

Holmes County School Board

Annual Financial Report

2012-2013

Holmes County School Board
Annual Financial Report
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Holmes County School Board
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

The discussion and analysis of Holmes County School District's financial performance provides an overall review of the School District's financial activities for the current fiscal year. The intent of this discussion and analysis is to look at the School District's financial performance as a whole while allowing the reader to focus on significant financial issues, identify changes in the financial position, and highlight significant issues in individual funds. The readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

The District's net assets decreased by \$2,369,440 (or 6.32%). A decrease occurred in the previous year by 4.58 percent.

During the current year, the General Fund's fund balance decreased by \$265,134, primarily as a result of a reduction in federal American Recovery and Reinvestment Act funds. This may be compared to last year's results when the General Fund's fund balance increased by \$534,228. The June 30, 2013 General Fund fund balance is \$1,763,457.

Overview Of The Financial Statements

The basic financial statements consist of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

In addition, this report presents certain required supplementary information which includes management's discussion and analysis.

Government-wide Financial Statements

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

All of the District's activities and services are reported in the government-wide financial statements as governmental activities. The District's governmental activities include instruction, pupil support services, instructional support services, administrative support services, facility maintenance, transportation, and food services. State and Federal revenues, property taxes, and interest and investment earnings finance most of these activities. Additionally, all capital and debt financing activities are reported as governmental activities.

Over a period of time, changes in the District's net assets are an indication of improving or deteriorating financial condition. This information should be evaluated in conjunction with other non-financial factors,

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

such as changes in the District's property tax base, student enrollment, and the condition of the District's capital assets including its school buildings and administrative facilities.

Fund Financial Statements

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

All of the District's funds may be classified within one of three broad categories:

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. This financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. Consequently, the governmental fund statements provide a detailed short-term view that may be used to evaluate the District's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Special Revenue – Other Fund, Special Revenue – ARRA Economic Stimulus Fund, Debt Service – Other Fund, and Capital Projects – Local Capital Improvement Fund. Data from the other governmental funds are combined into a single, aggregated presentation. A budgetary comparison schedule has been provided for the General Fund and Special Revenue – Other Fund to demonstrate compliance with the budget.

Proprietary Funds – Proprietary funds may be established to account for activities in which a fee is charged for services. One type of proprietary fund, an internal service fund, is maintained. This fund is used to account for resources set aside to fund a portion of the District's compensated absences liability.

Fiduciary Funds – Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

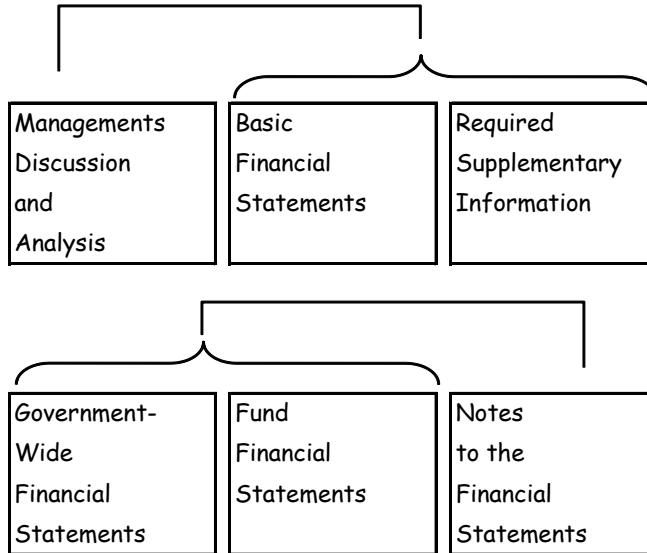
The District uses agency funds to account for resources held for student activities and groups.

Holmes County School Board
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

The following illustrates the components of the annual financial report and their relation to each other.

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 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2013

Components of the Annual Financial Report



Major Features of Holmes District's Schools Government-Wide and Fund Financial Statements

	Government-Wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds) and any component units	The activities of the District that are not proprietary or fiduciary	Activities the District operates similar to private businesses	Instances in which the District is trustee or agent for someone else's resources
Required financial statements	Statement of net assets Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net assets Statement of revenues, expenses, and changes in net assets Statement of cash flows	Statement of fiduciary net assets Statement of changes in fiduciary net assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the District's funds do not currently contain capital assets although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Government-Wide Financial Analysis

This section is used to present condensed financial information from the government-wide statements that compare the current year to the prior year.

Net Assets

	Governmental Activities	
	2013	2012
Current and other assets	6,123,354	6,911,964
Capital assets	36,428,770	37,907,926
Total assets	42,552,125	44,819,890
Long-term liabilities	4,385,152	4,331,283
Other liabilities	692,847	645,599
Total liabilities	5,077,999	4,976,882
Net assets:		
Invested in capital assets		
Net of related debt	35,464,509	36,763,880
Restricted	744,856	776,897
Unrestricted	1,264,761	2,302,232
Total Net Assets	37,474,126	39,843,008

The largest portion of the District's net assets (94.6 percent) reflects its investment in capital assets (e.g., land; buildings and fixed equipment; furniture, fixtures, and equipment; and motor vehicles), less any related debt still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

The restricted portion of the District's net assets (2.0 percent) represents resources that are subject to external restrictions on how they may be used. The unrestricted net assets (3.4 percent) may be used to meet the government's ongoing obligations to students, employees, and creditors.

The following table reflects the changes in net assets for fiscal year.

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Changes in Net Assets

	Governmental Activities	
	2013	2012
Program Revenues:		
Charges for Services	403,063	419,777
Operating Grants	1,975,122	2,206,562
Capital Grants	113,625	80,306
General Revenue:		
Property Taxes	2,771,189	2,809,929
Grants and Entitlements	20,606,713	20,554,874
Other	208,124	240,001
Total Revenues	26,077,836	26,311,450
Functions / Program Expenses:		
Instruction	15,148,081	15,178,064
Pupil Personnel Services	667,079	591,407
Instructional Media Services	515,383	545,759
Instruction and Curriculum	285,459	268,196
Instructional Staff Training	320,611	379,829
Instruction Related Technology	203,607	176,934
Board of Education	178,448	175,716
General Administration	259,958	218,794
School Administration	1,868,074	1,768,544
Facilities Acq & Construction	0	0
Fiscal Services	288,889	292,534
Food Service	1,717,948	1,664,276
Central Services	689,591	674,127
Pupil Transportation Services	1,313,721	1,324,118
Operation of Plant	2,496,389	2,402,505
Maintenance of Plant	889,728	863,247
Administrative Technology	424	0
Community Services	0	321
Interest on Long-Term Debt	46,284	52,099
Depreciation - unallocated	1,557,046	1,561,569
Total Expenses	28,446,718	28,138,040
Increase (Decrease) in Net Assets	(2,368,882)	(1,826,590)

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Financial Analysis of the District's Funds

The unassigned fund balance of the General Fund is \$1,656,164.27 which represents a decrease of \$336,451.46. This decrease resulted primarily from a reduction of federal American Recovery and Reinvestment Act funds provided to the district.

Information about the School District's major funds begins on Exhibit C-1. These funds are accounted for using the modified accrual basis of accounting. Total revenues for all governmental funds were \$26.06 million and expenditures were \$26.91 million.

There was no significant change in the results of operations or a fund balance in the district's other funds.

General Fund Budgeting Highlights

The School District's budget is prepared according to Florida law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. Variances between the original, final and actual appropriations and expenditures were the result of certain grants and funds that are not budgeted until grant approval.

During the course of the fiscal year the School District amends its general fund budget as needed to comply with Florida law and local District's policies.

Capital Assets and Debt Administration

The following table reflects the District's investment in fixed assets and the outstanding debt at June 30. The notes to the financial statements discuss in greater detail the substance of this information.

	Capital Assets		Outstanding Debt	
	Governmental Activities		Total	Debt
	2013	2012	Payments	Outstanding
Land	450,584	450,584	2013 225,952	964,261
Improvements Other than Buildings	1,723,157	1,723,157		
Buildings	54,031,063	54,031,063		
Furniture & Equipment	3,869,246	4,341,749		
Motor Vehicles	3,577,034	3,584,987		
Construction In Progress	0	0		
Totals	<u>63,651,083</u>	<u>64,131,540</u>		

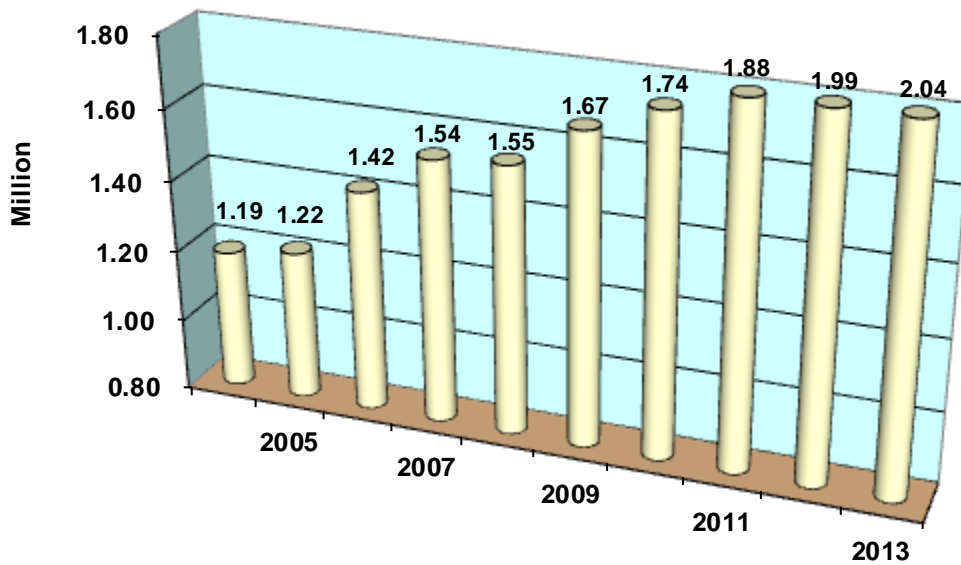
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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Other Significant Matters

Insurance Premiums

The insurance industry has presented a challenge for consumers for the past few years. Following is information concerning the increases affecting the School District for various insurance premiums. The current provider of health insurance has a contractual provision whereby the School District is to pay at least 75% of the premium cost for employee health coverage. The District's total cost for health insurance benefits is reflected in the chart below for the indicated years.

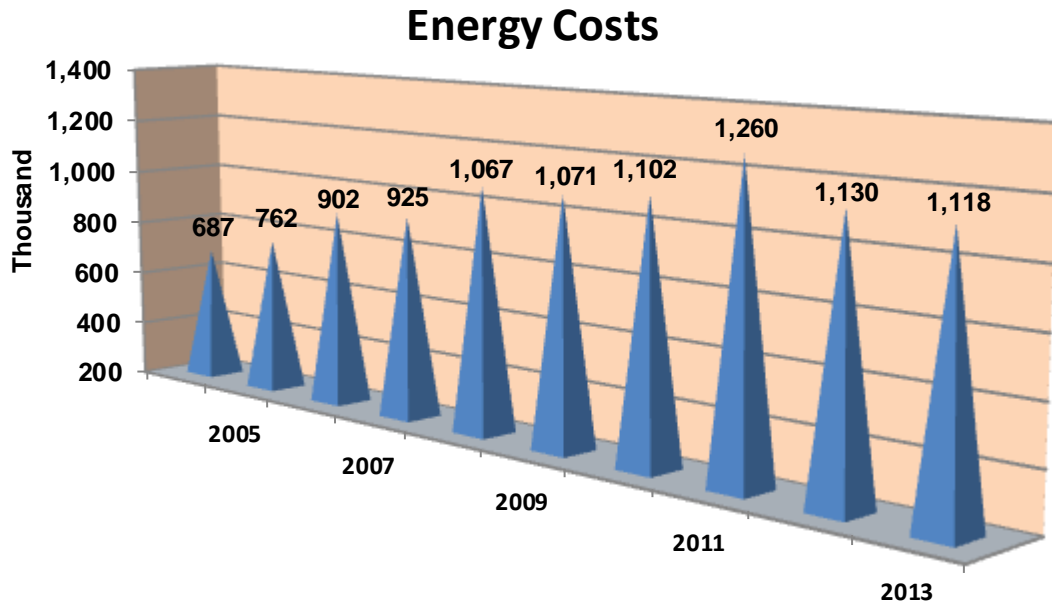
Health Insurance Costs



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Energy Costs

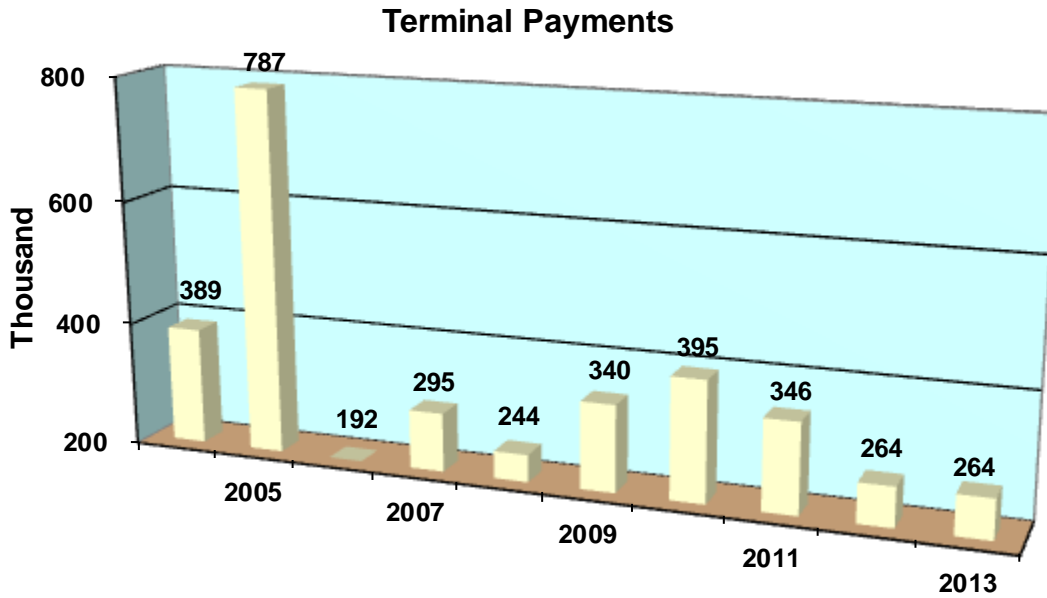
Energy costs for the Operation of Plant have impacted the District's cost containment ability. These energy costs are reflected in the following chart for the indicated years.



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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

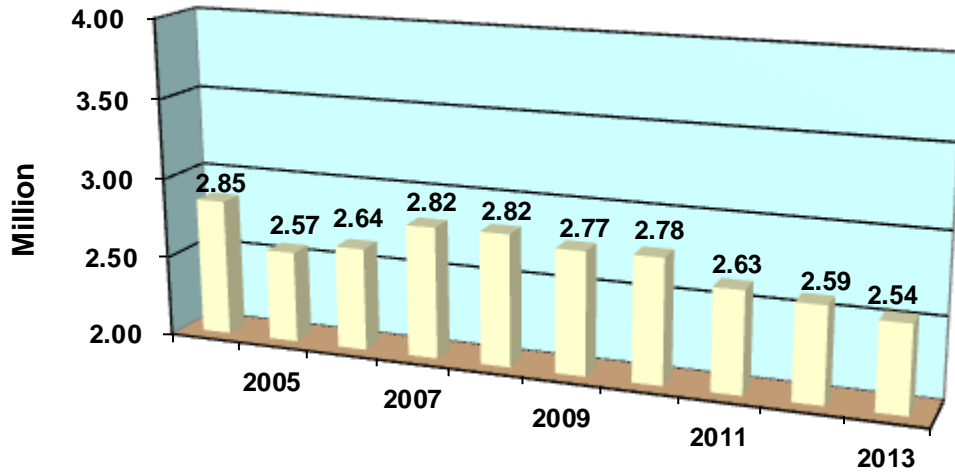
Terminal Pay Benefits

Terminal pay benefits are a significant annual cost and liability for the School District. The District purchases leave from employees during participation in DROP, Deferred Retirement Option Program, when an employee terminates from employment, and at the rate of 80% of the value of sick leave earned on an annual basis with certain limits. The following reflects the total cost of terminal costs and terminal liability for the years indicated.



