their COLA reduced from 3%. The COLA formula is the total years of service before July 2011 divided by the total service credit at retirement multiplied by 3%. The annual DROP interest rate will be 1.3% for members whose DROP participation begins on or after July 1, 2011.

There are three major changes to the FRS which only affect members that are initially enrolled in the FRS on or after July 1, 2011. FRS changes dealing with vesting requirements, normal retirement date and the calculation of average final compensation (AFC). First, as a member of the FRS Pension Plan, you must be vested to be eligible for a future monthly retirement. Members initially enrolled on or after July 1, 2011, are vested after eight years of creditable service. Members that terminate FRS employment prior to vesting may receive a refund on the total employee contribution. Second, members initially enrolled on or after July 1, 2011, the normal retirement date is when first eligible to receive an unreduced retirement benefit based on age or years of service. A Regular Class, Senior Management Service Class or Elected Officers' Class member is eligible for normal retirement when he or she is vested and reaches age 65 or completes 33 years of service, whichever occurs first. A Special Risk Class member is eligible for normal retirement when he or she is vested and reaches age 60 or complete 30 years of special service, whichever occurs first. Third, members enrolled on or after July 1, 2011, the average final compensation calculation used in calculating the retirement benefit will be the highest eight fiscal years of salary.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

17. RETIREMENT BENEFITS, Continued:

Florida State Retirement Programs – continued

Under the FRS, the District was required to contribute to the plans as of July 1, 2012, 5.18% of the salary of regular members (both Pension Plan and Investment Plan) and the 14.90% of the salary of the special risk members. The District's contributions to FRS for both the Regular plan and Special Risk plan are equal to the annual required contributions for each year as follows (dollars in thousands):

	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>
Florida Retirement System	\$ 199,876	\$ 84,262	\$ 89,764
Teacher's Retirement System – Plan E: Employer	\$ 41	\$ 16	\$ 16

The State of Florida issues an annual report that includes financial statements and required supplementary information for FRS. The latest available report is as of June 30, 2012. That report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000.

Supplemental Early Retirement Plan

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

The total number of retirees and beneficiaries of deceased retirees currently receiving benefits is 580, averaging \$608 per month for each retiree. No benefits are provided for termination of employment prior to retirement.

The School Board's funding policy 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 the 2012-13 fiscal year of \$1,942 (in thousands) were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2011.

Valuations to determine the Plan's contribution requirements are performed every other year at the beginning of the fiscal year in odd years. To determine the Plan's funding requirements, the Entry Age Actuarial Cost Method was used. The actuarial cost method is closed group.

Separate statements are not issued for the Plan.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013**

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan – continued

The methodology for determination of the contribution requirement has been updated to reflect assumptions for cost of living increases instead of assumed growth of future payroll since there is no longer covered payroll under the Plan.

The UAAL will be amortized using an open flat-dollar amortization method over a 10-year period beginning on July 1, 2012, through annual contributions. This methodology has been updated effectively July 1, 2012. Assets are valued at fair value, the inflation rate is 2.5% and the investment rate of return is assumed to be 6.75%.

An analysis of funding progress is presented below:

Fiscal Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2013	\$ 1,942	100 %	-
2012	\$ 2,188	100 %	-
2011	\$ 2,125	100 %	-

Funded Status and Funding Progress –

Actuarial Accrued Liability (AAL) (a)	\$ 41,510
Actuarial Value of Plan Assets (b)	24,632
Unfunded Actuarial Accrued Liability (UAAL) (c)	16,878
Funded Ratio (b/a)	59 %
Covered Payroll (Active than Members) (d)	N/A*
UAAL as a percentage of covered payroll (c/d)	N/A* %

* The School Board terminated eligibility for the Supplemental Early Retirement Plan for eligible employees who did not elect to retire under its provision by July 1, 2003.

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 Plan is included as a Pension Trust fund in the accompanying financial statements. Contributions are recognized when due. Benefits are recognized when due and payable in accordance with the terms of the Plan.

Investments are reported at fair value and are comprised of the following at June 30, 2013 (amounts in thousands):

Commercial Paper	\$ 8,498
Money Market Mutual Funds	\$ 601
Mutual Funds:	
Mutual Funds Closed-End	11,088
Mutual Funds Open-End	4,368
Total Mutual Funds	15,456
Total Investments	\$ 24,555

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

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 or who retired under the 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 2013, approximately 213 retirees will receive an estimated \$202 thousand in premium reimbursements for the year ended June 30, 2013.

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 \$1.6 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 10.0% grading down by 0.5% annually to an ultimate of 5% and the inflation rate used is 3%. 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, 2013

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, 2013 (in thousands):

Annual Required Contribution (ARC)	\$	10,270
Interest on Net OPEB Obligation		803
Adjustment to ARC		(682)
Annual OPEB Cost (Expense)		10,391
Employer Contributions		(14,145)
Increase (decrease) in Net OPEB Obligated		(3,754)
Net OPEB Obligation at beginning of year		17,853
Net OPEB Obligation at end of year	\$	14,099

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 as of June 30, 2013, was as follows (in thousands):

Fiscal Year	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$ 6,094	\$ 10,313	169 %	\$ 19,171
2012	\$ 10,258	\$ 11,576	113 %	\$ 17,853
2013	\$ 10,391	\$ 14,145	136 %	\$ 14,099

Funded Status and Funding Progress (in thousands):

Actuarial Accrued Liability (AAL) (a)		152,835
Actuarial Value of Plan Assets (b)		0
Unfunded Actuarial Accrued Liability (UAAL) (c)		152,835
Funded Ratio (b/a)		0 %
Covered Payroll (Active Members)		1,709,167
UAAL as a percentage of covered payroll (c/d)		8.94 %

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, 2013

18. COMMITMENTS AND CONTINGENCIES:

A. Commitments

As part of its capital outlay program, the District has entered into various construction commitments totaling approximately \$31.2 million as of June 30, 2013. (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, 2013 under these leases was approximately \$5.8 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, 2013. In the opinion of management, the District's estimated aggregate liability, with respect to probable losses, has been provided for in the estimated liability for insurance risks and pending claims 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 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, 2013, 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 \$23.8 million prepaid items and \$8.7 million inventories that are considered nonspendable.

Restricted – The District reported restricted fund balances totaling \$139.4 million comprised of \$1.5 million of State Required Carryover programs, \$14.4 million in Food Service, \$0.6 million in Miscellaneous Special Revenue, \$77.7 million in Debt Services and \$45.2 million in Capital Projects.

Committed – The District did not have any committed fund balances at June 30, 2013.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2013

19. FUND BALANCES, Continued:

Assigned – The District has assigned fund balances totaling \$19.1 million comprised of \$7.2 million for rebudgets and obligations, \$10.5 million for outstanding encumbrances for goods and services, and \$1.4 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 \$58.0 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, 2013 the combined assigned and unassigned General Fund Balance totaled \$75.7 million or 3.2% of General Fund Revenues.

Below is a table of fund balance categories and classifications for the fiscal year ended June 30, 2013 for the Districts' governmental funds:

Governmental Funds					
	General Fund	Capital Improvement LOML	Certificates of Participation	Other Governmental Funds non-major*	Total
FUND BALANCES					
Nonspendable:					
Inventory	\$ 5,571	\$ -	\$ -	\$ 3,109	\$ 8,680
Prepaid amounts	1,567	22,213	-	-	23,780
Restricted:					
State Required Carryover	1,522	-	-	-	1,522
Special Revenue:					
Food Service	-	-	-	14,414	14,414
Miscellaneous	-	-	-	622	622
Debt Service	-	-	-	77,619	77,619
Capital Projects	-	12,283	15,801	17,099	45,183
Assigned:					
Rebudgets and Obligations	7,217	-	-	-	7,217
Encumbrances	10,516	-	-	-	10,516
Capital Projects	-	-	-	1,395	1,395
Unassigned:					
	57,957	-	-	-	57,957
Total Fund Balance	\$ 84,350	\$ 34,496	\$ 15,801	\$ 114,258	\$ 248,905

* 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, 2013

20. SUBSEQUENT EVENTS:

Tax Anticipation Notes

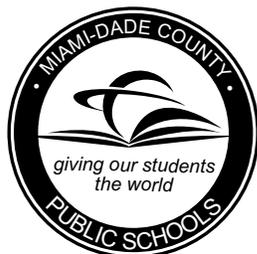
On July 25, 2013 the District sold \$250 million in Tax Anticipation Notes (“the Notes”) with an effective yield of 0.16%. The Notes were issued to pay operating expenditures incurred prior to the receipt of the ad-valorem taxes levied and collected for operating purposes for the fiscal year commencing July 1, 2013. The Notes will mature on March 4, 2014.

General Obligation Bond

On August 15, 2012 the School Board approved Resolution 12-133 calling for a bond election to be held on November 6, 2012. The District requested that the electors of Miami-Dade County, Florida vote on the issuance of General Obligation Bonds (GOB) in an aggregate amount not exceeding \$1.2 billion. The voter residents of the County approved the General Obligation Bond referendum on November 6, 2012 to fund a plan to modernize and construct schools throughout the District, including technology upgrades.

The District sold \$190 million of Series 2013 GOB on July 10, 2013, at a premium which will provide \$200 million of project funding. The \$96 million GOB Series 2014A also sold with a premium on a seven-month forward delivery basis scheduled to close on February 11, 2014 which will provide \$100 million of project funding.

