



*The District School Board  
of Escambia County*

Pensacola, FL



Superintendent  
Malcolm Thomas

District 1  
Jeff Bergosh

District 2  
Gerald Boone

District 3  
Linda Moultrie

District 4  
Patty Hightower

District 5  
Bill Slayton

**FISCAL YEAR  
ENDED  
JUNE 30, 2009**



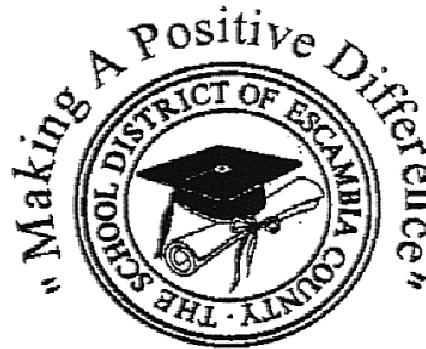
**Comprehensive Annual Financial Report**



District School Board  
Of Escambia County  
Pensacola, Florida

Comprehensive Annual  
Financial Report

For The  
Fiscal Year  
Ended June 30, 2009



Prepared By:  
Finance Department

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

**Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2009**

**Table of Contents**

**Introductory Section**

Letter of Transmittal ..... i  
School Board Members and Superintendent ..... vii  
Principal Officials ..... viii  
Organizational Chart ..... ix  
ASBO Certificates of Excellence ..... x  
GFOA Certificates of Achievement ..... xi

**Financial Section**

Independent Auditor's Reports – Financial Statements ..... 1  
Management's Discussion and Analysis ..... 3

**Basic Financial Statements:**

Government-wide Financial Statements:

Statement of Net Assets ..... 11  
Statement of Activities ..... 12

Fund Financial Statements:

Balance Sheet – Governmental Funds ..... 14  
Reconciliation of the Governmental Funds Balance Sheet to the  
Statement of Net Assets ..... 17  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances – Governmental Funds ..... 18  
Reconciliation of the Governmental Funds Statement of  
Revenues, Expenditures, and Changes in Fund Balances to the  
Statement of Activities ..... 20  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances – Budget to Actual - General Fund ..... 21  
Statement of Revenues, Expenditures and Changes  
in Fund Balances – Budget to Actual – Major Special  
Revenue Fund ..... 22  
Statement of Net Assets – Proprietary Funds ..... 23

**Basic Financial Statements (continued)**

Statement of Revenues, Expenses, and Changes in  
Fund Net Assets – Proprietary Funds .....24  
Statement of Cash Flows – Proprietary Funds .....25  
Statement of Fiduciary Assets and Liabilities – Fiduciary Funds.....26  
Notes to Financial Statements .....27

**Required Supplementary Information:**

Schedule of Funding Progress – Other Postemployment Benefits Plan .....55

**Other Supplementary Information:**

**Combining and Individual Fund Statements and Schedules:**

Combining Balance Sheet – Nonmajor Governmental Funds .....60  
Combining Statement of Revenues, Expenditures, and Changes in  
Fund Balances – Nonmajor Governmental Funds.....63

**Governmental Fund Types:**

**General Fund:**

Comparative Balance Sheets .....67  
Comparative Statements of Revenues, Expenditures, and  
Changes in Fund Balances .....68  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget to Actual .....70

**Special Revenue Funds:**

Combining Balance Sheet.....77  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances .....78  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget to Actual – Food Service .....80  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget to Actual – Other Federal Programs .....81

**Debt Service Funds:**

Combining Balance Sheet.....86  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances .....87  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget to Actual – Other Debt Service.....88  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balances - Budget to Actual – State Board of Education (SBE) Bonds .....89

**Other Supplementary Information:  
Combining and Individual Fund Statements and Schedules:  
Governmental Fund Types:(continued)**

Capital Projects Funds:	
Combining Balance Sheet.....	92
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	94
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – Local Capital Improvement .....	96
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – Capital Outlay and Debt Service .....	97
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – Public Education Capital Outlay.....	98
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – State Board of Education (SBE) Bonds .....	99
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual – Other Capital Projects .....	100
Internal Service Funds:	
Combining Statement of Net Assets .....	102
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets .....	103
Combining Statement of Cash Flows.....	104
Fiduciary Fund Types:	
Agency Funds:	
Combining Statement of Fiduciary Assets and Liabilities .....	106
Combining Statement of Changes in Fiduciary Assets and Liabilities.....	107
Other Statements:	
Discretely Presented Component Units:	
Combining Statement of Net Assets .....	110
Combining Statement of Activities .....	112

**Statistical Section**

<b>Financial Trend Information:</b>	
Net Assets by Component .....	122
Changes in Net Assets.....	124
Fund Balances of Governmental Funds .....	126
Changes in Fund Balances of Governmental Funds .....	128
Summary of Revenues, Expenditures (by Major Object), and Changes in Fund Balances:	
General Fund.....	130
Special Revenue Fund – Other Federal Programs.....	132
Special Revenue Fund – Food Service .....	134

**Statistical Section (continued)**

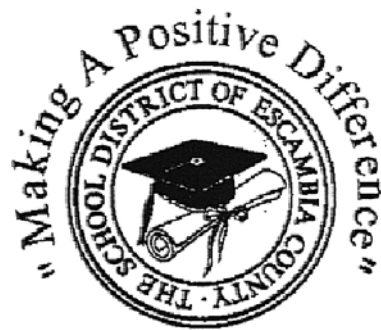
**Financial Trend Information:**

**Summary of Revenues, Expenditures (by major Object), and Changes in Fund Balances:  
(continued)**

Debt Service Funds .....	136
Capital Projects Funds .....	138
<b>Revenue Capacity Information:</b>	
General Governmental Tax Revenues by Source .....	140
Assessed and Estimated Actual Value of Taxable Property.....	141
Property Tax Rates – Direct and Overlapping Governments .....	142
Principal Property Taxpayers.....	144
Property Tax Levies and Collections .....	145
<b>Debt Capacity Information:</b>	
Ratios of Outstanding Debt by Type .....	146
Anticipated Capital Outlay Millage Levy Required to Cover Certificates of Participation Payments .....	147
<b>Demographic and Economic Information:</b>	
Demographic and Economic Statistics .....	148
Principal Employers .....	151
<b>Operating Information:</b>	
School Building Information & Full-Time Equivalent Enrollment Data.....	152
Number of Personnel .....	156
Teachers' Salaries.....	157
Food Service Operating Data .....	158
Schedule of Insurance in Force .....	160