Holmes County School Board
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013

Terminal Pay Liability



REQUESTS FOR INFORMATION

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Holmes District School Board, 701 East Pennsylvania Avenue, Bonifay, Florida 32425.

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF NET POSITION
June 30, 2013

		Governmental Activities
ASSETS		
Cash	1110	4,129,441.34
Investments	1160	1,614,823.92
Accounts Receivable, net	1130	2,906.42
Due From Other Agencies	1220	227,146.48
Inventory	1150	135,470.05
Restricted Cash with Fiscal Agent	1114	13,566.21
Capital Assets		
Land	1310	450,583.66
Improvements Other Than Bldgs	1320	1,723,157.27
Buildings And Fixed Equipment	1330	54,031,062.63
Furniture, Fixtures and Equip	1340	3,869,245.64
Motor Vehicles	1350	3,577,033.98
Less Accumulated Depreciation	1389	<u>(27,222,313.00)</u>
Total Assets		<u><u>42,552,124.60</u></u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts Payable	2120	185,144.80
Payroll Withholdings	2170	507,702.26
Non current liabilities - due within one year:		
Note Payable	2310	134,101.07
Bonds Payable	2320	55,000.00
Compensated Absences	2330	285,472.00
Non current liabilities - due after one year:		
Note Payable	2310	280,159.85
Bonds Payable	2320	495,000.00
Compensated Absences	2330	2,255,688.87
Postemployment Healthcare Benefits	2360	<u>879,730.00</u>
Total Liabilities		<u>5,077,998.85</u>
NET POSITION		
Net Investment in Capital Assets		35,464,509.26
Restricted for:		
Debt Service	2780	13,566.21
Capital Projects	2780	731,289.74
Unrestricted		<u>1,264,760.54</u>
Total Net Position		<u>37,474,125.75</u>
Total Liabilities and Net Position		<u><u>42,552,124.60</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2013

Functions		Expenses	Program Revenues		Net (Expense)	
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue
Governmental Activities:					Governmental Activities	
Instruction	5000	15,148,080.73	58,068.98		(15,090,011.75)	
Pupil Personnel Services	6100	667,078.86			(667,078.86)	
Instructional Media Services	6200	515,383.47			(515,383.47)	
Instruction and Curriculum	6300	285,458.53			(285,458.53)	
Instructional Staff Training	6400	320,610.64			(320,610.64)	
Instruction Related Technology	6500	203,606.56			(203,606.56)	
Board of Education	7100	178,448.11			(178,448.11)	
General Administration	7200	259,958.00			(259,958.00)	
School Administration	7300	1,868,074.26			(1,868,074.26)	
Facilities Acq & Construction	7400	0.00		35,352.81	35,352.81	
Fiscal Services	7500	288,888.58			(288,888.58)	
Food Service	7600	1,717,947.68	316,753.08	1,324,340.25	(76,854.35)	
Central Services	7700	689,590.83			(689,590.83)	
Pupil Transportation Services	7800	1,313,720.99	28,241.00	650,782.00	(634,697.99)	
Operation of Plant	7900	2,496,388.95			(2,496,388.95)	
Maintenance of Plant	8100	889,728.22			(889,728.22)	
Administrative Technology	8200	423.79			(423.79)	
Community Services	9100	0.00			0.00	
Interest on Long-Term Debt	9200	46,284.15			31,987.66	
Depreciation - unallocated*	780	1,557,046.00			(1,557,046.00)	
Total governmental activities		28,446,718.35	403,063.06	1,975,122.25	113,624.62	(25,954,908.42)
Total primary government		28,446,718.35	403,063.06	1,975,122.25	113,624.62	(25,954,908.42)
General revenues:						
Taxes:						
					2,771,189.15	
					0.00	
					20,606,712.53	
					10,093.31	
					198,031.05	
					23,586,026.04	
					(2,368,882.38)	
					39,843,008.13	
					37,474,125.75	

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

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 BALANCE SHEET - GOVERNMENTAL FUNDS
 June 30, 2013

		General	Other	ARRA Economic	Capital	Other	Total
		Fund	Federal	Stimulus	Improvement	Government	Governmental
		100	420	430	370	Funds	Funds
ASSETS AND OTHER DEBITS:							
Cash	1110	2,130,121.04			731,289.74	737,100.69	3,598,511.47
Cash with Fiscal Agent	1114					13,566.21	13,566.21
Accounts Receivable	1130	2,816.28				90.14	2,906.42
Due From Budgetary Funds	1141	185,533.22				0.00	185,533.22
Inventory	1150	107,293.00				28,177.05	135,470.05
Investments	1160	5,000.87				24,153.67	29,154.54
Due From Other Agencies	1220	12,071.20	192,185.41	2,011.44		20,878.43	227,146.48
Total Assets And Other Debits		2,442,835.61	192,185.41	2,011.44	731,289.74	823,966.19	4,192,288.39

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 BALANCE SHEET - GOVERNMENTAL FUNDS
 June 30, 2013

		General Fund 100	Other Federal 420	ARRA Economic Stimulus 430	Capital Improvement Sect 236.25(2) 370	Other Government Funds	Total Governmental Funds
LIABILITIES AND FUND EQUITY							
Accounts Payable	2120	171,676.08	8,663.63			4,805.09	185,144.80
Due To Budgetary Funds	2161	0.00	183,521.78	2,011.44		0.00	185,533.22
Payroll Withholdings	2170	507,702.26				0.00	507,702.26
Total Liabilities		679,378.34	192,185.41	2,011.44	0.00	4,805.09	878,380.28
FUND BALANCES:							
Nonspendable - Inventory	2711	107,293.00				28,177.05	135,470.05
Restricted for Food Service	2720					173,623.18	173,623.18
Restricted for Debt Service	2725					13,566.21	13,566.21
Restricted for Capital Projects	2726				731,289.74	0.00	731,289.74
Assigned to Debt Service	2742					392,989.52	392,989.52
Assigned to Capital Projects	2743					210,805.14	210,805.14
Unassigned	2750	1,656,164.27				0.00	1,656,164.27
Total Fund Equity		1,763,457.27	0.00	0.00	731,289.74	819,161.10	3,313,908.11
Total Liabilities And Fund Equity		2,442,835.61	192,185.41	2,011.44	731,289.74	823,966.19	4,192,288.39

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 June 30, 2013

Total Governmental Fund Balances		3,313,908.11
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		36,428,770.18
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Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds. Long-term liabilities at year end consist of:

Postemployment Healthcare Benefits Payable	(879,730.00)	
Bonds Payable	(550,000.00)	
Note Payable	<u>(414,260.92)</u>	(1,843,990.92)

The amount to be provided for compensated absences reflected in the funds statements serves as a reduction in available reserves in the governmental activities statements		<u>(424,561.62)</u>
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Total Net Position - Governmental Activities		<u><u>37,474,125.75</u></u>
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DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2013

	General Fund 100	Other Federal 420	ARRA Economic Stimulus 430	Capital Improvement 370	Other Government Funds	Total Governmental Funds
Revenues:						
Federal Direct	3100	59,506.27			0.00	59,506.27
Federal Through State	3200	2,467.62	2,763,682.32	187,171.38	1,300,232.25	4,253,553.57
State Sources	3300	17,973,641.28			348,316.62	18,321,957.90
Local Sources:					0.00	
Property Taxes - Operational	3411	2,771,189.15			0.00	2,771,189.15
Charges For Services - Food Service	3450				316,753.08	316,753.08
Other Local Revenue	3495	331,797.05		1,996.97	6,399.32	340,193.34
Total Revenues	21,138,601.37	2,763,682.32	187,171.38	1,996.97	1,971,701.27	26,063,153.31
Expenditures:						
Instruction	5000	12,598,084.23	2,222,211.93	91,430.85	0.00	14,911,727.01
Pupil Personnel Services	6100	578,456.45	75,914.19		0.00	654,370.64
Instructional Media Services	6200	505,365.47			0.00	505,365.47
Instruction and Curriculum	6300	93,658.19	187,855.82		0.00	281,514.01
Instructional Staff Training	6400	191,045.06	105,624.00	18,691.73	0.00	315,360.79
Instruction Related Technology	6500	107,937.79	22,858.25	68,479.13	0.00	199,275.17
Board of Education	7100	175,397.11			0.00	175,397.11
General Administration	7200	178,324.51	80,709.41	5,473.44	0.00	264,507.36
School Administration	7300	1,869,720.47			0.00	1,869,720.47
Fiscal Services	7500	291,790.01			0.00	291,790.01
Food Service	7600				1,694,310.53	1,694,310.53
Central Services	7700	715,642.25	47.24		0.00	715,689.49
Pupil Transportation Services	7800	1,279,652.25	33,247.52		0.00	1,312,899.77
Operation of Plant	7900	2,478,635.11			0.00	2,478,635.11
Maintenance of Plant	8100	885,200.93			0.00	885,200.93
Administrative Technology	8200	423.79			0.00	423.79
Other Capital Outlay	9300	80,911.65	35,213.96	3,096.23	12,215.21	131,437.05
Debt Service	9200					
Redemption of principal	710				180,142.57	180,142.57
Interest	720				45,808.94	45,808.94
Dues and fees	730				117.74	117.74
Total Expenditures	22,030,245.27	2,763,682.32	187,171.38	0.00	1,932,594.99	26,913,693.96
Excess of Revenues Over (Under) Expenditures	(891,643.90)	0.00	0.00	1,996.97	39,106.28	(850,540.65)
Other Financing Sources (Uses):						
Transfers In	3600	626,509.85			0.00	626,509.85
Transfers Out	9700				(351,384.85)	(351,384.85)
Total Other Financing Sources (Uses)	626,509.85	0.00	0.00	0.00	(351,384.85)	275,125.00
Net Change in Fund Balance	(265,134.05)	0.00	0.00	1,996.97	(312,278.57)	(575,415.65)
Fund Balance, July 1, 2012	2800	2,028,591.32	0.00	729,292.77	1,131,439.67	3,889,323.76
Total Fund Balance, June 30, 2013	1,763,457.27	0.00	0.00	731,289.74	819,161.10	3,313,908.11

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 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

Net Change in Fund Balances - Total Governmental Funds (575,415.65)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	131,437.05	
Depreciation expense	<u>(1,557,046.00)</u>	
Excess of capital outlay over depreciation expense		(1,425,608.95)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amount actually paid for compensated absences. This is the net amount of compensated absences paid in excess of the amount earned in the current period. (206,677.15)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces the long-term liabilities in the statement of net assets. 179,785.10

Certain items reported in the statement of activities do not provide or require the use of current financial resources and therefore are not reported as revenue, expenditures, or losses in the governmental funds. These activities consist of:

Net value of surplus property disposed		(53,546.73)
The net changes in the liability for postemployment healthcare benefits payable is reported in the government-wide statements, but not the governmental funds statements		<u>(287,419.00)</u>

Change in Net Postion of Governmental Activities (2,368,882.38)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2013

		Total	Governmental Activities Internal Service Funds
ASSETS			
Cash	1110	530,929.87	530,929.87
Investments	1160	1,585,669.38	1,585,669.38
Total Assets		2,116,599.25	2,116,599.25
 LIABILITIES AND FUND EQUITY			
Liabilities:			
Compensated Absences Payable	2330	2,116,599.25	2,116,599.25
Total Liabilities		2,116,599.25	2,116,599.25
Net Position - Unrestricted	2700	0.00	0.00
Total Liabilities and Net Position		2,116,599.25	2,116,599.25

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013

		Total	Governmental Activities Internal Service Funds
Nonoperating Revenues			
Interest on Investments	3431	14,682.66	14,682.66
Nonoperating Expenses			
Miscellaneous Expense	790	0.00	0.00
Income (Loss) before operating transfers		14,682.66	14,682.66
Transfers Out			
To General Fund	3610	(275,125.00)	(275,125.00)
To Debt Service	3620	0.00	0.00
Total Transfers Out	3600	(275,125.00)	(275,125.00)
Change in Net Assets		(260,442.34)	(260,442.34)
Net Position, July 1, 2012	2880	0.00	0.00
Net Position, June 30, 2013	2780	(260,442.34)	(260,442.34)

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2013

	Total	Governmental Activities Internal Service Funds
Cash Flows From Noncapital Financing Activities		
Transfers From Other Funds	(275,125.00)	(275,125.00)
Net cash provided (used) by noncapital financing activities	(275,125.00)	(275,125.00)
Cash Flows From Investing Activities		
Sale of Investments	34,555.87	34,555.87
Interest	14,682.66	14,682.66
Net Cash Provided by Investing Activities	49,238.53	49,238.53
Net Increase in Cash and Cash Equivalents	(225,886.47)	(225,886.47)
Cash Beginning	2,311,130.62	2,311,130.62
Cash Ending	2,085,244.15	2,085,244.15
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	0.00	0.00
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:	0.00	0.00
Total Adjustments	0.00	0.00
Net Cash Provided by Operating Activities	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2013

		School Internal Funds 891	Total Agency Funds
ASSETS			
Cash	1110	368,220.40	368,220.40
Total Assets		368,220.40	368,220.40
LIABILITIES			
Internal Accounts Payable	2290	368,220.40	368,220.40
Total Liabilities		368,220.40	368,220.40

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

1 Summary of Significant Accounting Policies

A Reporting Entity

The District School Board has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Holmes County School District is part of the Florida system of public education under the general direction of the State Board of Education. The governing body of the school district is the Holmes County District School Board which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the district correspond with those of Holmes County.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the District School Board is financially accountable and other organizations for which the nature and significance of their relationship with the School Board are such that exclusion would cause the District's basic financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the District.

B Basis of Presentation

Government-wide Financial Statements - Government-wide financial statements, including the statement of net assets and the statement of activities, present information about the School District as a whole. These statements include the nonfiduciary financial activity of the School District.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expenses not readily associated with a particular function are reported as unallocated.

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

The effects of interfund activity have been eliminated from the government-wide financial statements.

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

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

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

Special Revenue – Federal Economic Stimulus Fund – to account for certain Federal grant program resources related to the American Recovery and Reinvestment Act (ARRA).

Debt Service – Other Fund – to account for the accumulation of resources for, and the payment of, debt principal, interest, and other costs related to the note payable for the energy savings contract.

Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction and renovation and remodeling projects.

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

Internal Service Fund – to account for the resources set aside to fund a portion of the Board's compensated absences liability.

Agency Funds – to account for resources of the school internal funds which are used to administer moneys collected at the several schools in connection with school, student athletic, class, and club activities.

C Basis of Accounting

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

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

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 45 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made.