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, 2013
(amounts expressed in thousands)**

	<u>Budget as Originally Adopted</u>	<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance With Final Amended Budget</u>
Revenues:				
Local sources:				
Ad valorem taxes	\$ 1,255,993	\$ 1,184,737	\$ 1,184,737	\$ -
Interest income	800	925	925	-
Net increase (decrease) in fair value of investments	-	(41)	(41)	-
Local grants and other	61,849	68,619	68,619	-
Total local sources	<u>1,318,642</u>	<u>1,254,240</u>	<u>1,254,240</u>	<u>-</u>
State sources:				
Florida education finance program	652,098	610,377	610,377	-
State grants and other	511,496	512,560	512,560	-
Total state sources	<u>1,163,594</u>	<u>1,122,937</u>	<u>1,122,937</u>	<u>-</u>
Federal sources:				
Federal direct	2,015	1,725	1,725	-
Federal through state and local	14,814	18,090	18,090	-
Total federal sources	<u>16,829</u>	<u>19,815</u>	<u>19,815</u>	<u>-</u>
Total revenues	<u>2,499,065</u>	<u>2,396,992</u>	<u>2,396,992</u>	<u>-</u>
Expenditures:				
Current:				
Instructional services	1,801,094	1,728,568	1,726,599	1,969
Instructional support services:				
Pupil personnel services	93,401	99,890	97,538	2,352
Instructional media services	30,958	24,681	24,570	111
Instruction and curriculum development service	18,419	23,404	23,315	89
Instructional staff training services	2,362	2,886	2,884	2
Instruction related technology	28,874	26,714	26,670	44
Total instructional support services	<u>174,014</u>	<u>177,575</u>	<u>174,977</u>	<u>2,598</u>
Pupil transportation services	<u>68,036</u>	<u>75,752</u>	<u>75,233</u>	<u>519</u>
Operation and maintenance of plant:				
Operation of plant	259,470	254,529	253,929	600
Maintenance of plant	87,114	88,395	86,510	1,885
Total operation and maintenance of plant	<u>346,584</u>	<u>342,924</u>	<u>340,439</u>	<u>2,485</u>
School administration	<u>170,450</u>	<u>152,643</u>	<u>152,392</u>	<u>251</u>

	Budget as Originally Adopted	Final Amended Budget	Actual GAAP Basis	Variance With Final Amended Budget
Expenditures, continued				
General administration:				
Central services	\$ 50,101	\$ 52,676	\$ 51,268	\$ 1,408
Board of education	6,999	6,339	6,327	12
General administration	3,826	4,610	4,568	42
Administrative technology services	1,038	2,938	2,938	-
Fiscal services	12,091	12,191	12,087	104
Total general administration	<u>74,055</u>	<u>78,754</u>	<u>77,188</u>	<u>1,566</u>
Community services	<u>29,335</u>	<u>29,065</u>	<u>28,603</u>	<u>462</u>
Capital outlay	<u>1,169</u>	<u>31,091</u>	<u>30,427</u>	<u>664</u>
Debt services:				
Principal retirement	440	485	485	-
Interest and fiscal charges	-	466	466	-
Total debt service	<u>440</u>	<u>951</u>	<u>951</u>	<u>-</u>
Total expenditures	<u>2,665,177</u>	<u>2,617,323</u>	<u>2,606,809</u>	<u>10,514</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(166,112)</u>	<u>(220,331)</u>	<u>(209,817)</u>	<u>10,514</u>
Other financing sources (uses):				
Transfers in	129,854	149,930	149,930	-
Transfers out	(804)	(804)	(804)	-
Proceeds from sale of capital assets	-	423	423	-
Proceeds from loans/leases	-	475	475	-
Total other financing sources (uses)	<u>129,050</u>	<u>150,024</u>	<u>150,024</u>	<u>-</u>
Net change in fund balance	<u>\$ (37,062)</u>	<u>\$ (70,307)</u>	(59,793)	<u>\$ 10,514</u>
Fund balance - beginning of year			<u>144,143</u>	
Fund balance - end of year			<u>\$ 84,350</u>	

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER FEDERAL PROGRAMS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(amounts expressed in thousands)**

	<u>Budget as Originally Adopted</u>	<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
Revenues:				
Local sources:				
Local grants and other	\$ 5,655	\$ 8,740	\$ 4,593	\$ (4,147)
Total local sources	<u>5,655</u>	<u>8,740</u>	<u>4,593</u>	<u>(4,147)</u>
Federal sources:				
Federal direct	11,145	18,639	13,005	(5,634)
Federal through state and local	297,006	316,178	294,843	(21,335)
Total federal sources	<u>308,151</u>	<u>334,817</u>	<u>307,848</u>	<u>(26,969)</u>
Total revenues	<u>313,806</u>	<u>343,557</u>	<u>312,441</u>	<u>(31,116)</u>
Expenditures:				
Current:				
Instructional services	179,783	200,019	184,304	15,715
Instructional support services	99,328	101,143	90,213	10,930
Pupil transportation services	6,946	6,528	5,823	705
Operation and maintenance of plant	355	481	428	53
School administration	108	69	56	13
General administration	8,293	11,921	10,643	1,278
Community services	1,421	996	992	4
Capital outlay	<u>17,572</u>	<u>22,400</u>	<u>19,982</u>	<u>2,418</u>
Total expenditures	<u>313,806</u>	<u>343,557</u>	<u>312,441</u>	<u>31,116</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning of year			<u>-</u>	
Fund balance - end of year			<u>\$ -</u>	

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
FEDERAL ECONOMIC STIMULUS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013
(amounts expressed in thousands)**

	<u>Budget as Originally Adopted</u>	<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
Revenues:				
Local sources:				
Local grants and other	\$ -	\$ -	\$ -	\$ -
Total local sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Federal sources:				
Federal direct	2,213	35,969	7,736	(28,233)
Federal through state and local	37,905	101,591	37,384	(64,207)
Total federal sources	<u>40,118</u>	<u>137,560</u>	<u>45,120</u>	<u>(92,440)</u>
Total revenues	<u>40,118</u>	<u>137,560</u>	<u>45,120</u>	<u>(92,440)</u>
Expenditures:				
Current:				
Instructional services	25,694	76,764	26,091	50,673
Instructional support services	6,110	37,358	12,401	24,957
Pupil transportation services	24	105	40	65
Operation and maintenance of plant	216	-	-	-
School administration	3,266	1,651	409	1,242
General administration	1,635	7,007	1,729	5,278
Community services	589	1,640	1,188	452
Capital outlay	2,584	13,035	3,262	9,773
Total expenditures	<u>40,118</u>	<u>137,560</u>	<u>45,120</u>	<u>92,440</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning of year			<u>-</u>	
Fund balance - end of year			<u>\$ -</u>	

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
SCHEDULE OF FUNDING PROGRESS
June 30, 2013
(amounts expressed in thousands)**

Fiscal Year	Actuarial Accrued Liability (AAL)	Actuarial Value of Plan Assets	Unfunded AAL (UAAL)	Percentage Funded	Annual Covered Payroll	UAAL as Percentage of Payroll
2008	\$ 46,502	\$ 30,788	\$ 15,715	66 %	N/A*	N/A*
2009	45,820	23,990	21,830	52 %	N/A*	N/A*
2010	43,687	23,823	19,863	54 %	N/A*	N/A*
2011	42,586	25,133	17,453	59 %	N/A*	N/A*
2012	40,998	23,734	17,264	58 %	N/A*	N/A*
2013	41,510	24,632	16,878	59%	N/A*	N/A*

* The School Board terminated eligibility for the Supplemental Early Retirement Plan for eligible employees who did not elect to retire under its provision by July 1, 2003.

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates incurred.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2013
(amounts expressed in thousands)

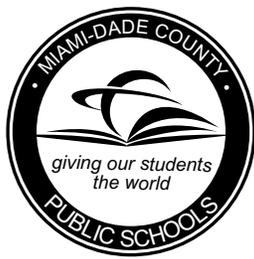
Fiscal Year	Annual Required Contribution	Employer Contributions	Total Contributions	Employer Contributions as Percentage of Total Contributions
2008	\$ 2,444	\$ 1,840	\$ 1,840	100 %
2009	1,825	1,825	1,825	100 %
2010	1,879	1,879	1,879	100 %
2011	2,125	2,125	2,125	100 %
2012	2,188	2,188	2,188	100 %
2013	1,942	1,942	1,942	100%

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS
June 30, 2013
(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%

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2013
(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



**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, 2013
 (amounts expressed in thousands)

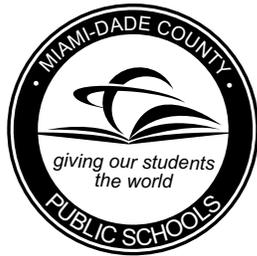
	Total Non-major Special Revenue Funds
ASSETS	
Cash and cash equivalents	\$ 3
Equity in pooled cash and investments	1,557
Cash and investments with fiscal agents	-
Total cash, cash equivalents, and investments	1,560
Taxes receivable	-
Accounts and interest receivable	33
Due from other governments or agencies	16,940
Inventories	3,109
	-
Total assets	\$ 21,642
LIABILITIES	
Accounts and contracts payable and accrued expenditures	\$ 962
Accrued payroll and compensated absences	262
Due to other funds	2,245
Due to other agencies	28
Deferred/unearned revenue	-
Accrued interest payable	-
Retainage payable on contracts	-
Total liabilities	3,497
FUND BALANCES	
Nonspendable	3,109
Restricted	15,036
Assigned	-
Total fund balances	18,145
Total liabilities and fund balances	\$ 21,642

Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
\$ 54	\$ 28	\$ 85
76,533	25,989	104,079
1,463	-	1,463
<u>78,050</u>	<u>26,017</u>	<u>105,627</u>
2,755	-	2,755
12	10	55
-	7,382	24,322
-	-	3,109
<u>\$ 80,817</u>	<u>\$ 33,409</u>	<u>\$ 135,868</u>
\$ 1,932	\$ 2,179	\$ 5,073
-	-	262
-	8,457	10,702
-	3,750	3,778
1,237	-	1,237
29	-	29
-	529	529
<u>3,198</u>	<u>14,915</u>	<u>21,610</u>
-	-	3,109
77,619	17,099	109,754
-	1,395	1,395
<u>77,619</u>	<u>18,494</u>	<u>114,258</u>
<u>\$ 80,817</u>	<u>\$ 33,409</u>	<u>\$ 135,868</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, 2013
 (amounts expressed in thousands)