**Other Reports**

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters .....	163
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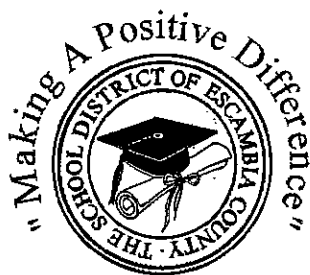


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# INTRODUCTORY SECTION





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## THE SCHOOL DISTRICT OF ESCAMBIA COUNTY

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215 WEST GARDEN STREET  
PENSACOLA, FL 32502  
PHONE 850/432-6121, FAX 850/469-6379  
<http://www.escambia.k12.fl.us>  
MALCOLM THOMAS, SUPERINTENDENT

December 22, 2009

To the Honorable Members of the District School Board of Escambia County  
and the Citizens of Escambia County, Florida

State law requires that all local governments publish after the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America. Pursuant to this requirement, we hereby issue the comprehensive annual financial report (CAFR) of the District School Board of Escambia County, Florida (District) for the fiscal year ended June 30, 2009.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by the CPA firm of Cherry, Bekaert & Holland, L.L.P. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's basic financial statements for the fiscal year ended June 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including the schedule of expenditures of federal awards, findings, and independent auditor's report on the system of internal control and on compliance with applicable requirements is available in the office of the Assistant Superintendent of Finance and Business Services for the District.

This report includes all funds of the District, The Escambia County Public Schools Foundation for Excellence, Inc. (the Foundation), and Charter Schools, which comprise the reporting entity. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. The Foundation's purpose is exclusively educational and charitable for the constituents of Escambia County. Charter Schools are public schools operating under performance contracts with the School Board. The Foundation and the applicable Charter Schools are included as discretely presented component units in the accompanying financial statements.

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

## **Profile of the District**

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

The geographic boundaries of the District are those of Escambia County. During the 2008-09 fiscal year, the District operated 69 schools, special centers, and other programs, including 35 elementary schools, 9 middle schools, 7 high schools, 8 special centers, and

10 other programs. The District also has 6 charter schools that are component units and 1 charter schools that are not component units of the District. The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between districts within the State. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school. In fiscal year 2008-09, the District provided general, special, vocational, and other education programs to 40,264 unweighted full-time equivalent students. The District has experienced declining enrollment over the past five years and projects that the 2009-10 full-time equivalent students will be 40,066 which represents a decline of 198 students.

The Board follows procedures established by Florida Statutes and the State Board of Education rules in establishing and adopting annual budgets for each of the governmental fund types.

## **Economic Condition and Outlook**

Escambia County, located in the northwestern part of the state, was established July 21, 1821 as a non-charter government when the Provisional Governor Andrew Jackson signed an ordinance making the County one of the first two counties in Florida, the other being St. John's County. Escambia County encompasses approximately 661 square miles, or 420,480 acres, with an additional 64,000 acres of water area and serves a population of approximately 300,000. Although northwest Florida has not experienced the rapid growth that southern and central Florida have experienced, the area has grown significantly during the past two decades. There are two municipalities within the County, the City of Pensacola, which is the County seat, and the Town of Century.

State sales tax revenues have declined, and school taxable property values have shown only minor increases; consequently, the State has made reductions to the funding provided for education. For the fiscal-year ended June 30, 2009 the state subsequently reduced the original funding level by slightly more than two percent. The District also experienced an additional decline in full-time equivalent students of 532 over the initial projections. The number of full-time equivalent students is projected to continue to decline and additional cuts to funding are anticipated for the 2009-10 fiscal year.

## **Major Initiatives**

### **Class Size Reduction**

In November 2002, the voters of Florida amended the State Constitution to limit class size. The amendment established the maximum number of students in core-curricula courses assigned to a teacher in each of the following three grade groupings: (1) prekindergarten through grade 3, 18 students; (2) grades 4 through 8, 22 students; and (3) grades 9 through 12, 25 students. These ratios must be achieved at the classroom level by the beginning of the 2010-11 fiscal year.

The Florida Legislature enacted Senate Bill-30A (2003) implementing the reduction of the average number of students in each classroom by at least two students per year, beginning in the 2003-04 fiscal year until the maximum number of students per classroom does not exceed the 2010-11 fiscal year maximum. If a district's class size does not meet the constitutional maximum, then the district must reduce the average number of students in each of the three grade groupings by two students until the constitutional maximums are reached. The following is how the constitutional maximums will be calculated:

- For fiscal years 2003-04, 2004-05, and 2005-06, class size will be calculated at the district level.
- For fiscal years 2006-07 and 2007-08, class size will be calculated at the school level.
- For fiscal years 2008-09 and 2009-10, class size will be calculated at the classroom level.

Due to funding constraints, the Florida Legislature delayed moving the 2008-09 class size requirements to the classroom level and maintained the school level calculation. Based on the annual review by the Florida Department of Education, the District complied with targeted maximums at all schools.

### **Consolidation**

During the 2008-09 fiscal year the Superintendent established a committee of stakeholders which included members of the community to develop a system that defines the parameters by which a school is evaluated for closure and consolidation and ensure a viable long range Closure and Consolidation plan. The committee developed a rubric matrix to elevate community awareness and promote consistency regarding closure and consolidation.

### **Half-Cent Sales Surtax**

Section 212.055(6), Florida Statutes authorizes local school boards to levy a one-half cent School Capital Outlay Sales Surtax (Sales Surtax). The District conducted a referendum and the Sales Surtax was originally approved for five years beginning January 1, 1998. It was renewed for an additional five years as of January 1, 2003 and an additional ten years as of January 1, 2008. These funds have provided approximately \$21 million per year to meet the District's capital outlay needs. During the 2008-09 fiscal year, Sales Surtax revenues were used to construct three new media centers, one high school auditorium, one high school athletic facility, several covered play areas, classroom additions at two schools, HVAC upgrades and general renovations projects. Land was purchased and an architect selected to design a new elementary school. Construction of the new school will allow the District to close at least two existing elementary schools. This is part of an initiative to become more efficient in the number of facilities operated by the District.

## **Transportation**

School start times were shifted to maximize instructional time and transportation efficiencies. Busses were fitted with GPS systems to better monitor route efficiencies. A goal was established and implemented to require that new bus purchases have cameras and air conditioning.

## **Accomplishments**

Schools throughout Florida are held accountable and receive school grades based on the results of the Florida Comprehensive Assessment Test (FCAT). The fiscal year 2008-09 marks the eleventh year of this accountability program and the District has continued its improvement. The first year of accountability only five District schools received a grade of A or B. Dramatic improvement has been accomplished with 26 schools receiving an A and 10 receiving a B for the 2008-09 fiscal year. The overall District grade was a B.