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The Proprietary Fund is accounted for as a proprietary activity under standards issued by the Financial Accounting Standards Board through November 1989 and applicable standards issued by the Governmental Accounting Standards Board. Proprietary funds distinguish operating revenues and expenses from nonoperating activities. Operating revenues and expenses generally result from activities related to funding a portion of the District's compensated absences liability. The principal operating revenue is contributions made to fund the compensated absences liability. The primary operating expense is the payment of terminal leave. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D Deposits and Investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Investments consist of amounts placed in the State Board of Administration (SBA) debt service accounts for investment of debt service moneys, amounts placed with the SBA for participation in the Florida PRIME and Fund B Surplus Funds Trust Fund (Fund B) investment pools created by Sections 218.405 and 218.417, Florida Statutes, and those made locally. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

The District's investments in Fund B are accounted for as a fluctuating net asset value pool, with a fair value factor of 0.83481105 at June 30, 2012. Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the SBA, are effected by transferring eligible cash or securities to Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation date of Fund B. One hundred percent of such distributions from Fund B are available as liquid balance within Florida PRIME.

Investments made locally consist of a certificate of deposit, which is reported at cost. Types and amounts of investments held at fiscal year-end are described in a subsequent note.

E Inventories

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are stated at cost on the first-in, first-out basis except that United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Department of Health and Rehabilitative Services, Food Distribution Center. Purchases are recorded as expenditures during the year and are adjusted to reflect year-end physical inventories.

F Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net assets but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	20 - 35 years
Buildings and Fixed Equipment	10 - 50 years
Furniture, Fixtures, and Equipment	5 - 10 years
Motor Vehicles	5 - 10 years

G Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds, and to the extent funded in accordance with Board Policy in the Internal Service Fund, are reported as liabilities in the government-wide statement of net assets.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due.

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

H State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

permitted to amend its original reporting for a period of nine months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

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

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

I District Property Taxes

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

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

Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

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

J Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

K BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Budgets are prepared, public hearings are held, and final budgets are adopted for all governmental fund types by the Board and submitted to the Commissioner of Education pursuant to the procedural steps and time intervals prescribed by law and State Board of Education rules.
2. Appropriations are controlled at the object level within each function and may be amended by resolution of the Board at any Board meeting prior to the due date for the annual financial report.
3. Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year end and encumbrances outstanding are honored from the subsequent year's appropriations.

2 Investments

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Florida PRIME had a weighted average days to maturity (WAM) of 40 days at the balance sheet date. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes. Due to the nature of the securities in Fund B, the interest rate risk information required by GASB Statement No. 40 (i.e., specific identification, duration, weighted average maturity, segmented time distribution, or simulation model) is not available. An estimate of the weighted average life (WAL) is available. In the calculation of the WAL, the time at which an expected principal amount is to be received, measured in years, is weighted by the principal amount received at that time divided by the sum of all expected principal payments. The principal amounts used in the WAL calculation are not discounted to present value as they would be in a weighted average duration calculation. At the balance sheet date, based on expected future cash flows, the WAL of Fund B is estimated at 3.98 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the WAL. Participation in Fund B is involuntary.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to State Board of Administration (SBA) Local Government Surplus Funds Trust Fund Investment Pool, known as Florida PRIME, or any intergovernmental investment pool authorized pursuant to the Florida

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. The District's Investment Policy limits investments to bids from qualified depositories, financial deposit instruments insured by the Federal Deposit Insurance Corporation, time deposits, securities of the United States Government, State managed cooperative investment plans, and other forms of investments as authorized by Section 218.415, Florida Statutes, as well as Florida PRIME.

The District's investments in SBA Debt Service accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by SBA for managing interest rate risk and credit risk for this account.

The District's investment in a certificate of deposit is in a qualified public depository.

As of the annual report date, the District's investment in Florida PRIME is rated AAAM by Standard & Poor's. Fund B is unrated.

3 Fund Balance Reporting

The District reports its governmental fund balances in the following categories, as applicable:

Nonspendable

The net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash.

Restricted

The portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance.

Committed

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority (i.e., the Board). These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same action it employed to previously commit the amounts.

Assigned

The portion of fund balance that is intended to be used for specific purposes, but is neither restricted nor committed. Assigned amounts include those that have been set aside for a specific purpose by an authorized government body or official, but the constraint imposed does not satisfy the criteria to be classified as restricted or committed. This category includes any remaining positive amounts, for governmental funds other than the General Fund, not classified as nonspendable, restricted, or committed. The District also classifies amounts as assigned

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

that are constrained to be used for specific purposes based on actions of the Board and not included in other categories.

Unassigned

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

4 Florida Retirement System

Essentially all regular employees of the District are eligible to enroll as members of the State-administered Florida Retirement System (FRS). Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in PEORP in lieu of the Plan. District employees participating in DROP are not eligible to participate in PEORP. Employer contributions are defined by law; however, the ultimate benefit depends in part on the performance of investment funds. PEORP is funded by employer contributions that are based on salary and membership class (Regular, Elected County Officers, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in PEORP vest after one year of service.

FRS Retirement Contribution Rates

The Florida Legislature establishes, and may amend, contribution rates for each membership class of FRS. During the current fiscal year, contribution rates were as follows:

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	3.00	5.18
Florida Retirement System, Elected County Officers	3.00	10.23
Senior Management	3.00	6.3
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes or Plans	0.00	5.44
Florida Retirement System, Reemployed Retiree	(B)	(B)

- Note: (A) Employer rates include 1.11 percent for the post-employment health insurance supplement. The employer rates other than for DROP participants, include 0.05 percent for administrative costs of the Public Optional Retirement Program.
- (B) Contribution rates are dependent upon the retirement class in which reemployed.

The District's liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's expense to the Plan for the preceding and current fiscal years totaled \$790,610.02 and \$850,949.18 respectively.

The financial statements and other supplementary information of FRS are included in the comprehensive annual financial report of the State of Florida, which may be obtained from the Florida Department of Financial Services. Also, an annual report on FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services, Division of Retirement.

5 Changes In Capital Assets

The following is a summary of changes in general fixed assets:

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

	Beginning Balance	Additions	Deductions	Ending Balance
Land	450,583.66	0.00	0.00	450,583.66
Improvements Other Than Building	1,723,157.27	0.00	0.00	1,723,157.27
Buildings and Fixed Equipment	54,031,062.63	0.00	0.00	54,031,062.63
Furniture, Fixtures, and Equipment	3,977,561.32	128,937.05	(237,252.73)	3,869,245.64
Motor Vehicles	3,574,533.98	2,500.00	0.00	3,577,033.98
Construction in Progress	0.00	0.00	0.00	0.00
	<u>63,756,898.86</u>	<u>131,437.05</u>	<u>(237,252.73)</u>	<u>63,651,083.18</u>
Less Accumulated Depreciation for:				
Improvements Other Than Building	1,499,356.00	16,898.00	(2.00)	1,516,252.00
Buildings and Fixed Equipment	18,407,010.00	1,136,204.00	0.00	19,543,214.00
Furniture, Fixtures, and Equipment	3,310,742.00	228,007.00	(183,714.00)	3,355,035.00
Motor Vehicles	2,631,865.00	175,947.00	0.00	2,807,812.00
Total Accumulated Depreciation	<u>25,848,973.00</u>	<u>1,557,056.00</u>	<u>(183,716.00)</u>	<u>27,222,313.00</u>
Capital Assets, net	<u><u>37,907,925.86</u></u>	<u><u>(1,425,618.95)</u></u>	<u><u>(53,536.73)</u></u>	<u><u>36,428,770.18</u></u>

Depreciation expense is not charged to individual functions on the Statement of Activities but rather is reflected as unallocated depreciation.

6 Changes In General Long-Term Debt

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

	Beginning Balance	Additions	Deductions	Ending Balance
Bonds Payable	600,000.00		(50,000.00)	550,000.00
Note Payable	544,046.02		(129,785.10)	414,260.92
Compensated Absences	2,594,926.06	210,461.78	(264,226.97)	2,541,160.87
Other Post Employment Benefits	592,311.00	585,051.00	(297,632.00)	879,730.00
Total	<u>4,331,283.08</u>	<u>795,512.78</u>	<u>(741,644.07)</u>	<u>4,385,151.79</u>

For the governmental activities, compensated absences and other postemployment benefits are generally liquidated with resources of the General Fund.

7 Risk Management Programs

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Holmes County District School Board is a member of the Panhandle Area Educational Consortium - Risk Management Consortium under which several district school boards have established a combined limited self-insurance program for property protection, general liability,

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

automobile liability, workers' compensation, money and securities, employee fidelity and faithful performance, boiler and machinery, and other coverage deemed necessary by the members of the Consortium. Section 1001.42(10)(k), Florida Statutes, provides the authority for the District to enter into such a risk management program. The Consortium is self-sustaining through member assessments (premiums), and purchases coverage through commercial companies for claims in excess of specified amounts. The Board of Directors for the Consortium is composed of superintendents of all participating districts. The Washington County District School Board serves as fiscal agent for the Consortium. Health and hospitalization coverage are being provided through purchased commercial insurance, with minimum deductibles for each line of coverage. Settled claims resulting from the risks described above have not exceeded commercial coverage in any of the past three fiscal years.

8 Reserve For Encumbrances

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered. The Florida Department of Education requires that fund balances be reserved at fiscal year-end to report an amount likely to be expended from the subsequent fiscal year budget as a result of purchase orders outstanding at current year end.

9 Special Termination Benefits

School Board policy provides for the payment of special termination benefits to qualifying employees in the amount of \$16,000 if the employee retires with 30 to 33 years of experience or equal to ten percent of their annual salary if the employee is retiring with 33 years or less experience and who is not eligible for the \$16,000. In order to receive either one of these benefits, the employee must be eligible to retire under the Florida Retirement System.

10 Note Payable

The note payable to Wachovia Bank was liquidated with refinancing from Regions Bank and is comprised of the following:

	Balance <u>06-30-13</u>
Regions Bank – Borrowed \$670,000.00 on 04-30-2011 under the provisions of Section 1013.23, Florida Statutes. Repayment to be made over a five year period. Interest rate of 3.00%	\$414,260.92

Amounts payable for the planned extended repayment of Section 1013.23, Florida Statutes, note are as follows:

DISTRICT SCHOOL BOARD
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<u>Year Ended</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2014	146,701.51	134,101.07	12,600.44
2015	146,701.51	138,179.98	8,521.53
2016	146,701.51	141,979.87	4,330.39
 Total	 <u>440,104.53</u>	 <u>414,260.92</u>	 <u>25,452.36</u>

11 Bonds Payable

The State Board of Education on behalf of the District issued School Bonds Series 2001-A. The bonds mature serially and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. Principal payments, interest payments, Debt Service Fund resources, and compliance with reserve requirements are administered by the State Board of Education and the State Board of Administration. These bonds are issued to finance capital outlay projects in the District. This bond series was refunded by Public Education Capital Outlay Refunding Bonds, 2010 Series A. The refunding was effectuated to achieve debt service savings due to lower interest rates. Proceeds of the 2010 A Bonds will be used to refund all or a portion of the outstanding 1999 Series E and 2001 Series C and to pay costs of issuance. The individual rates for the bond maturities ranging from 2.0% to 5.0%. The bonds mature through the fiscal year ended 2021.

<u>Fiscal Year</u> <u>June 30</u>	<u>Total</u> <u>Payment</u>	<u>Principal</u> <u>Principal</u>	<u>Interest</u>
2014	81,750.00	55,000.00	26,750.00
2015	84,000.00	60,000.00	24,000.00
2016	81,000.00	60,000.00	21,000.00
2017	83,000.00	65,000.00	18,000.00
2018	84,750.00	70,000.00	14,750.00
Later Years	263,750.00	240,000.00	38,500.00
 Total	 <u>678,250.00</u>	 <u>550,000.00</u>	 <u>143,000.00</u>

12 Interfund Receivables, Payables, and Transfers

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

Funds	Receivables	Payables
Major:		
General	185,533.22	
Special Revenue - Federal Funds		185,533.22
Total	<u>185,533.22</u>	<u>185,533.22</u>

The portion of the interfund receivables and payables represent loans to finance expenditures paid by the General Fund on behalf of the Special Revenue Special Revenue Federal Funds.

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

Funds	Transfers In	Transfers Out
Major:		
General	626,509.85	
Debt Service - Other Debt Service		281,000.00
Capital Projects		
Capital Outlay and Debt Service		70,384.85
Internal Service		275,125.00
Total	<u>626,509.85</u>	<u>626,509.85</u>

The interfund transfers were to reimburse capital outlay and maintenance expenditures in the General Fund and to fund terminal pay benefits in the internal service fund.

13 Schedule of State Revenue Sources

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

Source	Amount
Florida Education Finance Program	14,428,317.00
CO&DS Withheld for Administrative Expense	1,706.49
Class Size Reduction/Operating Funds	3,301,810.00
School Recognition/Merit Schools	89,505.00
Voluntary Prekindergarten Program	135,338.62
State License Tax	9,200.04
Miscellaneous State	7,764.13
Total	<u>17,973,641.28</u>

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

14 Property Taxes

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

<u>General Fund</u>	<u>Millages</u>	<u>Lewy</u>
Nonvoted School Tax		
Required Local Effort	5.443	2,436,372.56
Basic Discretionary Local Effort	<u>0.748</u>	<u>334,816.59</u>
Total	<u><u>6.191</u></u>	<u><u>2,771,189.15</u></u>

15 Special Termination Benefits

Board policy provides for the payment of special termination benefits to all employees who qualify under one of two plans. Under Plan I, qualifying employees receive up to \$16,000 if the employee retires with an effective date at the end of the school year in which they first reach 30 or 33 years of experience. Under Plan II, qualifying employees receive 10 percent of their annual salary if the employee is retiring with 33 years or less experience and is not eligible under Plan I. In order to receive either of these benefits, the employee must be eligible to retire under the Florida Retirement System.

16 Postemployment Healthcare Benefits Payable

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical and prescription drug coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity.

Funding Policy. Plan contribution requirements of the District and Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advance-funded or established a funding methodology for the annual other postemployment benefit (OPEB) costs or the net OPEB obligation, and the Plan is financed on a pay-as-you-go basis. For the current fiscal year, 101 retirees received other postemployment benefits. The District provided required contributions of \$282,996 toward the annual OPEB cost, net of retiree contributions totaling \$534,602, which represents 8.9 percent of covered payroll.

Annual OPEB Cost and Net OPEB Obligation. The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45, Accounting and Financial Reporting

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

by Employers for Postemployment Benefits Other Than Pensions. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation:

Description	Amount
Normal Cost at year end	245,916
Amortization of Unfunded Actuarial Accrued Liability	337,433
Interest on Normal Cost and Amortization	_____
Annual Required Contribution	583,349
Interest on Net OPEB Obligation	25,173
Adjustment to Annual Required Contribution	(23,471)
Annual OPEB Cost	585,051
Contributions to OPEB Cost	(297,632)
Increase in Net OPEB Obligation	287,419
Net OPEB Obligation – beginning of year	592,311
Net OPEB Obligation – end of year	879,730

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Fiscal Year	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010-11	538,989	282,996	52.50%	358,542
2011-12	546,431	312,662	57.22%	592,311
2012-13	585,051	297,632	50.87%	879,730

Funded Status and Funding Progress. As of the balance sheet date, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$8,339,851, all of which was unfunded. The covered payroll (annual payroll of active participating employees) was \$11,365,424, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 73.38 percent.

Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2013

healthcare cost trends. Amounts determined regarding the funded status of the OPEB Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The required schedule of funding progress immediately following the notes to financial statements presents multiyear trend information about whether the actuarial value of OPEB Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating 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 participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The District used the entry age normal cost actuarial method to estimate the unfunded actuarial liability and to estimate the District's current fiscal year annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4.25 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 4 percent per year, and an annual healthcare cost trend rate of 8.5 percent beginning the most recent actuarial valuation date (Exhibit D-2) reduced to an ultimate rate of 5 percent after 7 years. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2011, was 26 years.