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds
Revenues:		
Local sources:		
Ad valorem taxes	\$ -	\$ 43,557
Food service sales	21,545	-
Interest income	12	2,080
Net increase (decrease) in fair value of investments	(1)	(7)
Local grants and other	360	-
Total local sources	21,916	45,630
State sources:		
Food services	2,146	-
State licensing revenue	-	13,532
State grants and other	76	59
Total state sources	2,222	13,591
Federal sources:		
Federal grants and other	8,335	-
Food services	122,149	-
Total federal sources	130,484	-
Total revenues	154,622	59,221
Expenditures:		
Current:		
Operation and maintenance of plant	62	-
Food services	151,711	-
Community services	46	-
Capital outlay	1,999	-
Debt service:		
Principal retirement	-	132,632
Interest and fiscal charges	-	100,428
Total expenditures	153,818	233,060
Excess (deficiency) of revenues over (under) expenditures	804	(173,839)
Other financing sources (uses):		
Issuance of debt for refunding	-	255,175
Premium on refunding of debt	-	19,772
Payments to refunded bond escrow agent	-	(272,796)
Proceeds from loans/leases/construction agreements	-	-
Transfers in	-	169,603
Transfers out	-	-
Total other financing sources (uses)	-	171,754
Net change in fund balances	804	(2,085)
Fund balances - beginning of year	17,341	79,704
Fund balances - end of year	\$ 18,145	\$ 77,619

<u>Total Non-major Capital Projects Funds</u>	<u>Total Non-major Governmental Funds</u>
\$ -	\$ 43,557
-	21,545
29	2,121
(7)	(15)
26,300	26,660
<u>26,322</u>	<u>93,868</u>
-	2,146
-	13,532
15,954	16,089
<u>15,954</u>	<u>31,767</u>
-	8,335
-	122,149
-	130,484
<u>42,276</u>	<u>256,119</u>
-	62
-	151,711
-	46
15,665	17,664
-	132,632
8	100,436
<u>15,673</u>	<u>402,551</u>
<u>26,603</u>	<u>(146,432)</u>
-	255,175
-	19,772
-	(272,796)
1,600	1,600
-	169,603
<u>(33,093)</u>	<u>(33,093)</u>
<u>(31,493)</u>	<u>140,261</u>
(4,890)	(6,171)
23,384	120,429
<u>\$ 18,494</u>	<u>\$ 114,258</u>



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** - Account for and report on proceeds of specific revenues that are restricted or committed to expenditures of the law enforcement and special events fund.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013
 (amounts expressed in thousands)

	Food Service Fund
ASSETS	
Cash and cash equivalents	\$ 3
Equity in pooled cash and investments	919
Total cash, cash equivalents, and investments	922
Accounts and interest receivable	19
Due from other governments or agencies	16,940
Inventories	3,109
Total assets	\$ 20,990
LIABILITIES	
Accounts and contracts payable and accrued expenditures	\$ 960
Accrued payroll and compensated absences	262
Due to other funds	2,245
Due to other agencies	-
Total liabilities	3,467
FUND BALANCES	
Nonspendable	3,109
Restricted	14,414
Total fund balances	17,523
Total liabilities and fund balances	\$ 20,990

Miscellaneous Special Revenue Funds	Total Non-major Special Revenue Funds
\$ -	\$ 3
638	1,557
<u>638</u>	<u>1,560</u>
14	33
-	16,940
<u>-</u>	<u>3,109</u>
<u>\$ 652</u>	<u>\$ 21,642</u>
\$ 2	\$ 962
-	262
-	2,245
28	28
<u>30</u>	<u>3,497</u>
-	3,109
622	15,036
<u>622</u>	<u>18,145</u>
<u>\$ 652</u>	<u>\$ 21,642</u>

**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, 2013
(amounts expressed in thousands)**

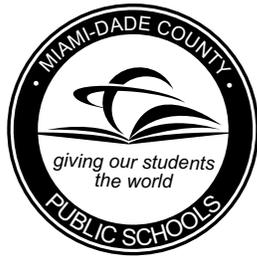
	<u>Food Service Fund</u>
Revenues:	
Local sources:	
Food service sales	\$ 21,545
Interest income	11
Net increase (decrease) in fair value of investments	(1)
Local grants and other	42
Total local sources	<u>21,597</u>
State sources:	
Food services	2,146
State grants and other	76
Total state sources	<u>2,222</u>
Federal sources:	
Federal grants and other	8,335
Food services	122,149
Total federal sources	<u>130,484</u>
Total revenues	<u>154,303</u>
Expenditures:	
Current:	
Instructional services	-
Operation and maintenance of plant	-
Food services	151,711
Community services	-
Capital outlay	1,839
Total expenditures	<u>153,550</u>
Excess (deficiency) of revenues over (under) expenditures	<u>753</u>
Net change in fund balances	753
Fund balances - beginning of year	16,770
Fund balances - end of year	<u>\$ 17,523</u>

Miscellaneous Special Revenue Funds	Total Non-major Special Revenue Funds
\$ -	\$ 21,545
1	12
-	(1)
318	360
<u>319</u>	<u>21,916</u>
-	2,146
-	76
<u>-</u>	<u>2,222</u>
-	8,335
-	122,149
<u>-</u>	<u>130,484</u>
<u>319</u>	<u>154,622</u>
62	62
-	151,711
46	46
160	1,999
<u>268</u>	<u>153,818</u>
<u>51</u>	<u>804</u>
51	804
571	17,341
<u>\$ 622</u>	<u>\$ 18,145</u>

**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, 2013
(amounts expressed in thousands)**

	<u>Food Service Fund</u>		
	<u>Final Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Local sources:			
Food service sales	\$ 21,545	\$ 21,545	\$ -
Interest income	11	11	-
Net increase (decrease) in fair value of investments	(1)	(1)	-
Local grants and other	42	42	-
Total local sources	<u>21,597</u>	<u>21,597</u>	<u>-</u>
State sources:			
Food services	2,146	2,146	-
State grants and other	76	76	-
Total state sources	<u>2,222</u>	<u>2,222</u>	<u>-</u>
Federal sources:			
Federal grants and other	8,335	8,335	-
Food services	122,149	122,149	-
Total federal sources	<u>130,484</u>	<u>130,484</u>	<u>-</u>
Total revenues	<u>154,303</u>	<u>154,303</u>	<u>-</u>
Expenditures:			
Current:			
Operation and maintenance of plant	-	-	-
Food services	151,711	151,711	-
Community services	-	-	-
Capital outlay	1,839	1,839	-
Total expenditures	<u>153,550</u>	<u>153,550</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>753</u>	<u>753</u>	<u>-</u>
Net change in fund balances	<u>\$ 753</u>	<u>\$ 753</u>	<u>\$ -</u>
Fund balances - beginning of year		16,770	
Fund balances - end of year		<u>\$ 17,523</u>	

Miscellaneous Special Revenue Funds			Totals		
Final Amended Budget	Actual	Variance	Final Amended Budget	Actual	Variance
\$ -	\$ -	\$ -	\$ 21,545	\$ 21,545	\$ -
1	1	-	12	12	-
-	-	-	(1)	(1)	-
318	318	-	360	360	-
<u>319</u>	<u>319</u>	<u>-</u>	<u>21,916</u>	<u>21,916</u>	<u>-</u>
-	-	-	2,146	2,146	-
-	-	-	76	76	-
-	-	-	<u>2,222</u>	<u>2,222</u>	<u>-</u>
-	-	-	8,335	8,335	-
-	-	-	122,149	122,149	-
-	-	-	<u>130,484</u>	<u>130,484</u>	<u>-</u>
<u>319</u>	<u>319</u>	<u>-</u>	<u>154,622</u>	<u>154,622</u>	<u>-</u>
62	62	-	62	62	-
-	-	-	151,711	151,711	-
46	46	-	46	46	-
160	160	-	1,999	1,999	-
<u>268</u>	<u>268</u>	<u>-</u>	<u>153,818</u>	<u>153,818</u>	<u>-</u>
51	51	-	804	804	-
<u>\$ 51</u>	<u>51</u>	<u>\$ -</u>	<u>\$ 804</u>	<u>804</u>	<u>\$ -</u>
	571			17,341	
	<u>\$ 622</u>			<u>\$ 18,145</u>	



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.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2013
 (amounts expressed in thousands)

	State Board of Education Bond Funds	Certificates of Participation Fund
ASSETS		
Cash and cash equivalents	\$ -	\$ 54
Equity in pooled cash and investments	-	45,661
Cash and investments with fiscal agents	1,463	-
Total cash, cash equivalents, and investments	1,463	45,715
Taxes receivable	-	-
Interest receivable	-	-
Total assets	\$ 1,463	\$ 45,715
LIABILITIES		
Accounts and accrued expenditures payable	\$ -	\$ 1,932
Deferred/unearned revenues	-	-
Accrued interest payable	-	29
Total liabilities	-	1,961
FUND BALANCES		
Restricted	1,463	43,754
Total fund balances	1,463	43,754
Total liabilities and fund balances	\$ 1,463	\$ 45,715

General Obligation School Bonds Fund	Total Non-major Debt Service Funds
\$ -	\$ 54
30,872	76,533
-	1,463
<u>30,872</u>	<u>78,050</u>
2,755	2,755
12	12
<u>\$ 33,639</u>	<u>\$ 80,817</u>

\$ -	\$ 1,932
1,237	1,237
-	29
<u>1,237</u>	<u>3,198</u>

<u>32,402</u>	<u>77,619</u>
<u>32,402</u>	<u>77,619</u>
<u>\$ 33,639</u>	<u>\$ 80,817</u>