The District has 156 teachers that have successfully completed the rigorous and time-intensive program of the National Board of Professional Teaching Standards. To achieve the highly esteemed National Certification, teachers are required to provide a portfolio of information regarding teaching styles, examples of work performed by students, and successfully pass an examination. Teachers who gain this certification are provided incentives by the state including salary and mentoring bonuses. In addition, 40% of the District's instructional personnel hold advanced degrees (Master's or higher).

## **Financial Information**

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

**Budgetary Controls.** The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established at the object level.

Budgetary information is integrated into the accounting system and to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and encumbrances outstanding are honored from the subsequent year's appropriations. In order to provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the Board adopts a District staffing plan that establishes teacher positions based generally on student populations

served. Additionally, support and administrative positions are created based on established criteria.

**Cash Management and Investments.** The intention of the cash management system is to limit the amount of funds placed in accounts where low or no interest is paid, but the highest priority of all investments is preservation of principle. Idle cash is invested in various instruments with various maturity dates, depending on the anticipated future cash requirements.

The overall strategy of holding deposits and making investments is to expose the District to a minimum amount of credit and market risks. All bank balances, as of the balance sheet date, are entirely insured by Federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. We discuss our cash management and investment activities in greater detail in Note 3 of the Notes to Financial Statements.

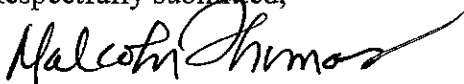
**Risk Management.** The District is self-insured for workers' compensation, general and automobile liability, prescription drug and medical claims, with outside contractors providing various administrative services. All funds make payment to the District's applicable Internal Service Fund based upon personnel staffing levels. Resources have been accumulated in order to meet potential losses. We discuss our risk management activities in greater detail in Note 20 of the Notes to Financial Statements.

## Acknowledgments

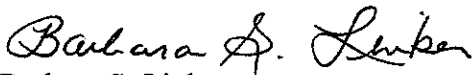
The preparation of this Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance department and coordination with the audit staff of the CPA firm of Cherry, Bekaert & Holland, L.L.P. Each member of the department and the audit staff has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



Malcolm Thomas  
Superintendent of Schools



Barbara S. Linker  
Assistant Superintendent of Finance and Business Services



Gloria Johnson, CPA  
Director of Accounting Operations

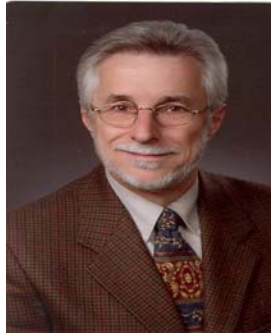


District School Board of Escambia County, Florida

School Board Members and Superintendent  
(Elected for a four-year term)



District 1  
Jeff Bergosh  
3 years  
November 2010



District 2  
Gerald Boone  
3 years  
Vice-Chairman  
November 2010



District 3  
Linda Moultrie  
1 year  
November 2010



District 4  
Patty Hightower  
Chairman  
5 years  
November 2012



District 5  
Bill Slayton  
1 year  
November 2012



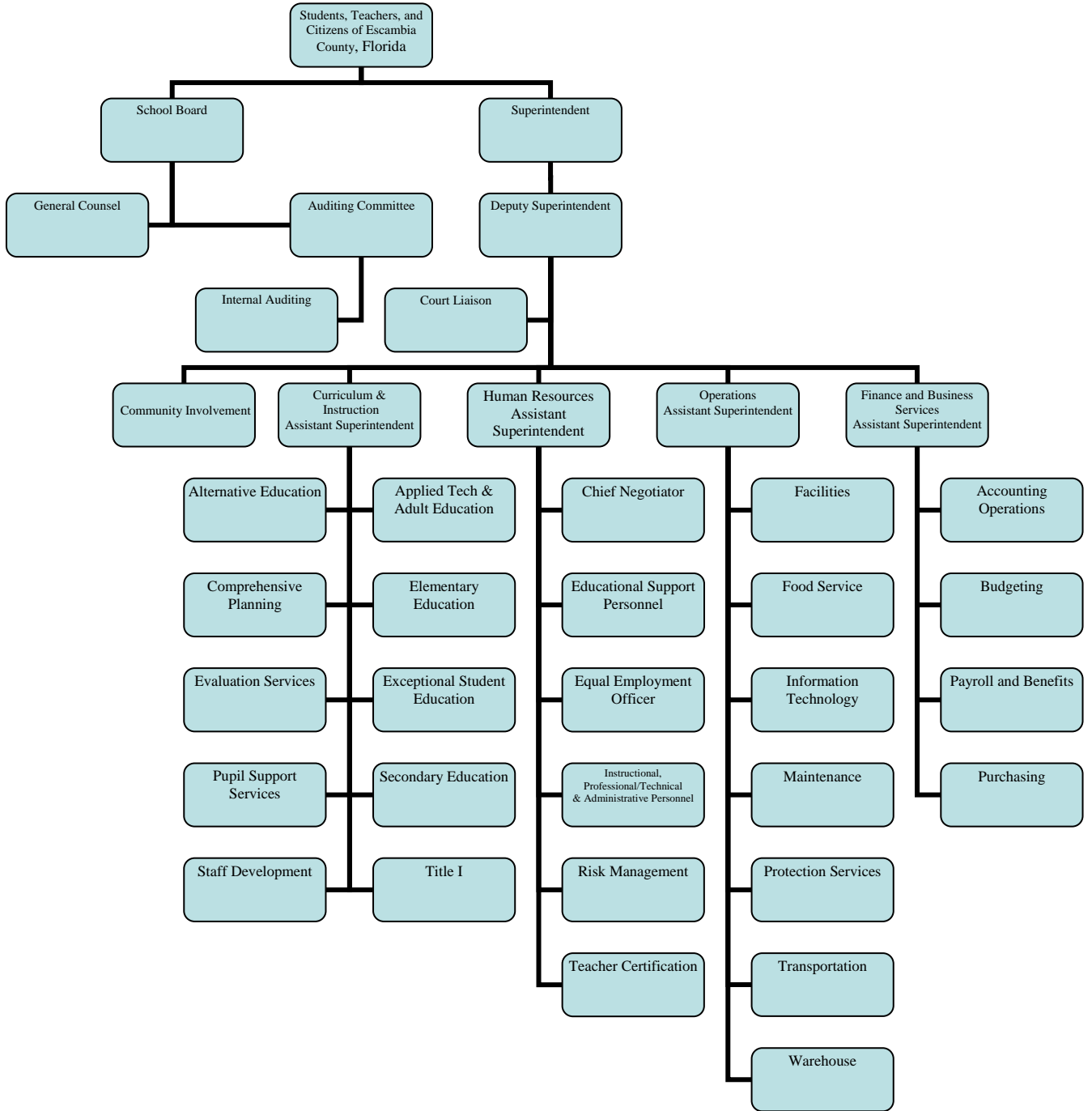
Malcolm Thomas  
Superintendent  
1 year  
November 2012