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF FUNDING PROGRESS
 OTHER POSTEMPLOYMENT BENEFITS PLAN
 June 30, 2013

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liabilities (AAL) (b)	Unfunded Actuarial Liabilities (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
June 30, 2009	0	4,408,903	4,408,903	0.00%	11,028,315	40.0%
June 30, 2010	0	4,360,952	4,360,952	0.00%	10,874,083	40.1%
October 1, 2010	0	8,000,621	8,000,621	0.00%	10,961,786	72.99%
October 1, 2012	0	8,339,851	8,339,851	0.00%	11,365,424	73.38%

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Direct	3100	95,000.00	95,000.00	59,506.27	(35,493.73)
Federal Through State	3200			2,467.62	2,467.62
State Sources	3300	17,993,462.00	17,993,462.00	17,973,641.28	(19,820.72)
Local Sources:					
Property Taxes - Operational	3411	2,737,364.00	2,737,364.00	2,771,189.15	33,825.15
Property Taxes - Capital Projects	3413				
Other Local	3495	392,991.00	392,991.00	331,797.05	(61,193.95)
Total Revenues		<u>21,218,817.00</u>	<u>21,218,817.00</u>	<u>21,138,601.37</u>	<u>(80,215.63)</u>
Expenditures:					
Instruction	5000	12,587,774.00	12,599,584.52	12,598,084.23	1,500.29
Pupil Personnel Services	6100	509,270.00	579,956.00	578,456.45	1,499.55
Instructional Media Services	6200	552,863.00	506,865.82	505,365.47	1,500.35
Instruction and Curriculum	6300	82,978.00	95,158.00	93,658.19	1,499.81
Instructional Staff Training	6400	194,246.00	192,545.00	191,045.06	1,499.94
Instruction Related Technology	6500	110,137.00	109,438.00	107,937.79	1,500.21
Board of Education	7100	180,634.00	176,897.00	175,397.11	1,499.89
General Administration	7200	185,740.00	179,825.00	178,324.51	1,500.49
School Administration	7300	1,779,773.00	1,871,220.00	1,869,720.47	1,499.53
Fiscal Services	7500	318,377.00	293,290.00	291,790.01	1,499.99
Central Services	7700	668,087.00	716,934.02	715,642.25	1,291.77
Pupil Transportation Services	7800	1,385,390.00	1,281,152.00	1,279,652.25	1,499.75
Operation of Plant	7900	2,597,875.00	2,480,135.00	2,478,635.11	1,499.89
Maintenance of Plant	8100	952,907.00	886,701.00	885,200.93	1,500.07
Administrative Technology	8200	0.00	1,923.99	423.79	1,500.20
Community Services	9100	2,000.00	1,500.00		1,500.00
Capital Outlay:					
Other Capital Outlay	9300		80,911.65	80,911.65	0.00
Total Expenses		<u>22,108,051.00</u>	<u>22,054,037.00</u>	<u>22,030,245.27</u>	<u>23,791.73</u>
Excess of Revenues Over (Under) Expenditures		<u>(889,234.00)</u>	<u>(835,220.00)</u>	<u>(891,643.90)</u>	<u>(56,423.90)</u>
Other Financing Sources (Uses):					
Transfers In	3600	115,000.00	115,000.00	626,509.85	511,509.85
Total Other Financing Sources (Uses)		<u>115,000.00</u>	<u>115,000.00</u>	<u>626,509.85</u>	<u>511,509.85</u>
Net Change in Fund Balances		<u>(774,234.00)</u>	<u>(720,220.00)</u>	<u>(265,134.05)</u>	<u>455,085.95</u>
Fund Balance, July 1, 2012	2800	<u>2,028,591.00</u>	<u>2,028,591.32</u>	<u>2,028,591.32</u>	<u>0.00</u>
Total Fund Balance, June 30, 2013	2750	<u>1,254,357.00</u>	<u>1,308,371.32</u>	<u>1,763,457.27</u>	<u>455,085.95</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE - OTHER
 For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Through State	3200	2,981,735.00	2,798,670.62	2,763,682.32	(34,988.30)
State Sources	3300				0.00
Local Sources	3400				0.00
Total Revenues		2,981,735.00	2,798,670.62	2,763,682.32	(34,988.30)
Expenditures:					
Instruction	5000	2,317,883.00	2,223,343.11	2,222,211.93	1,131.18
Pupil Personnel Services	6100	88,258.00	77,114.00	75,914.19	1,199.81
Instructional Media Services	6200	391.00	1,200.00		1,200.00
Instruction and Curriculum	6300	169,509.00	189,055.70	187,855.82	1,199.88
Instructional Staff Training	6400	153,309.00	106,816.00	105,624.00	1,192.00
Instruction Related Technology	6500		24,037.00	22,858.25	1,178.75
General Administration	7200	68,121.00	81,883.00	80,709.41	1,173.59
Central Services	7700	146,328.00	1,247.00	47.24	1,199.76
Pupil Transportation Services	7800	37,936.00	34,448.00	33,247.52	1,200.48
Capital Outlay:					
Other Capital Outlay	9300		35,213.96	35,213.96	0.00
Total Expenses		2,981,735.00	2,774,357.77	2,763,682.32	10,675.45
Excess of Revenues Over (Under) Expenditures		0.00	24,312.85	0.00	(24,312.85)
Net Change in Fund Balances		0.00	24,312.85	0.00	(24,312.85)
Fund Balance, July 1, 2012		0.00	0.00	0.00	0.00
Total Fund Balance, June 30, 2013		0.00	24,312.85	0.00	(24,312.85)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE - ARRA ECONOMIC STIMULUS FUNDS
 For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Through State	3200	204,607.00	187,671.38	187,171.38	(500.00)
Total Revenues		204,607.00	187,671.38	187,171.38	(500.00)
Expenditures:					
Instruction	5000	29,707.00	91,500.00	91,430.85	69.15
Instructional Staff Training	6400	64,000.00	18,700.00	18,691.73	8.27
Instruction Related Technology	6500	71,639.00	68,500.00	68,479.13	20.87
General Administration	7200	3,462.00	5,500.00	5,473.44	26.56
Administrative Technology	8200	35,799.00			0.00
Capital Outlay:					
Other Capital Outlay	9300		3,096.23	3,096.23	0.00
Total Expenses		204,607.00	187,296.23	187,171.38	124.85
Excess of Revenues Over (Under) Expenditures		0.00	375.15	0.00	(375.15)
Net Change in Fund Balances		0.00	375.15	0.00	(375.15)
Fund Balance, July 1, 2012		0.00	0.00	0.00	0.00
Total Fund Balance, June 30, 2013		0.00	375.15	0.00	(375.15)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS
 June 30, 2013

		Food Service 410	Total Nonmajor Special Revenue Funds
ASSETS			
Cash	1110	157,459.70	157,459.70
Accounts Receivable	1130	90.14	90.14
Inventory	1150	28,177.05	28,177.05
Due From Other Agencies	1220	20,878.43	20,878.43
Total Assets		206,605.32	206,605.32
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	2120	4,805.09	4,805.09
Due To Budgetary Funds	2161		0.00
Total Liabilities		4,805.09	4,805.09
Fund Balances:			
Nonspendable - Inventory	2711	28,177.05	28,177.05
Restricted for Food Service	2720	173,623.18	173,623.18
Total Fund Balances		201,800.23	201,800.23
Total Liabilities and Fund Equity		206,605.32	206,605.32

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUNDS
 June 30, 2013

		SBE/COBI Bonds 210	Other Debt Service 290	Total Nonmajor Debt Service Funds
ASSETS				
Cash	1110		392,989.52	392,989.52
Cash with Fiscal Agent	1114	13,566.21		13,566.21
Total Assets		13,566.21	392,989.52	406,555.73
LIABILITIES AND FUND BALANCES				
Fund Balances:				
Restricted for Debt Service	2725	13,566.21		13,566.21
Assigned to Debt Service	2742		392,989.52	
Total Fund Balances		13,566.21	392,989.52	406,555.73
Total Liabilities and Fund Balances		13,566.21	392,989.52	406,555.73

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECTS FUNDS
 June 30, 2013

		Public Education Capital Outlay (PECO) 340	Capital Outlay and Debt Service Funds (CO & DS) 360	Other Capital Projects 390	Total Nonmajor Capital Project Funds
ASSETS					
Cash	1110	0.00	0.00	186,651.47	186,651.47
Investments	1160			24,153.67	24,153.67
Total Assets		<u>0.00</u>	<u>0.00</u>	<u>210,805.14</u>	<u>210,805.14</u>
Fund Balances:					
Restricted Fund Balance	2726	0.00	0.00		0.00
Assigned Fund Balance	2743	0.00	0.00	210,805.14	210,805.14
Total Fund Balances		<u>0.00</u>	<u>0.00</u>	<u>210,805.14</u>	<u>210,805.14</u>
Total Liabilities and Fund Balances		<u>0.00</u>	<u>0.00</u>	<u>210,805.14</u>	<u>210,805.14</u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2013

		<u>Special Revenue Funds</u>	
		Food Service 410	Total Nonmajor Special Revenue Funds
Revenues:			
Federal Through State	3200	1,300,232.25	1,300,232.25
State Sources	3300	25,442.00	25,442.00
Charges For Services - Food Service	3450	316,753.08	316,753.08
Other Local Revenue		4,025.23	4,025.23
Total Revenues		<u>1,646,452.56</u>	<u>1,646,452.56</u>
Expenditures:			
Food Service	7600	1,694,310.53	1,694,310.53
Other Capital Outlay	9300	12,215.21	12,215.21
Total Expenditures		<u>1,706,525.74</u>	<u>1,706,525.74</u>
Excess Deficiency of Revenues Over (Under) Expenditures		<u>(60,073.18)</u>	<u>(60,073.18)</u>
Net Change in Fund Balance		(60,073.18)	(60,073.18)
Fund Balance, July 1, 2012	2800	<u>261,873.41</u>	<u>261,873.41</u>
Total Fund Balance, June 30, 2013	2700	<u><u>201,800.23</u></u>	<u><u>201,800.23</u></u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2013

		Debt Service Funds		
		SBE/COBI	Other Debt	Total Nonmajor
		Bonds 210	Service 290	Debt Service Funds
Revenues:				
State Sources	3300	78,271.81	209,250.00	287,521.81
Local Sources:				
Other Local	3495		1,702.60	1,702.60
Total Revenues		78,271.81	210,952.60	289,224.41
Expenditures:				
Retirement of Principal	710	50,000.00	130,142.57	180,142.57
Interest	720	29,250.00	16,558.94	45,808.94
Dues, Fees and Issuance Costs	730	56.83		56.83
Total Expenditures		79,306.83	146,701.51	226,008.34
Excess Deficiency of Revenues Over (Under) Expenditures		(1,035.02)	64,251.09	63,216.07
Other Financing Sources (Uses):				
Transfers Out	9700		(281,000.00)	(281,000.00)
Total Other Financing Sources (Uses)		0.00	(281,000.00)	(281,000.00)
Net Change in Fund Balance		(1,035.02)	(216,748.91)	(217,783.93)
Fund Balance, July 1, 2012	2800	14,601.23	609,738.43	624,339.66
Total Fund Balance, June 30, 2013	2700	13,566.21	392,989.52	406,555.73

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2013

	Capital Projects Funds			
	Public Education Capital Outlay 340	Capital Outlay & Debt Service 360	Other Capital Projects 390	Total Nonmajor Capital Projects Funds
Revenues:				
State Sources	3300	35,352.81		35,352.81
Local Sources:				
Other Local	3495	90.37	581.12	671.49
Total Revenues	<u>0.00</u>	<u>35,443.18</u>	<u>581.12</u>	<u>36,024.30</u>
Expenditures:				
Debt Service: Dues and Fees	730	60.91		60.91
Total Expenditures	<u>0.00</u>	<u>60.91</u>	<u>0.00</u>	<u>60.91</u>
Excess Deficiency of Revenues Over (Under) Expenditures	<u>0.00</u>	<u>35,382.27</u>	<u>581.12</u>	<u>35,963.39</u>
Other Financing Sources (Uses):				
Transfers Out	9700	(68,384.85)	(2,000.00)	(70,384.85)
Total Other Financing Sources (Uses)	<u>0.00</u>	<u>(68,384.85)</u>	<u>(2,000.00)</u>	<u>(70,384.85)</u>
Net Change in Fund Balance	0.00	(33,002.58)	(1,418.88)	(34,421.46)
Fund Balance, July 1, 2012	2800	33,002.58	212,224.02	245,226.60
Total Fund Balance, June 30, 2013	<u>2700</u>	<u>0.00</u>	<u>210,805.14</u>	<u>210,805.14</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - FOOD SERVICE (NONMAJOR)
 For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Through State	3200	1,207,574.00	1,207,574.00	1,300,232.25	92,658.25
State Sources	3300	25,022.00	25,022.00	25,442.00	420.00
Charges For Services - Food Service	3450	355,269.00	355,269.00	316,753.08	(38,515.92)
Other Local Revenue				4,025.23	4,025.23
Total Revenues		1,587,865.00	1,587,865.00	1,646,452.56	58,587.56
Expenditures:					
Food Services	7600	1,631,412.00	1,710,000.00	1,706,525.74	3,474.26
Total Expenditures		1,631,412.00	1,710,000.00	1,706,525.74	3,474.26
Excess of Revenues Over (Under) Expenditures		(43,547.00)	(122,135.00)	(60,073.18)	62,061.82
Net Change in Fund Balances		(43,547.00)	(122,135.00)	(60,073.18)	62,061.82
Fund Balance, July 1, 2012	2800	261,873.00	261,873.41	261,873.41	0.00
Total Fund Balance, June 30, 2013		218,326.00	139,738.41	201,800.23	62,061.82

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE - SBE/COBI BOND
For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
State Sources	3300	90,800.00	90,800.00	78,271.81	(12,528.19)
Total Revenues		90,800.00	90,800.00	78,271.81	(12,528.19)
Expenditures:					
Retirement of Principal	710	54,000.00	51,000.00	50,000.00	1,000.00
Interest	720	31,000.00	31,000.00	29,250.00	1,750.00
Dues and fees	730	1,000.00	1,000.00	56.83	943.17
Total Expenditures		86,000.00	83,000.00	79,306.83	3,693.17
Excess of Revenues Over (Under) Expenditures		4,800.00	7,800.00	(1,035.02)	(8,835.02)
Net Change in Fund Balances		4,800.00	7,800.00	(1,035.02)	(8,835.02)
Fund Balance, July 1, 2012	2800	14,601.00	14,601.23	14,601.23	0.00
Total Fund Balance, June 30, 2013	2700	19,401.00	22,401.23	13,566.21	(8,835.02)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE - OTHER DEBT SERVICE
For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
State Sources	3300	209,250.00	209,250.00	209,250.00	0.00
Local Sources					
Other Local	3495	9,850.00	9,850.00	1,702.60	(8,147.40)
Total Revenues		219,100.00	219,100.00	210,952.60	(8,147.40)
Expenditures:					
Retirement of Principal	710	130,000.00	132,000.00	130,142.57	1,857.43
Interest	720	17,000.00	17,000.00	16,558.94	441.06
Dues and fees	730	1,000.00	1,000.00		1,000.00
Total Expenditures		148,000.00	150,000.00	146,701.51	3,298.49
Excess of Revenues Over (Under) Expenditures		71,100.00	69,100.00	64,251.09	(4,848.91)
Other Financing Sources (Uses):					
Transfers Out	9700	(210,000.00)	(282,000.00)	(281,000.00)	1,000.00
Total Other Financing Sources (Uses)		(210,000.00)	(282,000.00)	(281,000.00)	1,000.00
Net Change in Fund Balances		(138,900.00)	(212,900.00)	(216,748.91)	(3,848.91)
Fund Balance, July 1, 2012	2800	609,738.00	609,738.43	609,738.43	0.00
Total Fund Balance, June 30, 2013		470,838.00	396,838.43	392,989.52	(3,848.91)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - CAPITAL PROJECTS - PECO
 For the Fiscal Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Total Revenues	0.00	0.00	0.00	0.00
Total Expenditures	0.00	0.00	0.00	0.00
Excess of Revenues Over (Under) Expenditures	0.00	0.00	0.00	0.00
Net Change in Fund Balances	0.00	0.00	0.00	0.00
Fund Balance, July 1, 2012	2800			0.00
Total Fund Balance, June 30, 2013	2700	0.00	0.00	0.00