**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, 2013
(amounts expressed in thousands)**

	<u>State Board of Education Bond Funds</u>	<u>Certificates of Participation Fund</u>
Revenues:		
Local sources:		
Ad valorem taxes	\$ -	\$ -
Interest income	-	2,032
Net increase (decrease) in fair value of investments	-	1
Total local sources	<u>-</u>	<u>2,033</u>
State sources:		
State licensing revenue	13,532	-
SBE/COBI bond interest	59	-
Total state sources	<u>13,591</u>	<u>-</u>
Total revenues	<u>13,591</u>	<u>2,033</u>
Expenditures:		
Debt service:		
Principal retirement	10,825	83,292
Interest and fiscal charges	3,174	89,640
Total expenditures	<u>13,999</u>	<u>172,932</u>
Excess (deficiency) of revenues over (under) expenditures	(408)	(170,899)
Other financing sources (uses):		
Issuance of debt for refunding	-	255,175
Premium on refunding of debt	-	19,772
Payments to refunded debt escrow agent	-	(272,796)
Transfers in	-	169,603
Total other financing sources	<u>-</u>	<u>171,754</u>
Net change in fund balances	(408)	855
Fund balances - beginning of year	1,871	42,899
Fund balances - end of year	<u>\$ 1,463</u>	<u>\$ 43,754</u>

<u>General Obligation School Bonds Fund</u>	<u>Total Non-major Debt Service Funds</u>
\$ 43,557	\$ 43,557
48	2,080
(8)	(7)
<u>43,597</u>	<u>45,630</u>
-	13,532
-	59
-	<u>13,591</u>
<u>43,597</u>	<u>59,221</u>
38,515	132,632
7,614	100,428
<u>46,129</u>	<u>233,060</u>
(2,532)	(173,839)
-	255,175
-	19,772
-	(272,796)
-	169,603
-	<u>171,754</u>
(2,532)	(2,085)
34,934	79,704
<u>\$ 32,402</u>	<u>\$ 77,619</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, 2013
 (amounts expressed in thousands)

	<u>State Board of Education Bond Funds</u>		
	<u>Final</u>		
	<u>Amended</u>	<u>Actual</u>	
	<u>Budget</u>	<u>GAAP Basis</u>	<u>Variance</u>
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
State licensing revenue	13,532	13,532	-
SBE/COBI bond interest	59	59	-
Interest income	-	-	-
Net increase (decrease) in fair value of investments	-	-	-
Total revenues	<u>13,591</u>	<u>13,591</u>	<u>-</u>
Expenditures:			
Debt service:			
Principal retirement	10,825	10,825	-
Interest and fiscal charges	3,174	3,174	-
Total expenditures	<u>13,999</u>	<u>13,999</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(408)</u>	<u>(408)</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	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(408)	(408)	\$ -
Fund balances - beginning of year	1,871	1,871	
Fund balances - end of year	<u>\$ 1,463</u>	<u>\$ 1,463</u>	

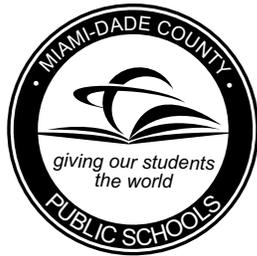
<u>Certificates of Participation Fund</u>		
<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
2,032	2,032	-
1	1	-
<u>2,033</u>	<u>2,033</u>	<u>-</u>
83,292	83,292	-
89,640	89,640	-
<u>172,932</u>	<u>172,932</u>	<u>-</u>
(170,899)	(170,899)	-
255,175	255,175	-
19,772	19,772	-
(272,796)	(272,796)	-
169,603	169,603	-
<u>171,754</u>	<u>171,754</u>	<u>-</u>
855	855	\$ -
42,899	42,899	
<u>\$ 43,754</u>	<u>\$ 43,754</u>	

<u>General Obligation School Bonds Fund</u>		
<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
\$ 43,557	\$ 43,557	\$ -
-	-	-
-	-	-
48	48	-
(8)	(8)	-
<u>43,597</u>	<u>43,597</u>	<u>-</u>
38,515	38,515	-
7,614	7,614	-
<u>46,129</u>	<u>46,129</u>	<u>-</u>
(2,532)	(2,532)	-
-	-	-
-	-	-
-	-	-
-	-	-
(2,532)	(2,532)	\$ -
34,934	34,934	
<u>\$ 32,402</u>	<u>\$ 32,402</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, 2013
 (amounts expressed in thousands)

	<u>ARRA Economic Stimulus Debt Service Fund</u>		
	<u>Final</u>		
	<u>Amended</u>	<u>Actual</u>	
	<u>Budget</u>	<u>GAAP Basis</u>	<u>Variance</u>
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
State licensing revenue	-	-	-
SBE/COBI bond interest	-	-	-
Interest income	-	-	-
Net increase (decrease) in fair value of investments	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	2,299	2,299	-
Total expenditures	<u>2,299</u>	<u>2,299</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,299)</u>	<u>(2,299)</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	2,299	2,299	-
Total other financing sources (uses)	<u>2,299</u>	<u>2,299</u>	<u>-</u>
Net change in fund balances	-	-	<u>\$ -</u>
Fund balances - beginning of year	-	-	
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	

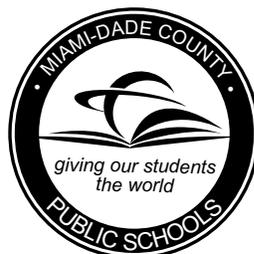
Totals		
Final Amended Budget	Actual GAAP Basis	Variance
\$ 43,557	\$ 43,557	\$ -
13,532	13,532	-
59	59	-
2,080	2,080	-
(7)	(7)	-
<u>59,221</u>	<u>59,221</u>	<u>-</u>
132,632	132,632	-
102,727	102,727	-
<u>235,359</u>	<u>235,359</u>	<u>-</u>
(176,138)	(176,138)	-
255,175	255,175	-
19,772	19,772	-
(272,796)	(272,796)	-
171,902	171,902	-
<u>174,053</u>	<u>174,053</u>	<u>-</u>
<u>\$ (2,085)</u>	(2,085)	<u>\$ -</u>
	79,704	
	<u>\$ 77,619</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.
- **Section 1011.14 Loans Fund** - Accounts for and reports on the proceeds received from the issuance of the Revenue Anticipation Notes, used to pay or reimburse the capital outlay funds for the cost of acquisition, construction and equipping modular classrooms.
- **Public Education Capital Outlay (PECO) Funds** - Accounts for and reports on funds received from the State for the construction and maintenance of schools.
- **General Obligation School Bonds Fund** - Accounts for and reports on funds received from the issuance of General Obligation School Bonds, used for the construction of new schools and major renovations of existing 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.
- **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, 2013
 (amounts expressed in thousands)

	Impact Fee Funds	SBE/ COBI Funds	Master Equipment Lease Fund
ASSETS			
Cash and cash equivalents	\$ -	\$ -	\$ -
Equity in pooled cash and investments	5,628	57	-
Total cash, cash equivalents, and investments	<u>5,628</u>	<u>57</u>	<u>-</u>
Accounts and interest receivable	2	-	-
Due from other governments or agencies	7,382	-	-
Total assets	<u>\$ 13,012</u>	<u>\$ 57</u>	<u>\$ -</u>
LIABILITIES			
Accounts and contracts payable and accrued expenditures	-	-	-
Due to other funds	8,457	-	-
Due to other agencies	-	-	-
Retainage payable on contracts	-	57	-
Total liabilities	<u>8,457</u>	<u>57</u>	<u>-</u>
FUND BALANCES			
Restricted	4,555	-	-
Assigned	-	-	-
Total fund balances	<u>4,555</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 13,012</u>	<u>\$ 57</u>	<u>\$ -</u>

Section 1011.14 F.S. Loans	Public Education Capital Outlay (PECO) Funds	General Obligation School Bonds Fund	Capital Outlay and Debt Service Fund	Other Capital Projects Funds	Total Non-major Capital Projects Funds
\$ -	\$ -	\$ -	\$ -	\$ 28	\$ 28
41	4	5,598	3,017	11,644	25,989
<u>41</u>	<u>4</u>	<u>5,598</u>	<u>3,017</u>	<u>11,672</u>	<u>26,017</u>
-	-	2	1	5	10
-	-	-	-	-	7,382
<u>\$ 41</u>	<u>\$ 4</u>	<u>\$ 5,600</u>	<u>\$ 3,018</u>	<u>\$ 11,677</u>	<u>\$ 33,409</u>
41	4	907	198	1,029	2,179
-	-	-	-	-	8,457
-	-	-	-	3,750	3,750
-	-	167	68	237	529
<u>41</u>	<u>4</u>	<u>1,074</u>	<u>266</u>	<u>5,016</u>	<u>14,915</u>
-	-	4,526	2,752	5,266	17,099
-	-	-	-	1,395	1,395
-	-	4,526	2,752	6,661	18,494
<u>\$ 41</u>	<u>\$ 4</u>	<u>\$ 5,600</u>	<u>\$ 3,018</u>	<u>\$ 11,677</u>	<u>\$ 33,409</u>

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, 2013
 (amounts expressed in thousands)