# **DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**

## **LIST OF PRINCIPAL OFFICIALS**

Norm Ross	Deputy Superintendent
Shawn Dennis	Assistant Superintendent Operations
Paul Fetsko	Assistant Superintendent Curriculum and Instruction
Barbara S. Linker	Assistant Superintendent Finance and Business Services
Dr. Alan Scott	Assistant Superintendent Human Resources

# District School Board of Escambia County, Florida Organizational Chart



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

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

**For its Comprehensive Annual Financial Report (CAFR)**

For the Fiscal Year Ended June 30, 2008

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

*Angela Pitman*

President

*John D. Mueso*

Executive Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

District School Board  
of Escambia County  
Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

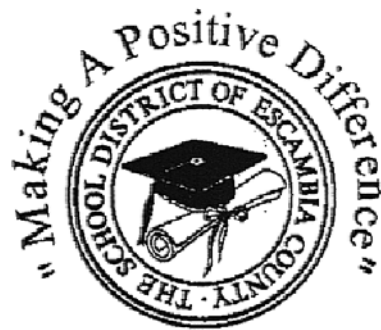


A handwritten signature in black ink, appearing to read "M. L. Post".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



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# FINANCIAL SECTION







## **Report of Independent Auditors**

The Honorable Members of the School Board  
District School Board of Escambia County  
Pensacola, Florida

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Escambia County, Florida (the "District"), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District School Board of Escambia County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units listed in Note 1 to the financial statements. Those financial statements were audited by other auditors whose reports have been provided to us, and our opinions, insofar as they relate to the amounts included for the aggregate discretely presented component units, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Escambia County, Florida, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and special revenue other federal programs fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2009 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Schedule of Funding Progress on pages 3 through 10 and 55, respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, the combining and individual fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and the statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Cherry, Bevant & Holland, L.L.P.*

Orlando, Florida  
December 22, 2009

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The management of the District School Board of Escambia County, Florida has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2009. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2008-09 fiscal year are as follows:

- The assets of the District exceeded its liabilities at June 30, 2009, by \$334.5 million (net assets).
- The District's total net assets increased by \$12.8 million.
- At June 30, 2009, the District's governmental funds reported combined fund balances of \$140.7 million, a decrease of \$19.1 million from the prior fiscal year.
- At June 30, 2009, the unreserved fund balance for the General Fund was \$24.4 million, or 8.2 percent of total General Fund Expenditures.
- The District's total long-term debt (Bonds Payable and Certificates of Participation) decreased by \$3.6 million, or 5.7 percent during the current fiscal year. The key factor in this decrease was the payment of principal.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- Government-wide financial statements.
- Fund financial statements.
- Notes to financial statements.

#### **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 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.

The government-wide statements present the District's activities in two categories:

- Governmental activities – This represents most of the District's services, including its educational programs: basic, vocational, adult, and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.
- Component units – The District presents aggregate financial information for the following seven separate legal entities in this report: Escambia Charter School, Inc., Beulah Academy of Science, Inc., Pensacola Beach Elementary School, Inc., Byrneville Elementary School, Inc., Dr. Ruby J. Gainer School for Reaching Your Dream, Jacqueline Harris Preparatory Academy, and the Escambia County Public Schools Foundation For Excellence, Inc. Although legally separate organizations, the component units are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government.

The Escambia School District Employee Benefit Trust (Trust) has been established to administer the District's employee life, health, and dental insurance programs. The Escambia County District School Board exercises significant oversight responsibility over the Trust, and all activities of the Trust are solely for the benefit of the District and its employees. Therefore, the financial activities of the Trust have been included (blended) as an integral part of the primary government.

### **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 as discussed below.

**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. The 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.

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 funds balance sheet and the governmental funds 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 Federal Programs Fund, Capital Projects – Local Capital Improvement Fund, and the Capital Projects - Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the General Fund and Special Revenue – Other Federal Programs 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.

- Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses the internal service funds to account for risk management, employee benefits, and warehouse activities. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined in a single, aggregated column in the proprietary fund financial statements.

**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 and to account for the resources of the District's pre-tax flexible benefits plan.

### **Notes to Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following is a summary of the District's net assets as of June 30, 2009, compared to net assets as of June 30, 2008:

	Net Assets, End of Year	
	Governmental	
	Activities	
	6-30-09	6-30-08
Current and Other Assets	\$ 202,704,555	\$ 224,355,845
Capital Assets	<u>279,065,632</u>	<u>252,129,370</u>
<b>Total Assets</b>	<u>481,770,187</u>	<u>476,485,215</u>
Long-Term Liabilities	127,457,433	134,449,464
Other Liabilities	<u>21,721,205</u>	<u>20,344,503</u>
<b>Total Liabilities</b>	<u>149,178,638</u>	<u>154,793,967</u>
Net Assets:		
Invested in Capital Assets -		
Net of Debt	217,895,405	188,476,535
Restricted	125,051,180	141,958,454
Unrestricted (Deficit)	<u>(8,434,689)</u>	<u>(8,743,741)</u>
<b>Total Net Assets</b>	<u>\$ 334,511,896</u>	<u>\$ 321,691,248</u>

The largest portion of the District's net assets, \$217.9 million, reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements, equipment, motor vehicles, computer software, and audio visual materials), 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, \$125.1 million, represents resources that are subject to external restrictions on how they may be used. Normally, the unrestricted net assets are used to meet the government's ongoing obligations to students, employees, and creditors. The District's deficit unrestricted net assets results primarily from the recognition of a liability for accumulated employee annual and sick leave balances reported as compensated absences. This liability, totaling \$40.3 million, will be paid over future years when vested employees are paid for their leave upon separation from the District.