Exhibit G-3

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DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS - CO&DS
For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
State Sources	3300	33,000.00	33,000.00	35,352.81	2,352.81
Local Sources:					
Other Local	3495	610.00	4,610.00	90.37	(4,519.63)
Total Revenues		33,610.00	37,610.00	35,443.18	(2,166.82)
Expenditures:					
Debt Service: Dues and Fees	730		100.00	60.91	39.09
Total Expenditures		0.00	100.00	60.91	39.09
Excess of Revenues Over (Under) Expenditures		33,610.00	37,510.00	35,382.27	(2,127.73)
Other Financing Sources (Uses):					
Transfers Out	9700	(66,612.00)	(70,384.00)	(68,384.85)	1,999.15
Total Other Financing Sources (Uses)		(66,612.00)	(70,384.00)	(68,384.85)	1,999.15
Net Change in Fund Balances		(33,002.00)	(32,874.00)	(33,002.58)	(128.58)
Fund Balance, July 1, 2012	2800	33,002.00	33,002.58	33,002.58	0.00
Total Fund Balance, June 30, 2013	2700	0.00	128.58	0.00	(128.58)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - CAPITAL PROJECTS - LOCAL CAPITAL IMPROVEMENT
 For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Other Local	3495	13,470.00	13,470.00	1,996.97	(11,473.03)
Total Revenues		13,470.00	13,470.00	1,996.97	(11,473.03)
Total Expenditures		0.00	0.00	0.00	0.00
Excess of Revenues Over (Under) Expenditures		13,470.00	13,470.00	1,996.97	(11,473.03)
Net Change in Fund Balances		13,470.00	13,470.00	1,996.97	(11,473.03)
Fund Balance, July 1, 2012	2800	729,293.00	729,292.77	729,292.77	0.00
Total Fund Balance, June 30, 2013	2700	742,763.00	742,762.77	731,289.74	(11,473.03)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - CAPITAL PROJECTS - OTHER CAPITAL
 For the Fiscal Year Ended June 30, 2013

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Other Local	3495	3,920.00	3,920.00	581.12	(3,338.88)
Total Revenues		3,920.00	3,920.00	581.12	(3,338.88)
Total Expenditures		0.00	0.00	0.00	0.00
Excess of Revenues Over (Under) Expenditures		3,920.00	3,920.00	581.12	(3,338.88)
Other Financing Sources (Uses):					
Transfers Out	9700	(48,388.00)	(48,388.00)	(2,000.00)	46,388.00
Total Other Financing Sources (Uses)		(48,388.00)	(48,388.00)	(2,000.00)	46,388.00
Net Change in Fund Balances		(44,468.00)	(44,468.00)	(1,418.88)	43,049.12
Fund Balance, July 1, 2012	2800	212,224.00	212,224.02	212,224.02	0.00
Total Fund Balance, June 30, 2013	2700	167,756.00	167,756.02	210,805.14	43,049.12

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 June 30, 2013

		<u>Total</u>	<u>Total Internal Service Funds</u>
ASSETS			
Cash	1110	530,929.87	530,929.87
Investments	1160	<u>1,585,669.38</u>	<u>1,585,669.38</u>
Total Assets		<u><u>2,116,599.25</u></u>	<u><u>2,116,599.25</u></u>
 LIABILITIES AND FUND EQUITY			
Liabilities:			
Compensated Absences Payable	2330	<u>2,116,599.25</u>	<u>2,116,599.25</u>
Total Liabilities		<u><u>2,116,599.25</u></u>	<u><u>2,116,599.25</u></u>
 Net Position - Unrestricted	 2700	 <u>0.00</u>	 <u>0.00</u>
 Total Liabilities and Net Position		 <u><u>2,116,599.25</u></u>	 <u><u>2,116,599.25</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013

		Total	Total Internal Service Funds
Nonoperating Revenues			
Interest on Investments	3400	14,682.66	14,682.66
Gain on Sale of Investments	3432	260,442.34	260,442.34
Nonoperating Expenses			
Income (Loss) before operating transfers		275,125.00	275,125.00
Transfers Out			
To General Fund	9710	(275,125.00)	(275,125.00)
Total Transfers Out	9700	(275,125.00)	(275,125.00)
Net Position, July 1, 2012	2800	0.00	0.00
Net Position, June 30, 2013	2780	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013

	Total	Total Internal Service Funds
Cash Flows From Noncapital Financing Activities		
Transfers From Other Funds	(275,125.00)	(275,125.00)
Net cash provided (used) by noncapital financing activities	(275,125.00)	(275,125.00)
Cash Flows From Investing Activities		
Sale of Investments	34,555.87	34,555.87
Interest	14,682.66	14,682.66
Net Cash Provided by Investing Activities	49,238.53	49,238.53
Net Increase (Decrease) in Cash and Cash Equivalents	(225,886.47)	(225,886.47)
Cash Beginning	2,311,130.62	2,311,130.62
Cash Ending	2,085,244.15	2,085,244.15
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	0.00	0.00
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:	0.00	0.00
Total Adjustments	0.00	0.00
Net Cash Provided by Operating Activities	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 June 30, 2013

	School Internal Funds 891	Total Agency Funds
ASSETS		
Cash	368,220.40	368,220.40
Total Assets	368,220.40	368,220.40
LIABILITIES		
Internal Accounts Payable	368,220.40	368,220.40
Total Liabilities	368,220.40	368,220.40

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS - SCHOOL INTERNAL FUNDS
 June 30, 2013

		Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
ASSETS					
Cash	1110	307,293.52	1,210,305.09	1,149,378.21	368,220.40
Total Assets		<u>307,293.52</u>	<u>1,210,305.09</u>	<u>1,149,378.21</u>	<u>368,220.40</u>
LIABILITIES					
Internal Accounts Payable	2290	307,293.52	1,210,305.09	1,149,378.21	368,220.40
Total Liabilities		<u>307,293.52</u>	<u>1,210,305.09</u>	<u>1,149,378.21</u>	<u>368,220.40</u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND
For the Fiscal Year Ended June 30, 2013

REVENUES	Acct No	Amount
Federal Direct		
Reserve Officers Training Corps (ROTC)	3191	59,506.27
Total Federal Direct	3100	59,506.27
Federal Through State	3200	2,467.62
 Total Federal		 <u>61,973.89</u>
 STATE		
Florida Education Finance Program	3310	14,428,317.00
CO&DS Withheld for Administrative Expense	3323	1,706.49
Class Size Reduction/Operating Funds	3355	3,301,810.00
School Recognition/Merit Schools	3361	89,505.00
Voluntary Prekindergarten Program	3371	135,338.62
State License Tax	3343	9,200.04
Miscellaneous State	_____	7,764.13
 Total State	 3300	 <u>17,973,641.28</u>
 LOCAL		
District Taxes - Operational	3411	2,771,189.15
Interest	3431	5,396.01
Preschool Program Fees	3471	58,068.98
Federal Indirect Cost Rate	3494	86,182.85
Miscellaneous Local Sources	3498	108,149.21
Food Service Indirect Costs	3499	74,000.00
 Total Local	 3400	 <u>3,102,986.20</u>
 Total Revenues	 3000	 <u>21,138,601.37</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE--GENERAL FUND, CONTINUED
For the Fiscal Year Ended June 30, 2013

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Total	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	12,598,084.23	9,592,108.08	2,275,532.81	120,224.56		310,333.58	67,514.23	232,370.97
Pupil Personnel Services	6100	578,456.45	420,940.56	94,057.61	62,508.67		430.36	126.75	392.50
Instructional Media Services	6200	505,365.47	371,002.92	82,234.60	10,009.43		9,320.00	22,931.72	9,866.80
Instructional & Curriculum Services	6300	93,658.19	64,590.46	13,966.90	6,084.00		4,466.83		4,550.00
Instructional Staff Training	6400	191,045.06	147,880.00	31,616.12	4,115.16		402.23		7,031.55
Instruction Related Technology	6500	107,937.79	82,744.00	19,555.46	750.00		698.83	4,189.50	
Board of Education	7100	175,397.11	123,602.90	38,482.45	2,946.86		25.90		10,339.00
General Administration	7200	178,324.51	135,544.88	26,616.40	5,363.86		1,066.36	3,188.01	6,545.00
School Administration	7300	1,869,720.47	1,466,769.97	376,266.83	9,750.60		8,687.18	5,519.89	2,726.00
Fiscal Services	7500	291,790.01	212,307.49	48,880.00	25,585.98		4,104.63	897.06	14.85
Central Services	7700	715,642.25	440,820.38	93,480.35	144,403.01		16,367.92	7,229.11	13,341.48
Pupil Transportation Services	7800	1,279,652.25	632,400.25	233,339.31	20,733.72	245,837.49	115,689.17	587.94	31,064.37
Operation of Plant	7900	2,478,635.11	477,004.99	322,638.51	727,504.06	870,651.61	40,196.73	20,792.85	19,846.36
Maintenance of Plant	8100	885,200.93	273,485.52	78,293.13	277,847.92	197.99	142,493.94	18,218.28	94,664.15
Administrative Technology	8200	423.79			35.00			388.79	
Other Capital Outlay	9300	80,911.65						80,911.65	
Total Expenditures	0000	22,030,245.27	14,441,202.40	3,734,960.48	1,417,862.83	1,116,687.09	654,283.66	232,495.78	432,753.03
Excess (Deficiency) Of Revenues Over Expenditures	01	<u>(891,643.90)</u>							

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND
For the Fiscal Year Ended June 30, 2013

	<u>Acct No</u>	<u>Amount</u>
OTHER FINANCING SOURCES (USES)		
Nonrevenue Receipts		
Transfers In		
From Debt Service Funds	3620	281,000.00
From Capital Projects Funds	3630	70,384.85
From Internal Service Funds	3670	<u>275,125.00</u>
Total Transfers In	3600	<u>626,509.85</u>
Total Other Financing Sources (Uses)		<u>626,509.85</u>
Net Change in Fund Balance		<u>(265,134.05)</u>
Fund Balance, July 1, 2012	2800	<u>2,028,591.32</u>
Nonspendable Fund Balance	2710	107,293.00
Unassigned Fund Balance	2750	<u>1,656,164.27</u>
Total Fund Balance, June 30, 2013	2700	<u><u>1,763,457.27</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUND -- FOOD SERVICE
For the Fiscal Year Ended June 30, 2013

REVENUES	Acct No	Amount
Federal Through State:		
School Lunch Reimbursement	3261	909,759.41
School Breakfast Reimbursement	3262	284,650.28
After School Snack Reimbursement	3263	24,540.36
USDA Donated Foods	3265	58,255.51
Summer Food Service Program	3267	<u>23,026.69</u>
 Total Federal Through State	 3200	 <u>1,300,232.25</u>
State:		
Breakfast Supplement	3337	11,411.00
School Lunch Supplement	3338	12,697.00
Miscellaneous State	3390	<u>1,334.00</u>
 Total State	 3300	 <u>25,442.00</u>
Local:		
Interest	3431	326.24
Student Lunches	3451	151,904.93
Student Breakfasts	3452	92,009.66
Adult Breakfast/Lunch	3453	61,386.94
Student and Adult a la Carte	3454	11,451.55
Other Food Sales	3456	
Miscellaneous Local Sources	3490	<u>3,698.99</u>
 Total Local	 3400	 <u>320,778.31</u>
 Total Revenues	 3000	 <u>1,646,452.56</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUND -- FOOD SERVICE
For the Fiscal Year Ended June 30, 2013

EXPENDITURES (Function 7600)	Acct No	Amount
Salaries	100	449,420.53
Employee Benefits	200	172,505.73
Purchased Services	300	16,904.22
Energy Services	400	0.00
Materials and Supplies	500	951,219.04
Capital Outlay	600	3,412.20
Other Expenses	700	100,848.81
Other Capital Outlay (Function 9300)	600	<u>12,215.21</u>
 Total Expenditures	 7600	 <u>1,706,525.74</u>
 Excess (Deficiency) of Revenues Over Expenditures		 <u>(60,073.18)</u>
 OTHER FINANCING SOURCES (USES)		
Transfers In	3600	<u>0.00</u>
 Net Change in Fund Balance		 <u>(60,073.18)</u>
 Fund Balance, July 1, 2012	 2800	 <u>261,873.41</u>
 Nonspendable Fund Balance	 2710	 28,177.05
Restricted Fund Balance	2720	<u>173,623.18</u>
 Total Fund Balance, June 30, 2013	 2700	 <u><u>201,800.23</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUND -- OTHER
For the Fiscal Year Ended June 30, 2013

REVENUES	Acct No	Amount
Federal Direct:		
Vocational Education Acts	3201	78,704.00
Job Training Partnership Act (JTPA)	3220	
Title II	3226	199,742.00
Drug Free Schools	3227	0.00
Education for the Handicapped (PL 94-142)	3230	894,021.53
Education Consolidation and Improvement Act, Chapter I	3240	1,091,893.19
Miscellaneous Federal	3290	499,321.60
Total Federal Through State	3200	2,763,682.32
Total Revenues	3000	2,763,682.32

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE--SPECIAL REVENUE FUNDS/OTHER, CONTINUED
 For the Fiscal Year Ended June 30, 2013

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Totals	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	2,222,211.93	1,245,744.63	308,694.66	322,640.40	0.00	155,080.32	80,729.87	109,322.05
Pupil Personnel Services	6100	75,914.19	53,316.07	10,865.27	1,422.19	0.00	9,895.41		415.25
Instructional & Curriculum Services	6300	187,855.82	127,583.69	27,478.58	30,301.64	0.00	2,256.91		235.00
Instructional Staff Training	6400	105,624.00	7,720.83	2,263.70	69,415.76	0.00	1,016.30		25,207.41
Instruction Related Technology	6500	22,858.25	0.00	0.00	782.00	0.00	458.32	21,617.93	0.00
General Administration	7200	80,709.41	0.00	0.00	0.00	0.00	0.00		80,709.41
Central Services	7700	47.24			47.24				
Pupil Transportation Services	7800	33,247.52	17,649.00	2,289.71	10,728.21	1,175.10			1,405.50
Other Capital Outlay	9300	35,213.96						35,213.96	
Total Expenditures	0000	2,763,682.32	1,452,014.22	351,591.92	435,337.44	1,175.10	168,707.26	137,561.76	217,294.62
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2012	2800	0.00							
Total Fund Balance, June 30, 2013	2700	0.00							

Exhibit K-3
 Fund 420

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - SPECIAL REVENUE FUNDS
 FEDERAL ECONOMIC STIMULUS PROGRAMS
 For the Fiscal Year Ended June 30, 2013

REVENUES	Acct No	ARRA Race to the Top 434	Totals
Federal Direct:			
Race To The Top	3214	187,171.38	187,171.38
Total Federal Throught State	3200	187,171.38	187,171.38
Total Revenues	3000	187,171.38	187,171.38

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 SPECIAL REVENUE FUND - ARRA RACE TO THE TOP (Continued)
 For the Fiscal Year Ended June 30, 2013