	<u>Impact Fee Funds</u>	<u>SBE/ COBI Funds</u>	<u>Master Equipment Lease Fund</u>
Revenues:			
Local sources:			
Interest income	\$ 3	\$ 1	\$ -
Net increase (decrease) in fair value of investments	(1)	-	-
Local grants and other	<u>20,921</u>	<u>-</u>	<u>-</u>
Total local sources	<u>20,923</u>	<u>1</u>	<u>-</u>
State sources:			
Other state revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>20,923</u>	<u>1</u>	<u>-</u>
Expenditures:			
Capital outlay	8	1,188	298
Debt service	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>8</u>	<u>1,188</u>	<u>298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20,915</u>	<u>(1,187)</u>	<u>(298)</u>
Other financing sources (uses):			
Transfers out	(18,699)	-	-
Proceeds from loans/leases/construction agreements	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(18,699)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,216	(1,187)	(298)
Fund balances - beginning of year	<u>2,339</u>	<u>1,187</u>	<u>298</u>
Fund balances - end of year	<u>\$ 4,555</u>	<u>\$ -</u>	<u>\$ -</u>

Section 1011.14 F.S. Loans	Public Education Capital Outlay (PECO) Funds	General Obligation School Bonds Fund	Capital Outlay and Debt Service Fund	Other Capital Projects Funds	Total Non-major Capital Projects Funds
\$ -	\$ -	\$ 9	\$ 3	\$ 13	\$ 29
-	-	(1)	(1)	(4)	(7)
-	-	-	-	5,379	26,300
-	-	8	2	5,388	26,322
-	14,394	-	1,560	-	15,954
-	14,394	-	1,560	-	15,954
-	14,394	8	1,562	5,388	42,276
-	-	2,462	1,580	10,129	15,665
-	-	-	8	-	8
-	-	2,462	1,588	10,129	15,673
-	14,394	(2,454)	(26)	(4,741)	26,603
-	(14,394)	-	-	-	(33,093)
-	-	-	-	1,600	1,600
-	(14,394)	-	-	1,600	(31,493)
-	-	(2,454)	(26)	(3,141)	(4,890)
-	-	6,980	2,778	9,802	23,384
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,526</u>	<u>\$ 2,752</u>	<u>\$ 6,661</u>	<u>\$ 18,494</u>

**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, 2013
(amounts expressed in thousands)**

	Totals		
	Final Amended Budget	Actual Budgetary Basis	Variance
Revenues:			
Local sources:			
Ad valorem taxes	\$ 291,812	\$ 291,812	\$ -
Interest income	273	273	-
Net increase (decrease) in fair value of investments	(13)	(13)	-
Local grants and other	26,300	26,300	-
Total local sources	<u>318,372</u>	<u>318,372</u>	<u>-</u>
State sources:			
Other state revenue	15,954	15,954	-
Total state sources	<u>15,954</u>	<u>15,954</u>	<u>-</u>
Total revenues	<u>334,326</u>	<u>334,326</u>	<u>-</u>
Expenditures:			
Capital outlay	424,731	92,974	331,757
Debt service:			
Interest and fiscal charges	273	87	186
Total expenditures	<u>425,004</u>	<u>93,061</u>	<u>331,943</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(90,678)</u>	<u>241,265</u>	<u>331,943</u>
Other financing sources (uses):			
Transfers out	(309,028)	(309,028)	-
Proceeds from loans/leases/construction agreements	275,453	1,600	(273,853)
Total other financing sources (uses)	<u>(33,575)</u>	<u>(307,428)</u>	<u>(273,853)</u>
Net change in fund balances	<u>\$ (124,253)</u>	<u>(66,163)</u>	<u>\$ 58,090</u>
Fund balances - beginning of year		134,954	
Fund balances - end of year		<u>\$ 68,791</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, 2013
 (amounts expressed in thousands)

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
Assets				
Cash and cash equivalents	\$ 5,211	\$ 91,744	\$ 91,940	\$ 5,015
Investments	17,884	11,344	11,495	17,733
Interest receivable	32	34	32	34
Total assets	<u>\$ 23,127</u>	<u>\$ 103,122</u>	<u>\$ 103,467</u>	<u>\$ 22,782</u>
Liabilities				
Accounts payable	\$ 48	\$ 30	\$ 48	\$ 30
Due to other agencies	3,836	3,892	3,836	3,892
Due to student organizations	19,243	99,200	99,583	18,860
Total liabilities	<u>\$ 23,127</u>	<u>\$ 103,122</u>	<u>\$ 103,467</u>	<u>\$ 22,782</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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Primary Government:					
Governmental activities:					
Invested in capital assets, net of related debt	\$ 1,137.3	\$ 1,200.6	\$ 1,429.7	\$ 1,713.0	\$ 1,767.6
Restricted	491.2	594.7	457.0	342.8	356.2
Unrestricted	<u>(199.5)</u>	<u>(195.2)</u>	<u>(166.3)</u>	<u>(263.5)</u>	<u>(366.6)</u>
Total primary government net position	<u>\$ 1,429.0</u>	<u>\$ 1,600.1</u>	<u>\$ 1,720.4</u>	<u>\$ 1,792.3</u>	<u>\$ 1,757.2</u>

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

TABLE 1

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 1,764.0	\$ 1,830.1	\$ 1,670.6	\$ 1,557.5	\$ 1,550.2
242.0	109.0	180.7	173.3	104.2
<u>(287.5)</u>	<u>(233.9)</u>	<u>(168.3)</u>	<u>(242.3)</u>	<u>(259.0)</u>
<u>\$ 1,718.5</u>	<u>\$ 1,705.2</u>	<u>\$ 1,683.0</u>	<u>\$ 1,488.5</u>	<u>\$ 1,395.4</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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Primary Government:				
Governmental activities:				
Program Revenues				
Charges for services				
Instruction	\$ 27,928	\$ 29,249	\$ 28,102	\$ 28,884
Pupil transportation services	112	94	98	92
Food services	34,987	35,957	37,318	40,285
Operating grants and contributions				
Pupil transportation services	27,419	28,428	29,052	29,844
Operation and maintenance of plant	-	-	29,880	181
Food services	97,723	100,489	94,393	96,785
Capital grants and contributions				
Operation and maintenance of plant	43,331	55,096	26,734	41,443
Facilities acquisition and construction	67,576	106,471	54,264	53,491
Interest on long-term debt	13,343	13,631	13,839	12,561
Total primary government program revenues	<u>\$ 312,419</u>	<u>\$ 369,415</u>	<u>\$ 313,680</u>	<u>\$ 303,566</u>
Expenses				
Governmental activities:				
Instructional services	\$ 1,603,331	\$ 1,738,016	\$ 1,830,948	\$ 2,001,297
Instructional support services	289,701	297,651	338,967	361,063
Pupil transportation services	79,411	85,767	86,735	92,194
Operation and maintenance of plant	327,721	352,249	408,675	423,920
Food services	132,171	143,610	137,730	135,818
School administration	160,319	163,407	168,349	178,404
General administration	103,216	117,630	97,063	106,873
Other	37,073	39,569	40,952	42,124
Facilities Acquisition and Construction	54,574	91,364	114,202	131,361
Interest on long-term debt	79,648	74,061	84,056	107,959
Unallocated Depreciation/Amortization	59,498	70,219	77,215	86,541
Total primary government expenses	<u>\$ 2,926,663</u>	<u>\$ 3,173,543</u>	<u>\$ 3,384,892</u>	<u>\$ 3,667,554</u>
Net (Expense)/Revenue-Primary Government	<u>\$ (2,614,244)</u>	<u>\$ (2,804,128)</u>	<u>\$ (3,071,212)</u>	<u>\$ (3,363,988)</u>
General Revenues and Other Changes in Net Position				
Taxes				
Property Taxes, Levied for Operational Purposes	\$ 792,617	\$ 863,176	\$ 999,850	\$ 1,156,499
Property Taxes, Levied for Debt Service	83,302	83,192	86,264	79,251
Property Taxes, Levied for Capital Projects	244,721	278,926	335,268	402,456
Grants and Contributions Not Restricted to Specific Programs	1,691,665	1,711,397	1,699,682	1,695,306
Investment earnings	15,151	29,184	52,961	71,776
Miscellaneous	26,987	9,356	17,470	21,412
Total primary government general revenues	<u>\$ 2,854,443</u>	<u>\$ 2,975,231</u>	<u>\$ 3,191,495</u>	<u>\$ 3,426,700</u>
Change in Net Position	<u>\$ 240,199</u>	<u>\$ 171,103</u>	<u>\$ 120,283</u>	<u>\$ 62,712</u>