Total net assets increased during the fiscal year. The key elements of the changes in the District's net assets for the fiscal years ended June 30, 2009, and June 30, 2008, are as follows:

	<b>Operating Results for the Year</b>	
	Governmental	
	Activities	
	6-30-09	6-30-08
Program Revenues:		
Charges for Services	\$ 7,356,635	\$ 7,122,221
Operating Grants and Contributions	23,782,878	22,893,049
Capital Grants and Contributions	5,549,903	12,787,860
General Revenues:		
Property Taxes, Levied for Operational Purposes	97,379,871	85,413,366
Property Taxes, Levied for Capital Projects	27,210,547	29,869,892
Local Sales Taxes	19,438,020	20,655,828
Grants and Contributions Not Restricted to Specific Programs	204,808,168	224,459,137
Unrestricted Investment Earnings	1,743,725	5,787,426
Miscellaneous	3,319,666	4,756,160
Insurance Loss Recoveries	1,085,919	4,464,012
Transfers		4,755
<b>Total Revenues and Transfers</b>	<b>391,675,332</b>	<b>418,213,706</b>
Functions/Program Expenses:		
Instruction	205,755,887	210,699,076
Pupil Personnel Services	16,952,375	17,159,487
Instructional Media Services	5,302,170	5,591,263
Instruction and Curriculum Development Services	10,898,048	11,812,859
Instructional Staff Training	7,202,670	7,787,869
Instruction Related Technology	3,105,660	3,267,448
Board of Education	1,169,146	1,212,416
General Administration	1,609,860	1,525,336
School Administration	14,449,919	15,674,843
Facility Services	22,275,464	31,604,053
Fiscal Services	2,211,047	2,386,653
Food Services	18,394,973	18,578,045
Central Services	3,830,766	5,103,314
Pupil Transportation Services	18,143,178	17,894,762
Operation of Plant	27,722,642	28,308,033
Maintenance of Plant	11,125,532	11,875,929
Administrative Technology Services	3,719,871	3,813,897
Community Services	985,155	897,108
Interest on Long-Term Debt	2,876,984	3,251,291
Loss on Disposal of Capital Assets	1,123,337	334,149
<b>Total Functions/Program Expenses</b>	<b>378,854,684</b>	<b>398,777,831</b>
<b>Increase in Net Assets</b>	<b>12,820,648</b>	<b>19,435,875</b>
<b>Beginning Net Assets</b>	<b>321,691,248</b>	<b>302,255,373</b>
<b>Ending Net Assets</b>	<b>\$ 334,511,896</b>	<b>\$ 321,691,248</b>

Governmental Activities increased the District's net assets by \$12.8 million. Key elements of the increase are as follows:

- Restricted Net assets for Categorical Carryover Programs increased \$3.3 million.
- The capital projects (construction) revenues received during the current fiscal year are disbursed on construction projects and other capital assets that will be capitalized and expensed in future years through depreciation. If these funds are not disbursed at year-end, they are reported as current assets and restricted net assets. Investments in Capital Assets, Net of Related Debt, increased by \$29.4 million, and Restricted Net Assets for Capital Projects decreased by \$20.7 million from the previous fiscal year.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

### **Major Governmental Funds**

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance is \$24.4 million, while the total fund balance is \$37.6 million. The unreserved fund balance decreased by \$.4 million, while the total fund balance increased by \$.5 million during the fiscal year. Key factors for these changes are as follows:

- State and local property tax revenues were \$4.8 million less than initially budgeted or projected, total General Fund revenues decreased \$13.8 million from the previous fiscal year. State revenues were lower than projected because State revenues based on student enrollment were reduced due to a reduction in weighted full-time equivalent (FTE) students (532) from the initial State projection (43,852) and due to other State revenue reductions. Property taxes were more than budgeted because delinquent taxes were collected on beach property in litigation, and currently, are not collectable.
- The District's General Fund also receives other financing sources from transfers from other funds and, in recent years, from insurance and hurricane recoveries resulting from Hurricanes Ivan, Dennis, and Katrina. These other financing sources decreased approximately \$3.3 million from the previous fiscal year, primarily from reductions in insurance and hurricane recoveries as the District completes its repairs resulting from those storms.
- The District anticipated revenue shortfalls due to the economic downturn and took action to reduce expenditures during the fiscal year. General Fund expenditures were \$20.3 million less than the previous fiscal year.

The Special Revenue – Other Federal Programs Fund has a fund balance of \$7.1 thousand. The fund balance fluctuates slightly because the majority of the funds are requested as expenditures are finalized.

The Capital Projects – Local Capital Improvement Fund has a fund balance of \$13.4 million. The fund balance decreased by \$3.6 million due to a decrease in local capital improvement property taxes collected and an increase in expenditures incurred during the 2008-09 fiscal year.

The Capital Projects – Other Fund has a fund balance of \$74.1 million. The fund balance decreased by \$12.9 million due primarily to lack of funding by the state for Class Size Reduction, decreased interest income, local sales tax collections, property tax collections, public education capital outlay and increased expenditures.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

During the course of the 2008-09 fiscal year, the District experienced several reductions in State funding from the Florida Department of Education. These reductions were the result of a Statewide economic downturn, which resulted in revenue collections that were significantly lower than originally projected when the State's 2008-09 fiscal year budget was developed. As a result of the reductions, the District received State funding of \$7.4 million less than originally projected which was a 4 percent reduction. A portion of the reduction in State funding to the District was the result of a continuing decline in student population. The measure of student population used for calculation of State revenues is weighted full-time equivalent (FTE). The



projected 2008-09 budget for State revenues was based on weighted FTE of 43,852. Collected State revenues were based on actual weighted FTE of 43,320, a decrease of 532 (1.21 percent).

## **CAPITAL ASSETS AND LONG-TERM DEBT**

### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2009, amounts to \$279 million (net of accumulated depreciation). This investment in capital assets includes land; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; property under capital lease; construction in progress; and audio visual materials and computer software. The total increase in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$26.9 million or 10.7 percent.

Major capital asset events during the current fiscal year included the following:

- Completion of Pensacola High Athletic Upgrades.
- Completion of Escambia Westgate Media Center.
- Completion of Warrington Middle Cafeteria Expansion.
- Purchased property for new downtown elementary school.

Additional information on the District's capital assets can be found in Note 5 to the financial statements.

### **Long-Term Debt**

At June 30, 2009, the District has total long-term debt outstanding of \$61.1 million. The District had \$9.3 million outstanding of State School Bonds issued by the State Board of Education (SBE) and backed by the full faith and credit of the State of Florida. Capital leases totaled \$1.0 million. The remainder of this debt represents \$50.8 million in Certificates of Participation.

Additional information on the District's long-term debt can be found in Notes 7 through 11 to the financial statements.

## **ECONOMIC FACTORS AFFECTING 2009-10 FISCAL YEAR BUDGETS AND RATES**

These factors were considered in preparing the District budget for the 2009-10 fiscal year:

- The unemployment rate for Escambia County, Florida is currently 9.9 percent, which is an increase from the rate of 5.5 percent a year ago. Escambia County's unemployment rate is less than the State's average unemployment rate of 10.2 percent.