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Totals	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	91,430.85	0.00	0.00	13,408.00	0.00	21,571.21	56,451.64	
Instructional Staff Training	6400	18,691.73	4,400.00	460.92	11,706.81	0.00	0.00		2,124.00
Instruction Related Technology	6500	68,479.13	52,831.08	15,236.06	0.00	0.00	0.00	411.99	
General Administration	7200	5,473.44							5,473.44
Other Capital Outlay	9300	3,096.23						3,096.23	
Total Expenditures	0000	187,171.38	57,231.08	15,696.98	25,114.81	0.00	21,571.21	59,959.86	7,597.44
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2012	2800	<u>0.00</u>							
Total Fund Balance, June 30, 2013	2700	<u><u>0.00</u></u>							

Exhibit K-4
 Fund 434

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES--DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013

Account Title	Acct. Code	Total	SBE/COBI Funds (210)	Other Debt Service (290)
REVENUES:				
CO & DS Withheld for SBE/COBI Bonds	3322	77,779.79	77,779.79	
SBE/COBI Bond Interest	3326	492.02	492.02	
Racing Commission Funds	3341	209,250.00		209,250.00
Total State Sources	3300	287,521.81	78,271.81	209,250.00
Local Source: Interest	3400	1,702.60		1,702.60
Total Revenues		289,224.41	78,271.81	210,952.60
EXPENDITURES:				
Redemption Of Principal	710	180,142.57	50,000.00	130,142.57
Interest	720	45,808.94	29,250.00	16,558.94
Dues And Fees	730	56.83	56.83	
Total Expenditures		226,008.34	79,306.83	146,701.51
Excess (Deficiency) Of Revenues Over Expenditures		63,216.07	(1,035.02)	64,251.09
OTHER FINANCING SOURCES (USES)				
Transfers Out	9700	(281,000.00)		(281,000.00)
Total Other Financing Sources (Uses)		(281,000.00)	0.00	(281,000.00)
Net Change in Fund Balance		(217,783.93)	(1,035.02)	(216,748.91)
Fund Balance, July 1, 2012	2800	624,339.66	14,601.23	609,738.43
Restricted Fund Balance	2720	13,566.21	13,566.21	
Assigned Fund Balance	2740	392,989.52		392,989.52
Total Fund Balance, June 30, 2013	2700	406,555.73	13,566.21	392,989.52

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES--CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2013

Account Title	Acct. Code	Total Amount	Public Education Capital Outlay Funds (340)	Capital Outlay & Debt Service Fund (360)	Capital Improve. Sec 1011.71(2) (370)	Other Capital Projects (390)
REVENUES:						
CO&DS Distributed To District	3321	34,279.72		34,279.72		
Interest on Undistributed CO&DS	3325	1,073.09		1,073.09		
Total State	3300	35,352.81	0.00	35,352.81	0.00	0.00
Interest Including Profit on Investments	3430	2,668.46		90.37	1,996.97	581.12
Total Local	3400	2,668.46	0.00	90.37	1,996.97	581.12
Total Revenues	3000	38,021.27	0.00	35,443.18	1,996.97	581.12
Dues and Fees	730	60.91		60.91		
Total Expenditures		60.91	0.00	60.91	0.00	0.00
Excess (Deficiency) Of Revenues Over Expenditures		37,960.36	0.00	35,382.27	1,996.97	581.12

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES--CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2013

Account Title	Acct. Code	Total Amount	Public Education Capital Outlay Funds (340)	Capital Outlay & Debt Service Fund (360)	Capital Improve. Sec 1011.71(2) (370)	Other Capital Projects (390)
OTHER FINANCING SOURCES (USES)						
Transfers Out						
To General Fund	910	(70,384.85)		(68,384.85)		(2,000.00)
Total Transfers Out	9700	(70,384.85)	0.00	(68,384.85)	0.00	(2,000.00)
Total Other Financing Sources (Uses)		(70,384.85)	0.00	(68,384.85)	0.00	(2,000.00)
Net Change in Fund Balance		(32,424.49)	0.00	(33,002.58)	1,996.97	(1,418.88)
Fund Balance, July 1, 2012	2800	974,519.37	0.00	33,002.58	729,292.77	212,224.02
Restricted Fund Balance	2720	731,289.74	0.00	0.00	731,289.74	
Assigned Fund Balance	2740	210,805.14				210,805.14
Unassigned Fund Balance	2750	0.00				
Total Fund Balance, June 30, 2013	2700	942,094.88	0.00	0.00	731,289.74	210,805.14

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2013

		Total	Compensated Absences 791
Nonoperating Revenues			
Interest on Investments	3431	14,682.66	14,682.66
Gain on Sale of Investments	3432	260,442.34	260,442.34
		275,125.00	275,125.00
Income (Loss) before operating transfers			
Transfers Out			
To General Fund	3610	(275,125.00)	(275,125.00)
Total Transfers Out	3600	(275,125.00)	(275,125.00)
Change in Net Assets		0.00	0.00
Net Position, July 1, 2012	2880	0.00	0.00
Net Position, June 30, 2013	2780	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHOOL INTERNAL FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 June 30, 2013

		Balance July 1, 2012	Additions	Deductions	Balance June 30, 2013
ASSETS					
Cash	1110	307,293.52	1,210,305.09	1,149,378.21	368,220.40
Total Assets		<u>307,293.52</u>	<u>1,210,305.09</u>	<u>1,149,378.21</u>	<u>368,220.40</u>
LIABILITIES					
Internal Accounts Payable	2290	307,293.52	1,210,305.09	1,149,378.21	368,220.40
Total Liabilities		<u>307,293.52</u>	<u>1,210,305.09</u>	<u>1,149,378.21</u>	<u>368,220.40</u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF GENERAL LONG-TERM LIABILITIES
 June 30, 2013

Account Title	Acct. Num	Governmental Activities Total Balance	Total	Governmental Activities Principal Payments	Governmental Activities Short Term
Notes Payable	2310	414,260.92	414,260.92	146,701.51	134,101.07
Bonds Payable	2320	550,000.00	550,000.00	79,250.00	55,000.00
Liability for Compensated Absences	2330	2,541,160.87	2,541,160.87		
Other Post-employment Benefits Obligation	2360	879,730.00	879,730.00		
Total Long-Term Liabilities	2300	4,385,151.79	4,385,151.79	79,250.00	55,000.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF STATE CATEGORICAL PROGRAMS
 REPORT OF FUNDS AVAILABLE AND EXPENDITURES
 For the Fiscal Year Ended June 30, 2013

Categorical Programs		Unexpended	Returned	Revenues	Expenditures	Flexibility [4]	Balance June 30, 2013	
		June 30, 2012	To DOE	2012-13	2012-13	2012-13	Encumbered	Unencumbered
Class Size Reduction/Operating Funds (3355)	94740	0.00		3,301,810.00	3,301,810.00			0.00
Class Size Reduction/Capital Funds (3396)	91050	0.00		0.00	0.00			0.00
Comprehensive K-12 Reading Plan (FEFP Earmark)	90800	0.00		244,826.00	144,826.00	100,000.00		0.00
Excellent Teaching (3213 & 3363)	90570	0.00						0.00
Florida Teacher Lead Program (FEFP Earmarked)	97580	0.00		38,598.00	38,598.00			0.00
Instructional Materials (FEFP Earmarked)	90880	0.00		231,593.00	231,593.00			0.00
Library Media (FEFP Earmarked)	90881	0.00		13,868.00	13,868.00			0.00
Preschool Projects (3372)	97950	0.00		0.00	0.00			0.00
Public School Technology	90320	0.00						0.00
Safe Schools (FEFP Earmark)	90803	0.00		101,764.00		101,764.00		0.00
Bonus for Outstanding Teachers in D and F Schools	94030	0.00						0.00
School Recognition Funds (3361)	92040	0.00		89,505.00	89,505.00			0.00
Supplemental Academic Instruction (FEFP Earmark)	91280	0.00		706,540.00		706,540.00		0.00
Teacher Recruitment and Retention	93460	0.00						0.00
Teacher Training	91290	0.00						0.00
Pupil Transportation (FEFP Earmarked)	90830	0.00		650,782.00	650,782.00			0.00
Voluntary Prekindergarten - School Year Prog (3371)	96440	0.00		135,338.62	135,338.62			0.00
Voluntary Prekindergarten - Summer Program (3371)	96441	0.00						0.00

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES
 For the Fiscal Year Ended June 30, 2013

	General Fund	Special Revenue Food Service	Special Revenue Other	Special Revenue ARRA	Total
Energy Expenditures:					
Bottle Gas	420	51,005.64			51,005.64
Electricity	430	818,258.99			818,258.99
Total		869,264.63	0.00		869,264.63

	General Fund	Special Revenue Food Service	Special Revenue Other	Capital Projects Funds	Total
Energy Expenditures for Pupil Transportation					
Gasoline	450	47,911.28			47,911.28
Diesel	460	197,926.21	1,175.10		199,101.31
Oil & Grease	540	5,443.42			5,443.42
Total		251,280.91	1,175.10		252,456.01

	General Fund	Special Revenue Other	Special Revenue ARRA	Capital Projects Funds	Total
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Expenditures for School Buses
 And School Bus Replacements:

Capitalized Audio Visual Materials:

	General Fund	Special Revenue Food Service	Special Revenue Other	Special Revenue ARRA	Total
Sub Awards For Indirect Cost Rate Subrecipient awards					
Total		0.00	0.00	0.00	0.00

	General Fund	Special Revenue Food Service
Food Services Supplies Subobject		
Supplies	510	71,901.25
Food	570	823,771.16
Commodities	580	55,539.20

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES
 For the Fiscal Year Ended June 30, 2013

	Sub- Objec	General Fund	Special Revenue Other (420)	Special Revenue ARRA (430)	Total
Teacher Salaries					
Basic Programs 101, 102, and 103 (Function 5100)	120	7,331,436.71	674,478.25	0.00	8,005,914.96
Basic Programs 101, 102, and 103 (Function 5100)	140				0.00
Basic Programs 101, 102, and 103 (Function 5100)	750	183,515.52	24,758.92	0.00	208,274.44
Total Basic Program Salaries		7,514,952.23	699,237.17	0.00	8,214,189.40
Other Programs 130 (ESOL) (Function 5100)	120				0.00
Other Programs 130 (ESOL) (Function 5100)	140				0.00
Other Programs 130 (ESOL) (Function 5100)	750	0.00	0.00	0.00	0.00
Total Other Program Salaries		0.00	0.00	0.00	0.00
ESE Programs 111, 112, 113, 254, 255 (Function 5200)	120	788,297.73	19,364.87	0.00	807,662.60
ESE Programs 111, 112, 113, 254, 255 (Function 5200)	140				0.00
ESE Programs 111, 112, 113, 254, 255 (Function 5200)	750	19,732.13	710.85	0.00	20,442.98
Total ESE Program Salaries		808,029.86	20,075.72	0.00	828,105.58
Career Program 300 (Function 5300)	120	446,364.58	0.00		446,364.58
Career Program 300 (Function 5300)	140				0.00
Career Program 300 (Function 5300)	750	11,173.09	0.00	0.00	11,173.09
Total Career Program Salaries		457,537.67	0.00	0.00	457,537.67
Total		8,780,519.76	719,312.89	0.00	9,499,832.65
	Sub- Objec	General Fund	Special Revenue Other (420)	Special Revenue ARRA (430)	Total
Textbooks (used for classroom instruction)					
Textbooks (Function 5000)	520	176,076.34	1,925.90	0.00	178,002.24

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SPECIFIC ACADEMIC CLASSROOM INSTRUCTION AND OTHER DATA COLLECTION
 For the Fiscal Year Ended June 30, 2013

CATEGORICAL FLEXIBLE SPENDING - GENERAL FUND: EXPENDITURES	Account Number	Safe Schools	Supplemental Academic Instruction	Comprehensive K-12 Reading
Instruction:				
Basic Instruction	5100	101,764.00	706,540.00	100,000.00
Exceptional Instruction	5200			
Career Instruction	5300			
Adult Instruction	5400			
Prekindergarten	5500			
Other Instruction	5900			
Total Flexible Spending Instructional Expenditures	5000	<u>101,764.00</u>	<u>706,540.00</u>	<u>100,000.00</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
VOLUNTARY PREDINDERGARTEN (VPK) PROGRAM
For the Fiscal Year Ended June 30, 2013

	Acct. Code	000 Total	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials & Supplies	600 Capital Outlay	700 Other Expenses
General Fund Expenditures									
Prekindergarten Instruction	5000	161,772.50	109,528.31	44,105.92	4,080.00		2,656.84		1,401.43
Instructional Staff Training	6400	789.36		13.11	202.63		402.23		171.39
Total Expenditures	0000	162,561.86	109,528.31	44,119.03	4,282.63	0.00	3,059.07	0.00	1,572.82

[1] Include expenditures for the summer program (Section 1002.61, F.S.) and the school-year program (Section 1002.63, F.S.).

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL
 ASSISTANCE PROGRAM EXPENDITURES
 For the Fiscal Year Ended June 30, 2013

Grantor/Program	CFDA NUMBER	Pass Through Grantor Number	Amount of Expenditures	Amount Provided To Subrecipients
United States Department of Agriculture:				
National School Lunch Program	10.555	300, 350	934,299.77	
School Breakfast Program	10.553	321	284,650.28	
Department of Health and Rehabilitative Services; Food Donation	10.555(2)	N/A	55,539.20	
United States Department of Defense:				
Army Junior Reserve Officers Training Corps	None		59,506.27	
United States Department of Education:				
Race to the Top	84.395	RL1	161,149.38	
		212, 222, 223,		
Educationally Deprived Children- Title I Part A	84.010	226,228	1,091,893.19	22,208.22
State Aid Programs for the Handicapped	84.027	263	865,797.53	
Vocation Education-Basic Grants to States	84.048	161	78,704.00	
Handicapped Early Childhood Education	84.173	267	28,224.00	
Title VI Rural And Low Income	84.358	110	66,898.06	
Summer Food Service Program	10.559	323	23,026.69	
Putnam County School Board / NEFEC	84.027	None	2,467.62	
Title II, Part A - Teacher and Principal Training and Recruiting Fund	84.367	224	199,742.00	
21st Century Community Learning Centers	84.287	244	432,423.54	
Race To The Top-Common Core State Standards	84.395	RG3	6,000.00	
Race To The Top-Local Instructional Improvement System	84.395	RD2	20,022.00	
Total Expenditures			<u>4,310,343.53</u>	<u>22,208.22</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF CAPITALIZED CAPITAL OUTLAY
 BY FUNCTION

For the Fiscal Year Ended June 30, 2013

Function		General Fund Fund 110	Special Revenue Fund 410	Special Revenue Fund 434	Special Revenue Fund 710
Instruction	5000	43,693.48	33,685.66	3,096.23	
Pupil Personnel Services	6100				
Instructional Media Services	6200	9,732.18			
Instruction & Curriculum	6300		1,528.30		
Instructional Staff Training	6400				
Instruction Related Technology	6500				
Board of Education	7100				
General Administration	7200				
School Administration	7300	1,848.00			
Facilities Acq & Construction	7410				
Fiscal Services	7500				
Food Service	7600				12,215.21
Central Services	7700	1,099.98			
Pupil Transportation Services	7800	2,899.00			
Operation of Plant	7900	16,889.00			
Maintenance of Plant	8100	2,500.00			
Administrative Technology	8200	2,250.01			
Community Services	9100				
Total		<u>80,911.65</u>	<u>35,213.96</u>	<u>3,096.23</u>	<u>12,215.21</u>