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

TABLE 2

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$	28,869	\$ 27,633	\$ 29,826	\$ 29,438	\$ 33,094	\$ 32,219
	140	640	1,087	760	462	715
	38,366	36,163	31,902	29,647	27,148	21,546
	29,465	25,835	-	-	-	-
	-	-	-	-	55	-
	96,810	100,273	111,940	120,257	121,631	132,541
	54,032	38,586	19,601	28,529	14,494	14,394
	68,716	11,121	7,403	8,860	10,107	22,708
	12,687	13,329	13,471	13,512	13,552	13,591
<u>\$</u>	<u>329,085</u>	<u>\$ 253,580</u>	<u>\$ 215,230</u>	<u>\$ 231,003</u>	<u>\$ 220,543</u>	<u>\$ 237,714</u>
\$	2,081,140	\$ 1,934,225	\$ 1,933,411	\$ 2,016,750	\$ 1,918,275	\$ 1,956,415
	372,134	308,809	314,994	287,551	277,361	284,372
	94,463	86,033	84,479	83,894	81,573	82,507
	436,086	394,904	372,935	351,511	344,296	342,379
	146,098	133,950	134,808	140,639	145,146	150,301
	191,333	174,578	166,116	165,566	154,588	153,151
	109,640	86,407	82,454	81,435	83,904	83,985
	41,957	34,969	32,843	33,249	30,302	30,982
	216,473	180,416	84,195	103,561	77,863	26,584
	117,210	149,822	148,251	144,112	136,274	129,252
	105,471	134,490	132,979	152,779	155,582	157,235
<u>\$</u>	<u>3,912,005</u>	<u>\$ 3,618,603</u>	<u>\$ 3,487,465</u>	<u>\$ 3,561,047</u>	<u>\$ 3,405,164</u>	<u>\$ 3,397,163</u>
<u>\$</u>	<u>(3,582,920)</u>	<u>\$ (3,365,023)</u>	<u>\$ (3,272,235)</u>	<u>\$ (3,330,044)</u>	<u>\$ (3,184,621)</u>	<u>\$ (3,159,449)</u>
\$	1,303,337	\$ 1,410,467	\$ 1,339,331	\$ 1,222,023	\$ 1,191,592	\$ 1,184,421
	87,786	66,703	61,145	72,052	44,572	44,454
	464,681	423,454	366,078	288,595	301,453	296,122
	1,614,868	1,352,520	1,466,475	1,677,325	1,415,403	1,495,657
	56,622	25,561	6,794	6,145	3,742	3,228
	20,518	47,658	19,095	41,673	33,313	46,986
<u>\$</u>	<u>3,547,812</u>	<u>\$ 3,326,363</u>	<u>\$ 3,258,918</u>	<u>\$ 3,307,813</u>	<u>\$ 2,990,075</u>	<u>\$ 3,070,868</u>
<u>\$</u>	<u>(35,108)</u>	<u>\$ (38,660)</u>	<u>\$ (13,317)</u>	<u>\$ (22,231)</u>	<u>\$ (194,546)</u>	<u>\$ (88,581)</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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund:				
Reserved	\$ 80,828	\$ 86,821	\$ 85,624	\$ 53,500
Unreserved:				
Designated for estimated rebudgets and obligations	60,888	72,698	40,746	43,267
Undesignated	62,417	62,548	68,653	40,614
Total general fund	<u>\$ 204,133</u>	<u>\$ 222,067</u>	<u>\$ 195,023</u>	<u>\$ 137,381</u>
All other governmental funds:				
Reserved	\$ 278,236	\$ 390,538	\$ 796,322	\$ 978,174
Unreserved, reported in:				
Designated for capital projects	578,106	507,434	313,412	138,767
Undesignated				
Special revenue funds	9,916	2,013	(1,681)	(2,374)
Capital projects funds	6,930	(34,671)	(68,904)	(148,413)
Total all other governmental funds	<u>\$ 873,188</u>	<u>\$ 865,314</u>	<u>\$ 1,039,149</u>	<u>\$ 966,154</u>

Post-GASB 54

General Fund:
Nonspendable:
Restricted:
Assigned:
Unassigned:
Total general fund
All other governmental funds:
Nonspendable:
Capital Projects
Other Non-major
Restricted:
Special Revenue
Debt Service
Capital Projects
Assigned:
Capital Projects
Unassigned:
Special Revenue
Capital Projects
Total all other governmental funds

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

<u>2008</u>	
\$	24,451
	2,243
	5,936
\$	<u>32,630</u>

\$	912,315
	123,977
	(2,130)
	<u>(128,470)</u>
\$	<u>905,692</u>

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ -	\$ 205	\$ 8,580	\$ 6,364	\$ 7,138
2,908	4,522	8,409	5,146	1,522
20,179	43,431	33,815	51,758	17,733
58,136	83,574	170,908	80,875	57,957
\$ 81,223	\$ 131,732	\$ 221,712	\$ 144,143	\$ 84,350
\$ 23,080	\$ 21,039	\$ 20,301	\$ 20,038	\$ 22,213
2,044	1,525	3,723	2,378	3,109
-	7,095	11,691	14,963	15,036
76,467	81,329	93,322	79,704	77,619
590,471	462,843	253,666	105,151	45,183
11,957	8,686	8,750	9,765	1,395
(762)				
<u>(50,086)</u>				
\$ 653,171	\$ 582,517	\$ 391,453	\$ 231,999	\$ 164,555

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>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
REVENUES:				
Local sources:				
Ad valorem taxes	\$ 1,129,023	\$ 1,230,305	\$ 1,414,057	\$ 1,639,072
Food services sales	34,988	35,957	37,318	40,285
Interest income and other	16,864	29,519	53,821	69,371
Net increase (decrease) in fair value of investments	(1,715)	(336)	(860)	2,405
Local grants and other	103,175	135,561	100,773	86,999
Total local sources	<u>1,282,335</u>	<u>1,431,006</u>	<u>1,605,109</u>	<u>1,838,132</u>
State sources:				
Florida education finance program	1,122,153	1,045,087	934,884	832,521
Public education capital outlay	60,357	55,096	26,734	41,443
Food services	2,878	2,780	2,781	2,723
State grants and other	327,871	439,798	512,963	587,161
Total state sources	<u>1,513,259</u>	<u>1,542,761</u>	<u>1,477,362</u>	<u>1,463,848</u>
Federal sources:				
Federal grants and other	297,373	319,326	341,552	353,155
Food services	86,288	89,883	86,108	87,367
Total federal sources	<u>383,661</u>	<u>409,209</u>	<u>427,660</u>	<u>440,522</u>
Total revenues	<u>\$ 3,179,255</u>	<u>\$ 3,382,976</u>	<u>\$ 3,510,131</u>	<u>\$ 3,742,502</u>
EXPENDITURES:				
Instructional services	\$ 1,579,107	\$ 1,700,122	\$ 1,797,336	\$ 1,961,556
Instructional support services	276,043	284,079	318,918	342,653
Pupil transportation services	78,350	84,955	85,582	91,462
Operation and maintenance of plant	323,947	345,533	401,684	417,112
School administration	154,725	160,925	165,264	175,793
General administration	99,977	114,920	103,215	111,470
Food services	130,872	142,133	139,409	136,856
Capital outlay	282,003	395,790	663,589	1,110,737
Debt service				
Principal	274,928	126,455	104,445	282,434
Interest	82,389	80,930	82,937	109,169
Dues and fees	1,426	1,938	4,773	8,285
Other	36,689	38,781	39,993	41,473
Total expenditures	<u>\$ 3,320,456</u>	<u>\$ 3,476,561</u>	<u>\$ 3,907,145</u>	<u>\$ 4,789,000</u>
Excess of revenues over (under) expenditures	\$ (141,201)	\$ (93,585)	\$ (397,014)	\$ (1,046,498)
Other financing sources (uses)				
Transfers in	389,943	238,161	245,153	549,922
Transfers out	(389,943)	(238,161)	(245,153)	(549,922)
Proceeds from issuance of debt	224,100	183,533	462,895	688,209
Premium on issuance of debt	-	8,606	16,748	33,823
Premium on refunded bond escrow agent	-	(90,590)	-	(11,300)
Proceeds from sale of capital assets	832	566	353	1,231
Proceeds from capital leases	1,706	1,530	63,809	169,008
Proceeds from forward purchase agreement	-	-	-	-
Other	-	-	-	-
Total other financing sources (uses)	<u>\$ 226,638</u>	<u>\$ 103,645</u>	<u>\$ 543,805</u>	<u>\$ 880,971</u>
Net change in fund balances	\$ 85,437	\$ 10,060	\$ 146,791	\$ (165,527)
Debt service as a percentage of noncapital expenditures				
	11.4%	6.5%	5.5%	10.2%

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

TABLE 4

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 1,848,733	\$ 1,888,838	\$ 1,770,556	\$ 1,586,242	\$ 1,541,080	\$ 1,520,106
38,366	36,164	31,902	29,647	27,148	21,545
55,641	30,251	4,443	4,499	3,556	3,290
982	(351)	(120)	25	(59)	(62)
<u>83,430</u>	<u>94,635</u>	<u>83,526</u>	<u>86,541</u>	<u>82,527</u>	<u>99,872</u>
<u>2,027,152</u>	<u>2,049,537</u>	<u>1,890,307</u>	<u>1,706,954</u>	<u>1,654,252</u>	<u>1,644,751</u>
690,734	440,202	451,375	603,780	561,609	610,377
40,825	25,049	5,178	14,895	-	-
2,630	2,416	2,249	2,136	2,261	2,146
<u>696,917</u>	<u>613,238</u>	<u>528,514</u>	<u>537,531</u>	<u>531,406</u>	<u>542,181</u>
<u>1,431,106</u>	<u>1,080,905</u>	<u>987,316</u>	<u>1,158,342</u>	<u>1,095,276</u>	<u>1,154,704</u>
346,945	363,618	521,840	572,850	358,665	381,118
<u>87,357</u>	<u>91,936</u>	<u>104,107</u>	<u>110,212</u>	<u>112,963</u>	<u>122,149</u>
<u>434,302</u>	<u>455,554</u>	<u>625,947</u>	<u>683,062</u>	<u>471,628</u>	<u>503,267</u>
<u>\$ 3,892,560</u>	<u>\$ 3,585,996</u>	<u>\$ 3,503,570</u>	<u>\$ 3,548,358</u>	<u>\$ 3,221,156</u>	<u>\$ 3,302,722</u>
\$ 2,054,536	\$ 1,913,023	\$ 1,926,447	\$ 2,005,289	\$ 1,904,491	\$ 1,936,994
358,938	301,314	307,703	282,397	269,897	277,591
93,909	86,022	84,186	83,906	81,543	81,096
430,515	391,532	370,137	350,357	343,246	340,929
188,959	174,184	164,967	165,147	154,420	152,857
115,339	95,427	97,421	96,156	91,095	89,560
147,588	135,864	136,740	142,048	145,803	151,711
967,355	618,251	305,287	231,541	189,354	148,644
130,634	272,654	144,900	152,360	153,986	133,117
127,725	145,064	152,587	135,572	108,204	100,858
9,299	8,181	3,899	3,575	226	2,422
<u>41,224</u>	<u>34,701</u>	<u>32,511</u>	<u>32,363</u>	<u>30,046</u>	<u>30,829</u>
<u>\$ 4,666,021</u>	<u>\$ 4,176,217</u>	<u>\$ 3,726,785</u>	<u>\$ 3,680,711</u>	<u>\$ 3,472,311</u>	<u>\$ 3,446,608</u>
\$ (773,461)	\$ (590,221)	\$ (223,215)	\$ (132,353)	\$ (251,155)	\$ (143,886)
568,455	680,332	534,579	366,201	344,206	321,832
(568,455)	(680,332)	(534,579)	(366,201)	(356,206)	(309,832)
1,058,545	367,825	231,345	303,275	725	-
32,161	-	203	8,536	111	-
(245,279)	(1,936)	(27,380)	(284,294)	(834)	255,175
350	345	257	3,650	898	19,772
40,886	77,499	507	102	25,232	(272,796)
-	-	-	-	-	423
<u>(278,415)</u>	<u>(57,440)</u>	<u>(1,862)</u>	<u>-</u>	<u>-</u>	<u>2,075</u>
<u>\$ 608,248</u>	<u>\$ 386,293</u>	<u>\$ 203,070</u>	<u>\$ 31,269</u>	<u>\$ 14,132</u>	<u>\$ 16,649</u>
<u>\$ (165,213)</u>	<u>\$ (203,928)</u>	<u>\$ (20,145)</u>	<u>\$ (101,084)</u>	<u>\$ (237,023)</u>	<u>\$ (127,237)</u>
6.6%	11.2%	8.5%	8.1%	7.8%	7.0%