In the General Fund, the District plans to use \$7.3 million of unreserved fund balance to cover planned expenditures during the 2009-10 fiscal year. The District anticipates that this use of unreserved fund balance will be significantly replenished at year-end through unspent appropriations and actual property tax revenues exceeding budgeted amounts. The District anticipates that the fund balance at June 30, 2010, will be in excess of the Board target of 2.5 percent (of the anticipated revenue).

Although the amount of designated fund balance in the General Fund increased by \$.4 million to \$14.4 million in the 2008-09 fiscal year, the District plans to spend all of the designated fund balance at June 30, 2009, during the 2009-10 fiscal year.

For the 2009-010 fiscal year, expected state sources of funding in the general fund decreased by 22.4 million, offset by the expected receipt of \$13.2 million in State Fiscal Stabilization Funds. The State Fiscal Stabilization Funds are federal funds received by the state as part of the American Recovery and Reinvestment Act (ARRA). The State passed through a portion of the ARRA funds to school districts to offset the decreases in general fund revenues that resulted from lost state revenues due to the economic downturn.

### **REQUESTS FOR INFORMATION**

Questions concerning information provided in the MD&A, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Assistant Superintendent of Finance and Business Services, District School Board of Escambia County, 215 West Garden Street, Pensacola, FL 32502.

# BASIC FINANCIAL STATEMENTS



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF NET ASSETS**  
June 30, 2009

	<b>Governmental Activities</b>	<b>Component Units</b>
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 189,035,766	\$ 2,369,855
Investments	1,364,030	1,398,430
Accounts Receivable	738,672	51,895
Interest Receivable	15,306	
Deposits Receivable	5,300	1,366
Prepaid Items		69,649
Due from Other Agencies	8,892,225	8,645
Inventories	2,653,257	
<b>Total Current Assets</b>	<b>202,704,555</b>	<b>3,899,840</b>
Noncurrent Assets:		
Deferred Charges	1,920,347	
Capital Assets:		
Non-Depreciable Capital Assets	23,204,593	695,479
Depreciable Capital Assets, Net	255,861,039	5,507,581
<b>Total Noncurrent Assets</b>	<b>280,985,979</b>	<b>6,203,060</b>
<b>TOTAL ASSETS</b>	<b>\$ 483,690,534</b>	<b>\$ 10,102,900</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Salaries and Benefits Payable	\$ 212,620	\$
Payroll Deductions and Withholdings	4,606,424	
Accounts Payable	4,906,511	344,978
Construction Contracts Payable	992,497	
Construction Contracts Payable - Retainage	901,041	
Due to Other Agencies	5,679,752	
Interest Payable	1,119,642	
Unearned Revenue	3,302,719	85,660
Long-Term Liabilities -- Portion Due Within One Year		
Obligations Under Capital Leases	658,953	102,531
Notes Payable		226,443
Bonds Payable	960,000	
Estimated Insurance Claims Payable	7,743,785	
Certificates of Participation Payable	2,761,000	
Compensated Absences Payable	4,218,979	23,152
<b>Total Current Liabilities</b>	<b>38,063,922</b>	<b>782,764</b>
Noncurrent Liabilities:		
Long-Term Liabilities -- Portion Due After One Year		
Obligations Under Capital Leases	379,275	279,296
Notes Payable		1,964,501
Bonds Payable	8,331,284	
Estimated Insurance Claims Payable	18,097,287	
Certificates of Participation Payable	48,079,715	
Compensated Absences Payable	36,112,155	14,043
Postemployment Health Care Benefits Payable	115,000	
<b>Total Noncurrent Liabilities</b>	<b>111,114,716</b>	<b>2,257,840</b>
<b>Total Liabilities</b>	<b>149,178,638</b>	<b>3,040,604</b>
<b>NET ASSETS</b>		
Invested in Capital Assets, Net of Related Debt	217,895,405	3,630,289
Restricted for:		
State Categorical Programs	7,549,726	
Debt Service	4,960,103	
Capital Projects	91,852,101	85,004
Employee Benefits	14,457,394	
Other Purposes	6,231,856	524,118
Unrestricted	(8,434,689)	2,822,885
<b>Total Net Assets</b>	<b>334,511,896</b>	<b>7,062,296</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 483,690,534</b>	<b>\$ 10,102,900</b>

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2009

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Program Revenues Operating Grants and Contributions</b>
<b>Governmental Activities:</b>			
Instruction	\$ 205,755,887	\$ 1,146,218	\$
Pupil Personnel Services	16,952,375		
Instructional Media Services	5,302,170		
Instruction and Curriculum Development Services	10,898,048		
Instructional Staff Training Services	7,202,670		
Instruction Related Technology	3,105,661		
Board of Education	1,169,146		
General Administration	1,609,860		
School Administration	14,449,919		
Facility Services	22,275,464		
Fiscal Services	2,211,047		
Food Services	18,394,973	5,753,396	12,954,746
Central Services	3,830,766		
Pupil Transportation Services	18,143,178	457,021	10,828,132
Operation of Plant	27,722,642		
Maintenance of Plant	11,125,532		
Administrative Technology Services	3,719,871		
Community Services	985,155		
Interest on Long-Term Debt	2,876,984		
Loss on Disposal of Capital Assets	1,123,337		
	<b>378,854,685</b>	<b>7,356,635</b>	<b>23,782,878</b>
<b>Total Governmental Activities</b>			
 <b>Component Units</b>			
Charter Schools	\$ 7,033,800	\$ 239,071	\$ 754,263
Escambia County Public Schools Foundation for Excellence, Inc.	538,944		
	<b>\$ 7,572,744</b>	<b>\$ 239,071</b>	<b>\$ 754,263</b>
<b>Total Component Units</b>			

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes

Property Taxes, Levied for Capital Projects

Local Sales Taxes

Grants and Contributions Not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

**Total General Revenues and Transfers**

**Change in Net Assets**

Net Assets, July 1, 2008

**Net Assets, June 30, 2009**

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

<b>Net (Expense) Revenue and Changes in Net Assets</b>		
<b>Capital Grants and Contributions</b>	<b>Primary Government Governmental Activities</b>	<b>Component Units</b>
\$	\$	\$
	(204,609,669)	
	(16,952,375)	
	(5,302,170)	
	(10,898,048)	
	(7,202,670)	
	(3,105,661)	
	(1,169,146)	
	(1,609,860)	
	(14,449,919)	
4,099,548	(18,175,916)	
	(2,211,047)	
	313,169	
	(3,830,766)	
	(6,858,025)	
	(27,722,642)	
	(11,125,532)	
	(3,719,871)	
	(985,155)	
1,450,355	(1,426,629)	
	(1,123,337)	
<u>5,549,903</u>	<u>(342,165,269)</u>	
		(6,040,466)
		(538,944)
		<u>(6,579,410)</u>
	97,379,871	
	27,210,548	
	19,438,020	
	204,808,168	6,839,299
	1,743,725	59,638
	4,405,585	
	<u>354,985,917</u>	<u>6,898,937</u>
	12,820,648	319,527
	<u>321,691,248</u>	<u>6,742,769</u>
	<u>\$ 334,511,896</u>	<u>\$ 7,062,296</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**DISTRICT SCHOOL BOARD**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2009**