Exhibit M

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
NET ASSETS BY COMPONENT
Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Invested in capital assets, net of related debt	39,501,266.54	45,029,179.08	43,705,743.04	43,681,383.36	42,441,749.14	40,767,422.40	39,089,877.68	37,964,860.26	36,763,879.84	35,463,951.26
Restricted	630,091.77	289,423.29	943,329.81	1,216,959.90	2,163,002.89	1,774,901.56	1,160,841.20	1,016,241.58	776,896.58	744,855.95
Unrestricted	1,408,652.58	1,655,117.72	849,821.81	4,932.00	(717,537.37)	(288,629.55)	2,052,039.72	2,688,495.81	2,302,231.73	1,264,760.54
Total governmental activities net assets	<u>41,540,010.89</u>	<u>46,973,720.09</u>	<u>45,498,894.66</u>	<u>44,903,275.26</u>	<u>43,887,214.66</u>	<u>42,253,694.41</u>	<u>42,302,758.60</u>	<u>41,669,597.65</u>	<u>39,843,008.15</u>	<u>37,473,567.75</u>
Primary government										
Invested in capital assets, net of related debt	39,501,266.54	45,029,179.08	43,705,743.04	43,681,383.36	42,441,749.14	40,767,422.40	39,089,877.68	37,964,860.26	36,763,879.84	35,463,951.26
Restricted	630,091.77	289,423.29	943,329.81	1,216,959.90	2,163,002.89	1,774,901.56	1,160,841.20	1,016,241.58	776,896.58	744,855.95
Unrestricted	1,408,652.58	1,655,117.72	849,821.81	4,932.00	(717,537.37)	(288,629.55)	2,052,039.72	2,688,495.81	2,302,231.73	1,264,760.54
Total primary government net assets	<u>41,540,010.89</u>	<u>46,973,720.09</u>	<u>45,498,894.66</u>	<u>44,903,275.26</u>	<u>43,887,214.66</u>	<u>42,253,694.41</u>	<u>42,302,758.60</u>	<u>41,669,597.65</u>	<u>39,843,008.15</u>	<u>37,473,567.75</u>

Exhibit P-1

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
CHANGES IN NET ASSETS
Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
Functions											
Governmental Activities:											
Instruction	5000	12,659,066.91	13,297,847.82	13,947,273.51	15,008,613.67	16,375,947.95	15,372,598.77	15,741,143.89	15,851,803.57	15,139,943.23	15,110,326.75
Pupil Personnel Services	6100	589,053.29	669,342.10	661,294.84	617,812.50	685,591.84	635,031.63	650,721.83	633,711.04	591,407.30	667,078.86
Instructional Media Services	6200	588,655.47	630,647.65	579,602.57	587,535.26	612,323.59	592,076.86	743,928.97	629,491.77	545,759.36	515,383.47
Instruction and Curriculum	6300	375,462.93	619,676.98	875,971.96	907,287.38	561,299.84	479,959.66	413,981.83	302,406.45	268,196.38	285,458.53
Instructional Staff Training	6400	132,060.58	148,745.39	161,983.68	35,136.71	643,165.30	663,545.90	309,829.74	342,730.36	379,828.75	320,610.64
Instruction Related Technology	6500			182,380.00	250,674.26	306,173.27	251,223.63	162,470.17	248,707.29	176,933.92	203,606.56
Board of Education	7100	168,333.37	167,181.26	168,523.21	163,700.05	185,663.06	175,279.17	174,011.22	183,254.98	175,716.07	178,448.11
General Administration	7200	248,424.95	256,261.98	1,203,634.70	267,714.98	260,052.74	264,898.32	307,126.76	265,510.49	218,793.58	259,958.00
School Administration	7300	1,468,605.01	1,734,007.84	1,590,533.72	1,764,362.67	1,947,614.23	1,980,498.96	1,766,025.78	1,863,744.78	1,768,544.39	1,868,074.26
Facilities Acq & Construction	7400	(4,933,520.96)	(5,699,199.76)	1,592,257.52	43,228.36	(1,518,249.70)	(127,418.90)	(29,362.43)	(31,019.57)	0.00	(35,352.81)
Fiscal Services	7500	239,102.64	258,882.34	286,819.27	299,108.25	318,027.57	291,527.34	267,917.46	319,024.97	292,533.62	288,888.58
Food Service	7600	84,328.73	92,527.91	118,592.92	260,107.01	284,193.29	270,390.37	74,344.39	58,500.85	33,557.55	76,854.35
Central Services	7700	657,193.51	829,605.10	737,266.32	796,109.87	1,100,286.83	682,708.17	584,750.11	606,043.56	674,127.07	689,590.83
Pupil Transportation Services	7800	61,930.72	395,953.95	300,120.38	421,570.48	538,993.96	525,052.29	699,792.71	658,299.80	642,078.71	634,697.99
Operation of Plant	7900	2,215,385.66	2,452,717.70	2,526,777.43	2,700,070.60	2,816,802.91	2,700,623.23	2,579,838.03	2,907,563.04	2,402,504.80	2,496,388.95
Maintenance of Plant	8100	641,201.53	407,520.20	494,663.70	694,050.89	666,471.38	885,408.36	725,528.53	865,732.24	587,786.26	889,728.22
Administrative Technology	8200							480.00		0.00	423.79
Community Services	9100	3,323.96	(81,961.87)	0.00	876.36	33,385.38	39,790.33	42,758.60	0.00	320.94	0.00
Interest on Long-Term Debt	9200	51,149.08	68,507.91	95,563.31	90,521.14	2,362.26	(5,342.88)	(9,612.03)	(17,393.75)	(28,206.72)	(31,987.66)
Depreciation - unallocated*	780	1,728,971.76	1,862,779.00	1,889,370.00	1,843,951.00	1,803,006.00	1,732,669.00	1,699,528.00	1,656,374.00	1,561,569.00	1,536,731.00
Total governmental activities		16,978,729.14	18,111,043.50	27,412,629.04	26,752,431.44	27,623,111.70	27,410,520.21	26,904,723.56	27,344,965.87	25,431,394.21	25,954,908.42
Business-type activities		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total primary government expenses		16,978,729.14	18,111,043.50	27,412,629.04	26,752,431.44	27,623,111.70	27,410,520.21	26,904,723.56	27,344,965.87	25,431,394.21	25,954,908.42
General revenues:											
Taxes:											
Property taxes, levied for general purposes		1,891,132.58	2,007,873.24	1,918,814.11	2,374,140.49	2,304,632.78	2,603,984.62	2,847,370.81	2,959,486.25	2,809,929.45	2,771,189.15
Property taxes, levied for capital projects		596,314.71	630,288.71	666,034.30	9,505.96	1,321.56	765.47	0.00	0.00	0.00	0.00
Grants and contributions not restricted to specific programs		19,778,971.49	20,766,462.84	22,494,505.96	23,426,335.31	23,651,439.40	22,684,366.00	23,555,062.18	23,307,534.00	20,554,874.37	20,606,712.53
Investment earnings		88,776.72	134,845.91	235,876.43	303,507.10	197,129.90	127,382.68	73,095.95	50,597.59	24,283.39	10,093.31
Miscellaneous		50,938.85	5,282.00	0.00	0.00	452,527.46	360,501.19	478,258.81	394,187.08	215,717.50	198,031.05
Total governmental activities		22,406,134.35	23,544,752.70	25,315,230.80	26,113,488.86	26,607,051.10	25,776,999.96	26,953,787.75	26,711,804.92	23,604,804.71	23,586,026.04
Total business type activities		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total primary government		22,406,134.35	23,544,752.70	25,315,230.80	26,113,488.86	26,607,051.10	25,776,999.96	26,953,787.75	26,711,804.92	23,604,804.71	23,586,026.04
Change in net assets											
Government activities		5,427,405.21	5,433,709.20	(2,097,398.24)	(638,942.58)	(1,016,060.60)	(1,633,520.25)	49,064.19	(633,160.95)	(1,826,589.50)	(2,368,882.38)
Business activities		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total primary government		5,427,405.21	5,433,709.20	(2,097,398.24)	(638,942.58)	(1,016,060.60)	(1,633,520.25)	49,064.19	(633,160.95)	(1,826,589.50)	(2,368,882.38)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Nonspendable - Inventory	71,276.53	61,145.63	61,145.62	71,987.25	80,116.26	78,513.61	79,787.68	113,671.96	105,975.59	107,293.00
State Required Carryover Program	3,093.60	15,756.62	41,669.44	11,442.93	777.20	7,355.50	3,583.04	556.58		
Reserved For Encumbrances	289,722.93	343,065.70	289,915.92	25,725.06	8,457.52					
Unassigned	459,223.89	346,856.28	570,919.86	1,031,003.55	1,362,991.50	1,110,605.93	1,811,814.08	2,448,590.73	1,922,615.73	1,656,164.27
Total general fund	<u>823,316.95</u>	<u>766,824.23</u>	<u>963,650.84</u>	<u>1,140,158.79</u>	<u>1,452,342.48</u>	<u>1,196,475.04</u>	<u>1,895,184.80</u>	<u>2,562,819.27</u>	<u>2,028,591.32</u>	<u>1,763,457.27</u>
All Other Governmental Funds										
Nonspendable - Inventory	5,380.09	1,650.42	2,078.53	2,891.94	82.08	25,023.69	30,145.25	25,106.34	24,565.67	28,177.05
Restricted for Debt Service	24,695.96	23,781.55	23,781.55	22,379.49	21,577.54	19,921.52	18,995.14	15,601.23	14,601.23	13,566.21
Restricted for Capital Projects	1,194,761.10	915,781.11	943,329.81	1,183,137.48	2,141,425.35	1,747,624.54	1,138,263.02	1,000,083.77	762,295.35	731,289.74
Assigned to Special Revenue						285,405.04	284,963.13	255,411.18	237,307.74	173,623.18
Assigned to Debt Service	16,088.68	537,701.57	656,716.69	794,436.86	918,668.11	1,038,472.05	913,474.77	753,622.46	586,806.04	392,989.52
Assigned to Capital Projects	2,008,175.26	1,962,341.65	975,160.18	1,023,760.36	36,978.00	38,853.98	210,902.12	211,237.63	212,224.02	210,805.14
Unassigned									22,932.39	
Total all other governmental funds	<u>3,249,101.09</u>	<u>3,441,256.30</u>	<u>2,601,066.76</u>	<u>3,026,606.13</u>	<u>3,118,731.08</u>	<u>3,155,300.82</u>	<u>2,596,743.43</u>	<u>2,261,062.61</u>	<u>1,860,732.44</u>	<u>1,550,450.84</u>

Exhibit P-3

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Federal Direct Sources										
Reserve officers training corps (ROTC)	42,685.50	45,423.01	42,819.21	49,659.67	55,009.73	54,088.76	54,464.34	57,711.82	58,826.40	59,506.27
Miscellaneous federal direct					188,463.44		169,323.08			
Total federal direct	42,685.50	45,423.01	42,819.21	49,659.67	243,473.17	54,088.76	223,787.42	57,711.82	58,826.40	59,506.27
Federal Through State										
Food service	797,619.00	826,597.00	867,573.75	858,303.03	895,949.50	1,269,891.11	1,070,605.80	1,110,082.30	1,201,583.75	1,241,976.74
Donated foods	61,063.35	52,668.53	66,962.16	41,867.61	31,067.83	55,783.14	53,959.66	69,543.16	52,033.37	58,255.51
Other federal through state	3,514,946.16	4,246,506.63	3,358,364.64	3,062,763.05	2,752,142.14	2,950,056.80	5,119,737.29	5,081,557.39	3,656,108.08	2,953,321.32
Total federal through state	4,373,628.51	5,125,772.16	4,292,900.55	3,962,933.69	3,679,159.47	4,275,731.05	6,244,302.75	6,261,182.85	4,909,725.20	4,253,553.57
Total federal	4,416,314.01	5,171,195.17	4,335,719.76	4,012,593.36	3,922,632.64	4,329,819.81	6,468,090.17	6,318,894.67	4,968,551.60	4,313,059.84
State Sources										
Florida education finance program (FEFP)	13,922,286.00	13,689,512.00	14,902,033.00	15,787,959.00	16,448,420.00	15,295,508.00	15,154,590.00	15,150,498.00	14,021,134.00	14,428,317.00
Categoricals	2,177,732.93	2,558,472.00	3,265,258.68	3,806,662.66	4,395,638.58	4,394,519.00	3,461,893.27	3,472,701.63	3,479,018.94	3,526,653.62
District discretionary lottery funds	146,369.00	164,456.00	143,731.00	115,651.00	169,259.00	73,132.00	8,186.00	11,104.00	9,410.00	0.00
CO&DS distributed to district	28,146.33	30,281.63	32,160.40	28,443.28	31,782.77	29,328.90	29,362.43	29,703.00	31,753.62	34,279.72
CO&DS withheld for SBE/COBI bonds	85,188.01	83,364.01	82,441.00	84,569.18	82,685.85	85,187.14	84,020.48	82,356.84	80,305.89	77,779.79
Public education and capital outlay	6,946,290.00	6,842,344.20	840,463.80	534,232.00	1,962,917.00	289,455.00	70,724.00	209,544.00	0.00	0.00
Food service	29,243.00	29,835.00	25,283.00	26,188.97	28,205.00	23,262.00	23,320.00	22,863.00	24,531.00	25,442.00
State grants and other state sources	334,144.45	448,202.04	455,719.47	601,857.81	475,088.41	439,414.47	225,514.25	254,416.83	232,401.32	229,485.77
Total state sources	23,669,399.72	23,846,466.88	19,747,090.35	20,985,563.90	23,593,996.61	20,629,806.51	19,057,610.43	19,233,187.30	17,878,554.77	18,321,957.90
Local Sources										
Ad valorem taxes	2,487,447.29	2,638,161.95	2,584,848.41	2,383,646.45	2,305,954.34	2,604,750.09	2,847,370.81	2,959,486.25	2,809,929.45	2,771,189.15
Food service sales	377,993.26	393,302.31	400,804.80	423,965.94	444,243.62	410,681.56	361,920.73	368,898.43	341,282.90	316,753.08
Interest income and others	88,776.72	134,845.91	235,876.43	303,507.10	197,129.90	141,059.68	101,899.89	76,467.96	76,467.96	76,467.96
Local grants and other local sources	345,729.67	528,789.42	496,926.76	423,959.66	511,110.98	404,635.22	528,152.43	312,994.95	213,712.11	263,725.38
Total local sources	3,299,946.94	3,695,099.59	3,718,456.40	3,535,079.15	3,458,438.84	3,561,126.55	3,839,343.86	3,717,847.59	3,441,392.42	3,428,135.57
Total revenues	31,385,660.67	32,712,761.64	27,801,266.51	28,533,236.41	30,975,068.09	28,520,752.87	29,365,044.46	29,269,929.56	26,288,498.79	26,063,153.31