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
ASSESSED VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 5

Fiscal Year	Assessed Value		Personal Property	Less: Exemptions	Total Net Assessed Taxable Value	Total Direct Tax Rate*
	Residential Property	Non-Residential Property				
2004	\$ 112,025,262	\$ 31,687,262	\$ 14,006,959	\$ 30,523,350	\$ 127,196,133	9.100
2005	131,936,540	31,532,460	14,066,893	32,544,925	144,990,968	8.687
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	241,272,977	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	224,100,566	7.995
2011	130,122,357	100,622,057	16,043,395	42,588,075	204,199,734	8.249
2012	145,679,989	101,508,210	15,855,148	57,429,038	205,614,309	8.005
2013	132,153,741 **	99,058,625 **	15,855,148 **	41,453,204 **	205,614,310 **	7.998

* Total District Direct Overlapping Rates found on Table 7.

** Preliminary assessed value provided by Miami-Dade County Property Appraiser is subject to changes 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 - Office of the 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

Taxpayer	2004 Taxable Assessed Value	Rank	2004 Percentage of Total Taxable Assessed Value	2013 Taxable Assessed Value	Rank	2013 Percentage of Total Taxable Assessed Value
Florida Power & Light Company	\$ 1,949,094	1	1.53 %	\$ 3,449,121	1	1.68 %
AT&T - BellSouth Telecommunications, Inc.	1,003,390	2	0.79	527,547	2	0.26
Graham Companies	262,537	3	0.21	-		0.00
Aventura Mall Venture	-		-	377,068	3	0.18
SDG Dadeland Associates	248,000	4	0.19	347,300	4	0.17
SRI Miami Venture LP	242,800	5	0.19	-		
Dolphin Mall			-	302,756	5	0.15
Turnberry Associates	242,422	6	0.19	-		0.00
200 S Biscayne TIC I LLC	-		-	247,400	6	0.12
Rouse Miami, Inc.	202,246	7	0.16	-		
Teachers Insurance and Annuity	150,000	10	0.12	240,948	7	0.12
Flagler Development Company	193,525	8	0.15	-		0.00
MB Redevelopment Inc.	-		-	213,000	8	0.10
Crescent Miami Center, LLC	157,700	9	0.12	-		
2201 Collins Fee LLC	-		-	203,196	9	0.10
Plantation General Hospital LP	-		-	191,217	10	0.09
Total	\$ 4,651,714		3.65 %	\$ 6,099,552		2.96 %

NOTE(S): See Table 5 for Total Taxable Value for Miami-Dade County.
FY 2003-2004 was \$127,196,133. FY 2012-13 was \$205,614,310.

SOURCE(S): Miami-Dade County Finance Department, Tax Collector's Division

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
The School Board of Miami-Dade County					
General Fund	6.418	6.090	5.947	5.691	5.570
Debt Service Funds	0.682	0.597	0.491	0.414	0.378
Capital Project Funds	2.000	2.000	2.000	2.000	2.000
Total District Direct Tax Rates	<u>9.100</u>	<u>8.687</u>	<u>8.438</u>	<u>8.105</u>	<u>7.948</u>
Overlapping Tax Rates					
Aventura	2.227	2.227	2.227	2.227	1.726
Bal Harbour	2.902	2.902	2.902	2.902	2.320
Bay Harbor Island	5.000	5.000	4.900	4.750	3.656
Biscayne Park	7.900	7.900	8.200	9.200	8.340
Coral Gables	5.990	5.990	6.150	6.150	5.250
Cutler Bay	-	-	2.447	2.447	2.447
Doral	-	2.447	2.447	2.447	2.447
Downtown Development Authority	-	-	-	-	0.500
El Portal	8.700	8.700	8.700	8.700	7.031
Florida City	8.900	8.900	8.900	8.900	7.750
Golden Beach	8.590	8.590	8.590	8.590	8.500
Hialeah	7.528	7.100	6.800	6.800	6.540
Hialeah Gardens	6.120	6.120	6.120	6.120	4.909
Homestead	8.250	7.750	6.750	6.250	5.159
Indian Creek	10.575	10.450	10.200	8.700	6.950
Islandia	9.621	9.492	9.123	8.193	7.967
Key Biscayne	3.606	3.606	3.606	3.450	3.200
Medley	7.450	7.250	7.150	6.900	5.751
Miami	10.343	10.166	9.765	9.496	8.378
Miami Beach	9.296	9.296	8.887	8.011	6.933
MB-Normandy Shores	-	-	-	-	-
Miami Gardens	-	3.648	3.638	5.149	5.149
Miami Lakes	2.968	2.912	2.825	2.740	2.480
Miami Shores	8.265	9.375	9.180	9.106	7.816
Miami Springs	8.687	8.652	8.342	7.895	6.658
North Bay Village	6.212	6.212	6.212	6.098	4.799
North Miami	8.758	8.732	8.693	8.463	6.932
North Miami Beach	8.896	8.781	8.608	8.409	7.479
Opa Locka	9.800	9.800	9.800	9.800	8.008
Palmetto Bay	2.447	2.447	2.447	2.374	2.374
Pinecrest	2.400	2.400	2.400	2.400	1.950
South Miami	7.373	7.213	6.681	5.881	4.818
Sunny Isles Beach	3.350	3.350	2.950	2.950	2.398
Surfside	5.603	5.603	5.603	5.600	4.250
Sweetwater	3.949	3.949	3.949	3.949	3.279
Virginia Gardens	4.843	4.843	4.750	4.600	4.081
West Miami	8.495	8.495	8.495	8.495	6.738
Unincorporated County	2.447	2.447	2.447	2.447	2.042

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

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013*</u>
5.783	5.998	6.314	6.165	6.204
0.264	0.297	0.385	0.240	0.233
<u>1.750</u>	<u>1.700</u>	<u>1.550</u>	<u>1.600</u>	<u>1.561</u>
<u>7.797</u>	<u>7.995</u>	<u>8.249</u>	<u>8.005</u>	<u>7.998</u>
1.726	1.726	1.726	1.726	1.726
2.527	2.557	2.447	2.268	2.268
4.412	5.297	5.297	5.297	5.250
8.890	8.993	8.993	9.500	9.900
6.243	6.072	5.869	5.669	5.629
3.031	2.589	2.803	2.570	2.835
2.657	2.447	2.438	2.222	2.222
0.500	0.500	7.571	7.571	7.615
7.844	7.900	8.300	8.300	8.300
7.750	7.750	7.750	7.750	7.641
9.089	7.014	7.643	6.995	7.776
6.540	6.540	6.540	6.302	6.302
4.900	5.460	5.588	5.381	5.381
6.500	6.292	6.292	6.244	5.922
6.950	1.804	2.720	7.952	6.950
6.401	-	-	-	-
3.200	8.993	3.200	3.200	3.200
5.650	5.650	5.650	5.585	5.400
9.060	7.674	7.571	7.571	7.615
5.912	6.216	6.216	6.091	5.890
0.857	1.038	6.216	6.091	5.890
5.373	5.714	6.562	6.362	6.936
2.480	2.370	2.360	2.352	2.352
8.706	8.000	8.000	8.000	8.000
7.385	6.471	6.860	6.995	7.895
5.492	4.777	5.900	4.777	7.500
7.870	8.196	8.196	8.000	8.100
7.573	6.604	8.420	6.604	6.604
8.547	8.800	9.153	9.100	9.300
2.447	2.447	2.447	2.447	2.447
2.104	2.104	2.367	2.200	2.200
5.279	4.953	4.666	4.364	4.364
2.650	2.886	2.886	2.800	2.700
4.733	5.603	5.500	5.300	5.300
3.925	4.662	2.920	2.920	2.920
4.423	5.749	5.423	5.423	5.420
7.142	6.886	6.886	6.886	6.886
2.245	2.298	2.008	1.928	1.928

* 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
2004	\$ 1,168,782	\$ 1,129,023	96.6 %	\$ 7,222	\$ 1,136,245	97.2 %
2005	1,268,957	1,230,305	97.0	2,210	1,232,515	97.1
2006	1,466,589	1,414,057	96.4	9,535	1,423,592	97.1
2007	1,695,415	1,639,072	96.7	8,669	1,647,741	97.2
2008	1,919,331	1,850,835	96.4	13,638	1,864,473	97.1
2009	1,959,007	1,888,838	96.4	21,819	1,910,657	97.5
2010	1,805,599	1,770,657	98.1	39,855	1,810,512	100.3
2011	1,614,699	1,586,242	98.2	47,047	1,633,289	101.2
2012	1,525,140	1,509,025	98.9	32,056	1,541,081	101.0
2013	1,584,376	1,495,134	94.4	24,972	1,520,106	95.9

* Collections are applicable to the year collected, not the year assessed.