	<u>General Fund</u>	<u>Other Federal Programs Fund</u>
<b>ASSETS</b>		
Cash	\$ 46,506,812	\$ 125,812
Investments		
Accounts Receivable	466,702	108,572
Interest Receivable	2,904	
Deposits Receivable	5,300	
Due from Other Funds	2,476,364	
Due from Other Agencies	846,854	2,461,780
Inventories	1,316,108	
<b>TOTAL ASSETS</b>	<u>\$ 51,621,044</u>	<u>\$ 2,696,164</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Salaries and Benefits Payable	\$ 196,613	\$ 15,290
Payroll Deductions and Withholdings	4,606,423	
Accounts Payable	1,981,010	560,400
Construction Contracts Payable		
Construction Contracts Payable - Retainage		19,520
Due to Other Funds	1,575,764	2,093,851
Due to Other Agencies	3,048,705	
Interest Payable		
Loan Payable	2,571,706	
<b>Total Liabilities</b>	<u>13,980,221</u>	<u>2,689,061</u>
Fund Balances:		
Reserved for State Categorical Programs	7,549,726	
Reserved for Encumbrances	1,336,715	
Reserved for Inventories	1,316,108	
Reserved for Debt Service		
Reserved for Legal Restrictions	3,005,887	
Unreserved:		
Designated, Reported in General Fund:		
Designated for Local Carryover Projects	14,418,124	
Undesignated, Reported in:		
General Fund	10,014,263	
Special Revenue Funds		7,103
Debt Service Funds		
Capital Projects Funds		
<b>Total Fund Balances</b>	<u>37,640,823</u>	<u>7,103</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 51,621,044</u>	<u>\$ 2,696,164</u>

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



<i>Capital Projects - Local Capital Improvement Fund</i>	<i>Capital Projects - Other Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ 15,812,550	\$ 73,201,340	\$ 11,386,287	\$ 147,032,801
		1,364,030	1,364,030
		2,645	577,919
2,730	2,778	1,662	10,074
			5,300
		7,446	2,483,810
	2,726,225	2,857,365	8,892,224
		1,337,149	2,653,257
<u>\$ 15,815,280</u>	<u>\$ 75,930,343</u>	<u>\$ 16,956,584</u>	<u>\$ 163,019,415</u>
\$	\$	\$ 717	\$ 212,620
			4,606,423
2,111,607	157,283	60,837	4,871,137
107,736	825,399	59,361	992,496
	846,993	34,528	901,041
176,205		136,166	3,981,986
		28,775	3,077,480
		1,119,642	1,119,642
			2,571,706
<u>2,395,548</u>	<u>1,829,675</u>	<u>1,440,026</u>	<u>22,334,531</u>
			7,549,726
2,232,736	9,874,584	1,537,919	14,981,954
		1,337,149	2,653,257
		244,188	244,188
			3,005,887
			14,418,124
			10,014,263
		4,772,293	4,779,396
		4,715,915	4,715,915
<u>11,186,996</u>	<u>64,226,084</u>	<u>2,909,094</u>	<u>78,322,174</u>
<u>13,419,732</u>	<u>74,100,668</u>	<u>15,516,558</u>	<u>140,684,884</u>
<u>\$ 15,815,280</u>	<u>\$ 75,930,343</u>	<u>\$ 16,956,584</u>	<u>\$ 163,019,415</u>



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2009**

<b>Total Fund Balances - Governmental Funds</b>	\$	140,684,884
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		279,065,632
Debt issuance costs are not expensed in the government-wide statements, but are reported as deferred charges and amortized over the life of the debt.		1,920,347
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		14,457,395
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Obligations Under Capital Leases	\$ 1,038,229	
Bonds Payable	9,291,284	
Certificates of Participation	50,840,715	
Compensated Absences Payable	40,331,134	
Other Post Employment Benefits	115,000	
	(101,616,362)	
<b>Total Net Assets - Governmental Activities</b>	<b>\$</b>	<b>334,511,896</b>

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2009**

	<b>General Fund</b>	<b>Other Federal Programs Fund</b>	<b>Capital Projects - Local Capital Improvement Fund</b>
<b>Revenues</b>			
Intergovernmental:			
Federal Direct	\$ 1,719,910	\$ 406,459	\$
Federal Through State	2,382,547	32,485,113	
State	178,666,454		
Local			
Taxes	97,379,871		27,210,547
Miscellaneous	5,324,120		219,700
<b>Total Revenues</b>	<b>285,472,902</b>	<b>32,891,572</b>	<b>27,430,247</b>
<b>Expenditures</b>			
Current - Education:			
Instruction	183,146,089	15,620,875	
Pupil Personnel Services	13,857,826	3,068,092	
Instructional Media Services	5,203,403	68,492	
Instruction and Curriculum Development Services	6,053,180	4,897,414	
Instructional Staff Training Services	3,147,665	4,123,337	
Instruction Related Technology	1,703,797	1,021,780	
Board of Education	1,157,359		
General Administration	712,415	908,603	
School Administration	14,596,287	3,573	
Facility Services	627,867	312	4,423,846
Fiscal Services	2,253,484		
Food Services	286,000		
Central Services	3,696,790	162,690	
Pupil Transportation Services	16,099,744	537,822	
Operation of Plant	27,506,877	193,827	
Maintenance of Plant	10,805,654	1,149	
Administrative Technology Services	3,033,744	100,346	
Community Services	562,595	422,560	
Fixed Capital Outlay:			
Facilities Acquisition and Construction	595,256	362,220	11,981,709
Other Capital Outlay	774,744	1,397,766	
Debt Service:			
Principal	986,760		
Interest and Fiscal Charges	90,578		
<b>Total Expenditures</b>	<b>296,898,114</b>	<b>32,890,858</b>	<b>16,405,555</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(11,425,212)</b>	<b>714</b>	<b>11,024,692</b>
<b>Other Financing Sources (Uses)</b>			
Transfers In	10,817,649		
Insurance Loss Recoveries	1,085,919		
Transfers Out			(14,666,700)
<b>Total Other Financing Sources (Uses)</b>	<b>11,903,568</b>		<b>(14,666,700)</b>
<b>Net Change in Fund Balances</b>	<b>478,356</b>	<b>714</b>	<b>(3,642,008)</b>
Fund Balances, July 1, 2008	37,162,467	6,389	17,061,740
<b>Fund Balances, June 30, 2009</b>	<b>\$ 37,640,823</b>	<b>\$ 7,103</b>	<b>\$ 13,419,732</b>