Exhibit P-4

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenditures										
Instruction	12,956,589.65	13,805,604.30	13,792,591.36	15,010,021.78	16,115,910.06	15,396,024.62	15,764,565.31	15,886,013.62	15,013,421.26	14,911,727.01
Pupil Personnel Services	593,132.22	674,293.87	651,856.04	652,429.11	671,637.72	631,509.41	641,850.81	626,256.29	583,338.87	654,370.64
Instructional Media Services	591,379.34	632,643.48	573,684.40	573,502.18	599,427.17	604,945.25	752,717.44	617,202.96	537,078.95	505,365.47
Instruction and Curriculum	378,839.84	623,611.63	870,262.39	883,935.46	551,029.30	476,547.98	406,958.24	295,107.43	264,430.90	281,514.01
Instructional Staff Training	132,060.58	148,745.39	161,983.68	35,136.71	631,308.39	659,914.84	302,664.31	335,222.99	374,818.33	315,360.79
Instruction Related Technology			173,268.10	244,045.26	299,367.05	249,931.06	160,046.66	247,652.97	175,013.07	199,275.17
Board of Education	168,333.37	167,181.26	168,523.21	163,700.05	185,663.06	173,279.17	174,901.22	180,484.98	173,234.07	175,397.11
General Administration	248,963.02	968,995.30	1,200,964.69	266,619.17	259,087.86	264,053.71	306,057.50	272,023.52	228,193.09	264,507.36
School Administration	1,481,805.04	1,745,773.80	1,573,676.48	1,755,840.79	1,958,290.24	2,056,552.12	1,765,196.44	1,847,661.18	1,752,384.49	1,869,720.47
Facilities Acq & Construction	310,788.74	994,334.50	1,646,700.52	43,228.36	188.07	12.00	0.00	0.00	0.00	0.00
Fiscal Services	242,397.05	264,487.63	273,899.52	297,863.42	339,506.65	290,369.02	272,220.76	345,291.22	295,783.15	291,790.01
Food Service	1,354,757.50	1,395,600.63	1,474,723.86	1,595,176.01	1,668,698.48	1,725,131.16	1,579,110.20	1,614,033.59	1,633,082.01	1,694,310.53
Central Services	664,199.00	840,228.06	756,607.42	791,876.03	1,142,287.05	694,140.19	633,204.90	637,672.59	679,876.15	715,689.49
Pupil Transportation Services	978,265.29	1,059,295.14	1,145,878.04	1,285,378.21	1,352,924.06	1,325,488.17	1,359,149.49	1,380,587.87	1,318,766.61	1,312,899.77
Operation of Plant	2,219,970.70	2,456,010.46	2,522,296.21	2,687,628.95	2,803,871.35	2,709,620.90	2,582,383.23	2,891,275.98	2,384,248.68	2,478,635.11
Maintenance of Plant	751,176.78	718,585.74	711,802.94	872,100.79	1,144,019.09	1,075,884.75	823,815.46	1,069,791.45	859,096.49	885,200.93
Administrative Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00	480.00	0.00	423.79
Community Services	3,323.96	1,212.00	0.00	876.36	33,385.38	39,790.33	42,758.60	0.00	320.94	0.00
Facilities Acq & Construction	9,952,310.01	3,635,848.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Capital Outlay	563,643.30	828,421.69	535,484.66	557,870.71	603,280.96	163,387.87	757,097.05	252,002.10	239,574.55	131,437.05
Debt Service:										
Redemption of principal	35,000.00	4,205,450.00	114,862.61	123,057.11	126,379.40	134,861.51	138,437.18	817,427.96	175,953.98	180,142.57
Interest	51,030.00	68,345.83	95,355.00	90,323.00	84,900.71	79,778.60	74,312.93	57,459.35	51,997.53	45,808.94
Dues and fees	119.08	162.08	208.31	198.14	147.40	124.64	59.36	7,526.05	101.64	117.74
Payments to Bond Escrow Agent								751,190.75	0.00	0.00
Total Expenditures	33,678,084.47	35,234,831.15	28,444,629.44	27,930,807.60	30,571,309.45	28,751,347.30	28,537,507.09	30,132,364.85	26,740,714.76	26,913,693.96
Excess of Revenues Over (Under) Expenditures	(2,292,423.80)	(2,522,069.51)	(643,362.93)	602,428.81	403,758.64	(230,594.43)	827,537.37	(862,435.29)	(452,215.97)	(850,540.65)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 Last Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Other Financing Sources (Uses):										
Proceeds of Refunding Bonds								650,000.00	0.00	0.00
Proceeds of loans	3,218,000.00	2,152,450.00						670,000.00	0.00	0.00
Loss recoveries	50,938.85	5,282.00			550.00	11,296.73		25,944.04	2,657.85	0.00
Premium on Sale of Refunding Bonds								98,444.90	0.00	0.00
Change in compensated absences		500,000.00					(687,385.00)			
Transfers In	731,163.00	5,289,603.33	326,000.00	600,005.00	708,000.00	911,677.00	1,471,195.00	388,321.97	275,460.98	626,509.85
Transfers Out	(1,453,163.00)	(5,289,603.33)	(326,000.00)	(600,005.00)	(708,000.00)	(911,677.00)	(1,471,195.00)	(638,321.97)	(760,460.98)	(351,384.85)
Total Other Financing Sources (Uses)	<u>2,546,938.85</u>	<u>2,657,732.00</u>	<u>0.00</u>	<u>0.00</u>	<u>550.00</u>	<u>11,296.73</u>	<u>(687,385.00)</u>	<u>1,194,388.94</u>	<u>(482,342.15)</u>	<u>275,125.00</u>
Net Change in Fund Balance	254,515.05	135,662.49	(643,362.93)	602,428.81	404,308.64	(219,297.70)	140,152.37	331,953.65	(934,558.12)	(575,415.65)
Fund balance, beginning	<u>3,817,902.99</u>	<u>4,072,418.04</u>	<u>4,208,080.53</u>	<u>3,564,336.11</u>	<u>4,166,764.92</u>	<u>4,571,073.56</u>	<u>4,351,775.86</u>	<u>4,491,928.23</u>	<u>4,823,881.88</u>	<u>3,889,323.76</u>
Fund balance, ending	<u><u>4,072,418.04</u></u>	<u><u>4,208,080.53</u></u>	<u><u>3,564,717.60</u></u>	<u><u>4,166,764.92</u></u>	<u><u>4,571,073.56</u></u>	<u><u>4,351,775.86</u></u>	<u><u>4,491,928.23</u></u>	<u><u>4,823,881.88</u></u>	<u><u>3,889,323.76</u></u>	<u><u>3,313,908.11</u></u>

Exhibit P-4

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 Ten Years

<u>Fiscal Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Agriculture</u>	<u>Tax-Exempt</u>	<u>Miscellaneous</u>	<u>Total Assessed</u>
2012-13	271,892,568	49,514,198	6,137,486	184,873,580	102,321,314	12,346,929	627,086,075
2011-12	277,704,583	50,494,052	6,126,603	180,822,224	105,227,447	14,781,548	635,156,457
2010-11	283,139,352	50,402,542	6,315,315	178,209,755	106,432,078	11,540,785	636,039,827
2009-10	281,678,201	49,550,106	6,371,302	174,984,449	108,285,069	11,409,470	632,278,597
2008-09	264,599,855	47,340,569	6,268,298	166,858,679	108,383,647	27,899,653	621,350,701
2007-08	242,323,924	47,193,860	6,321,868	160,868,596	92,583,411	52,001,363	601,293,022
2006-07	228,551,094	45,862,269	5,647,732	152,919,465	90,526,508	46,357,135	569,864,203
2005-06	197,341,237	33,785,552	4,772,523	144,954,671	72,414,813	21,140,950	474,409,746
2004-05	189,752,108	30,436,419	4,702,695	136,055,272	69,371,634	17,509,495	447,827,623
2003-04	182,408,567	28,620,787	4,955,337	131,759,187	66,810,463	14,358,945	428,913,286

Exhibit P-5

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
PROPERTY TAX RATES
Ten Years

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
County wide										
Board of County commissioners	10.000	10.000	10.000	9.750	9.500	9.500	9.500	9.4492	9.6605	9.6605
NWF water commission	0.050	0.050	0.050	0.050	0.045	0.045	0.045	0.0450	0.0400	0.0400
School	8.338	8.372	7.761	5.774	5.961	5.949	6.286	6.4850	6.2260	6.191
Total	18.388	18.422	17.811	15.574	15.506	15.494	15.831	15.979	15.9265	15.8915

Exhibit P-6

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 PRINCIPAL PROPERTY TAX PAYERS
 Ten Years

Taxpayer	2003-04		2004-05		2005-06		2006-07		2007-08	
	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total
Alabama Electric Co	5,464,021	1.79%	5,455,979	1.70%	6,282,793	1.85%	6,293,275	1.55%	6,225,271	1.45%
Alltell Communications	1,241,716	0.41%								
CSX	6,156,116	2.01%	7,186,043	2.24%						
Embarq Florida Inc									6,926,949	1.61%
Florida Gas Transmission Co	4,388,704	1.44%	4,251,000	1.33%	4,951,439	1.46%	4,951,439	1.22%	4,907,694	1.14%
Formation Properties III, LLC			3,304,291	1.03%	3,322,726	0.98%	3,732,707	0.92%	3,698,545	0.86%
Gray Midamerica TV Inc			1,754,143	0.55%	2,175,565	0.64%	2,175,565	0.53%	2,853,942	0.66%
Gulf Power Co	5,442,353	1.78%	5,404,724	1.69%	6,080,180	1.79%	6,116,370	1.50%	6,298,754	1.47%
Holmes Health Care	3,330,890	1.09%								
Holmes Timberland LLC							2,080,153	0.51%		
Plum Creek Timber OP I LLC					2,602,187	0.77%				
Providential Group LLC									1,583,202	0.37%
Prutimber Fund Three	1,989,476	0.65%			1,529,622	0.45%				
Soterra LLC	3,037,409	0.99%	2,543,507	0.79%						
Sprint-Florida Inc	10,191,092	3.33%	10,820,535	3.38%	8,391,678	2.48%	8,391,678	2.06%		
The Bank Of Bonifay			1,847,875	0.58%	1,211,018	0.36%	1,923,929	0.47%	1,908,675	0.44%
Timber Landholdings of FI, Inc					2,527,641	0.75%				
Vaghmar Bhupendra B							1,638,434	0.40%	1,609,026	0.37%
West Florida Electric	9,282,906	3.04%	10,314,146	3.22%	10,688,518	3.16%	11,296,319	2.77%	11,850,271	2.76%
Total	50,524,683	16.53%	52,882,243	16.51%	49,763,367	14.69%	48,599,869	11.93%	47,862,329	11.13%

Exhibit P-7

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 PRINCIPAL PROPERTY TAX PAYERS
 Ten Years

Taxpayer	2008-09		2009-10		2010-11		2011-12		2012-13	
	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total
CSX	4,902,730	1.08%	4,902,730	1.05%	5,237,021	1.12%	5,906,816	1.27%	5,831,829	1.27%
Embarq Florida Inc	8,417,451	1.86%	7,449,130	1.60%	6,186,938	1.32%	6,392,388	1.38%	5,780,525	1.26%
Florida Gas Transmission Co	5,046,355	1.12%	4,714,116	1.01%	4,490,230	0.96%	4,316,832	0.93%	4,323,234	0.94%
Formation Properties III, LLC	3,654,506	0.81%	3,564,422	0.77%	3,474,337	0.74%	3,386,941	0.73%	3,202,241	0.70%
Gray Midamerica TV Inc	2,258,150	0.50%	2,029,000	0.44%	2,241,201	0.48%	2,141,282	0.46%	1,966,422	0.43%
Gulf Power Co	6,396,435	1.42%	7,125,731	1.53%	7,103,443	1.52%	7,390,010	1.59%	7,869,437	1.71%
Jai Santoshi Ma Enterprises							2,991,106	0.65%	3,063,092	0.67%
Locke Investments LLC					1,962,708	0.42%			2,035,850	
Plum Creek Timber OP I LLC	1,984,421	0.44%	2,321,831	0.50%	2,298,808	0.49%	2,294,408	0.49%		0.00%
Power South Energy Coop	6,268,821	1.39%	6,849,246	1.47%	6,762,686	1.45%	6,763,027	1.46%	6,610,557	1.44%
The Bank Of Bonifay	1,717,886	0.38%	1,777,192	0.38%						
West Florida Electric	11,575,959	2.56%	12,224,024	2.63%	14,504,598	3.10%	15,436,501	3.33%	16,342,298	3.56%
Total	52,222,714	11.56%	52,957,422	11.38%	54,261,970	11.60%	57,019,311	12.29%	57,025,485	11.98%

Exhibit P-7

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 GOVERNMENTAL TAX REVENUE BY SOURCE
 Last Ten Years

Fiscal Year	General	Discretionary	Capital Projects	Total
2004	5.578	0.760	2.000	8.338
2005	5.612	0.760	2.000	8.372
2006	5.001	0.760	2.000	7.761
2007	5.014	0.760	0.000	5.774
2008	4.485	0.760	0.000	5.245
2009	5.201	0.748	0.000	5.949
2010	5.288	0.998	0.000	6.286
2011	5.487	0.998	0.000	6.485
2012	5.478	0.748	0.000	6.226
2013	5.443	0.748	0.000	6.191

Exhibit P-8

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHOOL BUILDING INFORMATION AND ENROLLMENT DATA
 Ten Years

	Bonifay Middle	Poplar Springs	Bethlehem	Ponce de Leon High	Ponce de Leon Elem	Bonifay Elem	Holmes Co High	Gap
Placed in service	1950	2005	2001	1989	1979	1970	1992	1983
Square footage (a)	92,531	117,533	130,629	72,891	51,492	98,576	131,466	2,815
Portables	1		2	1	4	6	1	
Student stations	822	515	873	568	474	858	757	10
Enrollment:								
2004	391.68	320.74	553.89	409.81	331.50	773.28	485.10	29.00
2005	526.51	321.60	507.07	409.46	335.66	669.32	462.00	38.50
2006	510.70	331.50	501.72	390.74	379.05	686.83	475.65	30.50
2007	482.66	320.50	505.02	399.49	370.00	670.98	473.24	30.50
2008	499.00	310.52	509.11	410.50	352.50	705.42	472.90	47.85
2009	490.00	310.50	498.26	429.00	348.04	719.02	460.04	35.50
2010	480.72	310.82	514.71	379.16	330.55	731.39	456.69	33.00
2011	516.98	322.59	496.67	362.11	332.04	746.31	448.01	28.00
2012	514.70	341.60	482.72	353.01	320.11	711.18	444.75	24.00
2013	511.00	362.08	496.17	362.34	304.11	731.09	430.41	23.06

(a) Square footage does not include portables

Exhibit P-9

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
NUMBER OF PERSONNEL
Ten Years

Year	(a) Administrative	(b) Instructional	(c) Support Services	Total Employees	Ratio of Students to Instructional Personnel
2004	28	251	198	477	13.13
2005	30	257	204	491	12.72
2006	34	258	209	501	12.82
2007	34	263	210	507	12.37
2008	33	269	217	519	12.47
2009	33	267	207	507	12.55
2010	31	254	192	477	12.94
2011	30	255	187	472	12.95
2012	30	249	192	471	12.91
2013	32	249	183	464	12.93

- (a) Superintendent, board members, district administrative, directors, principals, assistant principals,
(b) Teachers, guidance, psychologists, media specialists, curriculum, other professional instructional staff
(c) Aides, bus drivers, food service workers, maintenance, clerical, etc.

Exhibit P-10

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 FOOD SERVICE OPERATING DATA
 Nine Years

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Days meals were served	180	180	180	180	180	180	180	180	180
Meals served	597,796	612,035	594,340	583,411	617,326	608,296	652,424	668,340	639,084
Average meals served daily	3,321	3,400	3,302	3,241	3,430	3,379	3,625	3,713	3,550
Free and reduced meals served	392,908	392,203	373,882	381,139	402,044	422,224	425,266	459,878	492,811
Percentage of free and reduced to total meals	65.7%	64.1%	62.9%	65.3%	65.1%	69.4%	65.2%	68.8%	77.1%
Total revenues	1,303,263.39	1,365,928.17	1,358,989.42	1,403,888.62	1,472,477.81	1,518,139.85	1,646,452.56	1,626,496.12	1,646,452.56
Total subsidy received	855,524.00	892,856.75	883,310.00	923,561.50	961,781.65	1,054,282.62	1,300,232.25	1,253,617.12	1,325,674.25
Total expenses	1,386,993.06	1,473,500.06	1,595,176.01	1,668,698.48	1,725,131.16	1,567,477.55	1,706,525.74	1,645,140.23	1,706,525.74
Average daily costs	7,705.52	8,186.11	8,862.09	9,270.55	9,584.06	8,708.21	9,480.70	9,139.67	9,480.70

Exhibit P-11