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					Total Primary Government	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				
2004	\$ 122,335	\$ 611,135	\$ 1,100,552	\$ 2,611	\$ 1,836,633	2.68 %	\$ 774	
2005	119,945	557,545	1,131,970	3,006	1,812,466	3.39	755	
2006	112,020	501,100	1,555,970	65,336	2,234,426	4.05	907	
2007	97,205	444,320	2,023,295	97,153	2,661,973	4.62	1,076	
2008	97,560	381,880	2,508,445	132,751	3,120,636	5.28	1,262	
2009	88,785	316,285	2,766,125	188,670	3,359,865	5.92	1,362	
2010	80,740	267,360	2,939,394	157,509	3,445,003	6.39	1,398	
2011	72,715	216,005	2,994,934	125,213	3,408,867	6.16	1,377	
2012	61,085	161,860	2,935,340	120,096	3,278,381	6.25	1,306	
2013	50,260	123,345	2,878,597	89,332	3,141,534	6.00	1,237	

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

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
2004	\$ 750,606	\$ 65,003	\$ 685,603	\$ 127,196,133	0.54
2005	691,135	66,008	625,127	144,990,968	0.43
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	241,272,977	0.17
2009	405,070	48,078	356,992	250,159,367	0.14
2010	348,100	48,150	299,950	224,100,566	0.13
2011	288,720	55,660	233,060	204,199,734	0.11
2012	222,945	36,805	186,140	205,614,309	0.09
2013	173,605	33,865	139,740	205,614,310 *	0.07

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

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>
2,372,418	\$ 289	369,578	\$ 1,855
2,402,105	260	365,784	1,709
2,464,452	227	361,550	1,550
2,474,342	192	353,283	1,347
2,473,332	165	347,774	1,175
2,467,618	145	345,150	1,034
2,463,726	122	345,458	868
2,475,239	94	347,133	671
2,509,994	74	349,945	532
2,540,172	55	353,152	396

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Debt limit	\$ 12,719,613	\$ 14,499,097	\$ 17,378,804	\$ 20,882,959
Total net debt applicable to the limit	<u>685,603</u>	<u>625,127</u>	<u>560,574</u>	<u>475,919</u>
Legal debt margin	<u>\$12,034,010</u>	<u>\$13,873,970</u>	<u>\$16,818,230</u>	<u>\$ 20,407,040</u>
Total net debt applicable to the limit as a percentage of debt	5.39%	4.31%	3.23%	2.28%

SOURCE(S): Miami-Dade County- Office of the Property Appraiser

TABLE 11

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
\$ 24,127,298	\$ 25,015,937	\$ 22,410,057	\$ 20,419,973	\$ 19,938,450	\$ 20,561,431
<u>408,745</u>	<u>356,992</u>	<u>299,950</u>	<u>233,060</u>	<u>186,140</u>	<u>139,740</u>
<u>\$ 23,718,553</u>	<u>\$ 24,658,945</u>	<u>\$ 22,110,107</u>	<u>\$ 20,186,913</u>	<u>\$ 19,752,310</u>	<u>\$ 20,421,691</u>
1.69%	1.43%	1.34%	1.14%	0.93%	0.68%

LEGAL DEBT MARGIN CALCULATION
FOR FISCAL YEAR 2012

Net Assessed Taxable Property Value - January 2012		<u>\$ 205,614,310 *</u>
Limit on Bond Indebtedness, 10% of net assessed taxable property value		\$ 20,561,431
Total Bonded Debt	\$ 173,605	
Less: Net Assets in Debt Service Funds	<u>33,865</u>	
Debt applicable to Limit		<u>(139,740)</u>
Legal Debt Limit		<u>\$ 20,421,691</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

Fiscal Year	Local Optional Millage Levy				Coverage Ratio
	Revenue	Debt Service		Total	
		Principal	Interest		
2004	\$ 245,944	\$ 25,795	\$ 41,505	\$ 67,300	3.65
2005	281,030	29,350	44,774	74,124	3.79
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

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
2004	2,372,418	\$ 68,582,602	\$ 29,076	5.6 %
2005	2,402,105	53,420,363	21,922	5.1
2006	2,464,452	55,186,474	22,393	4.5
2007	2,474,342	57,649,694	23,299	4.1
2008	2,473,332	59,068,115	23,882	6.0
2009	2,467,618	56,779,890	23,010	11.3
2010	2,463,726	53,879,224	21,869	14.4
2011	2,475,239	55,371,096	22,370	12.5
2012	2,509,994	52,416,205	20,883	9.9
2013*	2,540,172	52,332,624	20,602	8.4

* Based on estimated calculations.

SOURCE(S): The Beacon Council, Research Development

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

TABLE 14

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>2004 Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>2013 Percentage of Total Employment</u>
Miami-Dade County Public Schools	46,864	1	4.27 %	41,988	1	3.28 %
Miami-Dade County	32,265	2	2.94	29,000	2	2.27
Federal Government	20,100	3	1.83	19,500	3	1.52
State of Florida	18,900	4	1.72	17,100	4	1.34
University of Miami, Inc.	9,367	7	0.85	16,000	5	1.25
Baptist Health Systems of South Florida	10,300	6	0.94	13,376	6	1.05
Jackson Memorial Hospital	11,700	5	1.07	12,571	7	0.98
Publix Super Market	-	-	-	10,800	8	0.84
American Airlines	9,000	8	0.82	9,000	9	0.70
Florida International University	5,000	10	0.46	8,000	10	0.63
Miami Dade Community College	7,500	9	0.68	-	-	-
Total Civilian Labor Force Employment:	<u>1,097,454</u>			<u>1,279,047</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*
2004	21,701	1,916	2,338	10,485	10,424	46,864	0.06
2005	22,570	1,993	2,457	10,643	10,754	48,417	0.07
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

* See Table 17 for pupil enrollment information

(1) Elementary and Secondary Teachers, Exceptional Student Teachers, Other Teachers, Guidance/Psychological, Librarians, 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>
2004	\$ 33,275	\$ 67,425	\$ 46,264	\$ 40,598
2005	33,275	68,325	47,300	41,578
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

SOURCE(S): The School Board of Miami-Dade County; Occupational Employment Statistics

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

TABLE 17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Pupil</u>	<u>Instructional Staff</u>	<u>Pupil Teacher Ratio</u>	<u>Percentage of Students Receiving Free or Reduced-Price Meals</u>
2004	369,578	\$ 2,679,710	\$ 7.25	21,701	17.03	81.33 %
2005	365,784	2,871,448	7.85	22,570	16.21	80.70
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

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

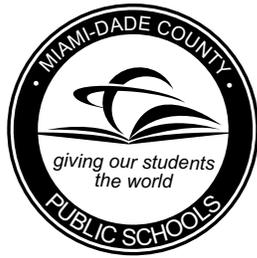
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CAPITAL ASSET INFORMATION
Last Ten Fiscal Years
(Unaudited)

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<u>Schools</u>					
<u>Elementary</u>					
Buildings	1,959	1,988	1,989	2,556	2,029
Square Feet	15,573,163	16,138,653	16,221,552	17,713,348	18,154,936
Capacity	151,260	143,007	144,538	155,610	164,659
Enrollment	168,733	161,127	167,749	165,018	165,017
<u>Middle</u>					
Buildings	411	418	420	580	431
Square Feet	7,035,888	7,166,818	7,198,138	7,775,763	7,904,366
Capacity	-	-	-	66,951	63,958
Enrollment	78,022	75,457	68,053	76,601	76,557
<u>Senior</u>					
Buildings	363	371	372	498	359
Square Feet	9,530,843	9,788,822	9,788,532	10,698,512	11,416,775
Capacity	-	-	-	91,846	90,584
Enrollment	101,169	101,420	101,398	106,410	106,196
<u>Other</u>					
Buildings	187	187	194	148	167
Square Feet	2,875,387	2,786,683	3,052,883	1,946,889	2,228,140
Capacity	15,436	13,525	16,298	9,116	13,946
Enrollment	4,133	4,031	3,928	49,268	48,407
<u>Administrative</u>					
Buildings	90	90	90	138	95
Square Feet	1,066,387	1,066,760	1,068,849	1,329,539	1,322,181
<u>Transportation</u>					
Garages	8	8	8	9	9
Buses	1,761	1,723	1,630	1,865	1,865
<u>Athletics</u>					
Football fields	37	37	38	38	38
Soccer fields	5	5	5	5	5
Running tracks	16	16	16	16	16
Baseball/Softball	36	36	38	38	38
Swimming Pools	1	1	1	1	1

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

TABLE 18

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
2,052	2,068	2,066	2,041	2,074
18,796,652	19,347,677	19,423,637	19,326,611	20,567,609
169,860	175,124	175,563	173,301	185,440
163,437	161,894	161,687	158,279	159,724
455	452	449	427	412
8,434,841	8,317,452	8,156,068	8,056,542	7,667,841
68,540	67,056	65,769	64,950	69,057
79,572	58,830	54,666	81,213	80,561
369	367	374	357	344
11,756,444	12,908,595	13,198,179	13,365,034	12,770,548
94,806	101,595	103,909	101,046	104,973
102,279	88,685	88,857	106,441	108,162
167	157	154	172	114
2,153,973	2,100,516	2,058,234	2,169,806	1,848,408
11,109	10,744	10,693	11,364	8,279
48,860	47,434	34,884	26,324	28,892
89	88	82	71	74
1,287,399	1,324,202	1,289,954	1,237,005	1,197,461
9	9	8	9	9
1,726	1,623	1,515	1,401	1,446
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.

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.