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

<u>Capital Projects - Other Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$	\$
	12,591,752	2,126,369
555,361	5,239,362	47,459,412
		184,461,177
19,438,020		144,028,438
916,356	5,899,989	12,360,165
<u>20,909,737</u>	<u>23,731,103</u>	<u>390,435,561</u>
		198,766,964
		16,925,918
		5,271,895
		10,950,594
		7,271,002
		2,725,577
		1,157,359
		1,621,018
		14,599,860
9,917,019	4,434,213	19,403,257
		2,253,484
	17,651,965	17,937,965
		3,859,480
		16,637,566
		27,700,704
		10,806,803
		3,134,090
		985,155
23,365,028	2,601,341	38,905,554
	279,072	2,451,582
	3,555,010	4,541,770
	<u>2,647,593</u>	<u>2,738,171</u>
<u>33,282,047</u>	<u>31,169,194</u>	<u>410,645,768</u>
<u>(12,372,310)</u>	<u>(7,438,091)</u>	<u>(20,210,207)</u>
	5,000,000	15,817,649
(555,361)	(595,588)	1,085,919
<u>(555,361)</u>	<u>4,404,412</u>	<u>(15,817,649)</u>
		1,085,919
(12,927,671)	(3,033,679)	(19,124,288)
<u>87,028,339</u>	<u>18,550,237</u>	<u>159,809,172</u>
<u>\$ 74,100,668</u>	<u>\$ 15,516,558</u>	<u>\$ 140,684,884</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2009**

**Net Change in Fund Balances - Governmental Funds** \$ (19,124,288)

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

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

Capital Outlay - Facilities Acquisition and Construction - Capitalized	\$ 36,054,171	
Capital Outlay - Other Capital Outlay - Capitalized	2,451,582	
Less, Depreciation Expense	<u>(10,446,155)</u>	28,059,598

The undepreciated cost of capital assets disposed of during the current period is expensed in the statement of activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net assets differs from the change in fund balances by the undepreciated cost of disposed assets.

(1,123,336)

Governmental funds report the effect of issuance costs, premiums, discounts, and similar items in the year the debt is issued, but these amounts are deferred and amortized over the life of the debt in the statement of activities.

Amortized Deferred Charges	(222,309)	
Amortized Premiums	<u>83,494</u>	(138,815)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayments exceeded proceeds in the current period.

Bonds Payable	910,000	
Certificates of Participation	2,645,010	
Capital Leases Payable	<u>986,759</u>	4,541,769

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

2,671,628

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

7,000

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

(2,072,908)

**Change in Net Assets - Governmental Activities** **\$ 12,820,648**

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Budget to Actual - GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2009**

	<b>General Fund</b>			
	<b>Original Budget Amounts</b>	<b>Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>Revenues</b>				
Intergovernmental:				
Federal Direct	\$ 1,265,000	\$ 1,707,797	\$ 1,719,910	\$ 12,113
Federal Through State	847,702	2,382,547	2,382,547	
State	186,100,784	178,766,864	178,666,454	(100,410)
Local:				
Taxes	94,744,004	97,379,871	97,379,871	
Miscellaneous	4,615,650	5,324,120	5,324,120	
<b>Total Revenues</b>	<b>287,573,140</b>	<b>285,561,199</b>	<b>285,472,902</b>	<b>(88,297)</b>
<b>Expenditures</b>				
Current - Education:				
Instruction	193,956,679	193,082,939	183,146,089	9,936,850
Pupil Personnel Services	13,919,148	14,285,082	13,857,826	427,256
Instructional Media Services	5,278,958	5,435,778	5,203,403	232,375
Instruction and Curriculum Development Services	6,086,663	6,352,022	6,053,180	298,842
Instructional Staff Training Services	3,124,124	3,512,808	3,147,665	365,143
Instruction Related Technology	1,683,430	1,809,508	1,703,797	105,711
Board of Education	1,276,833	1,276,307	1,157,359	118,948
General Administration	677,468	677,636	712,415	(34,779)
School Administration	14,833,187	15,012,546	14,596,287	416,259
Facility Services	581,556	1,259,780	627,867	631,913
Fiscal Services	2,196,352	2,367,141	2,253,484	113,657
Food Services	200,457	300,903	286,000	14,903
Central Services	4,522,957	4,583,677	3,696,790	886,887
Pupil Transportation Services	18,160,676	18,311,379	16,099,744	2,211,635
Operation of Plant	28,209,665	28,192,512	27,506,877	685,635
Maintenance of Plant	12,183,044	13,143,400	10,805,654	2,337,746
Administrative Technology Services	3,189,625	3,269,581	3,033,744	235,837
Community Services	726,707	740,022	562,595	177,427
Fixed Capital Outlay:				
Facilities Acquisition and Construction	621,889	653,413	595,256	58,157
Other Capital Outlay	1,385,010	1,386,488	774,744	611,744
Debt Service:				
Principal	991,151	991,260	986,760	4,500
Interest and Fiscal Charges	90,687	90,578	90,578	
<b>Total Expenditures</b>	<b>313,896,266</b>	<b>316,734,760</b>	<b>296,898,114</b>	<b>19,836,646</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(26,323,126)</b>	<b>(31,173,561)</b>	<b>(11,425,212)</b>	<b>19,748,349</b>
<b>Other Financing Sources</b>				
Transfers In	10,945,450	10,817,649	10,817,649	
Insurance Loss Recoveries		1,085,919	1,085,919	
<b>Total Other Financing Sources</b>	<b>10,945,450</b>	<b>11,903,568</b>	<b>11,903,568</b>	
<b>Net Change in Fund Balances</b>	<b>(15,377,676)</b>	<b>(19,269,993)</b>	<b>478,356</b>	<b>19,748,349</b>
Fund Balances, July 1, 2008	37,162,467	37,162,467	37,162,467	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 21,784,791</b>	<b>\$ 17,892,474</b>	<b>\$ 37,640,823</b>	<b>\$ 19,748,349</b>

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**Budget to Actual - MAJOR SPECIAL REVENUE FUND**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Other Federal Programs Fund</b>			
	<b>Original Budget Amounts</b>	<b>Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>Revenues</b>				
Intergovernmental:				
Federal Direct	\$ 4,750	\$ 406,459	\$ 406,459	\$
Federal Through State	36,187,083	37,678,908	32,485,113	(5,193,795)
<b>Total Revenues</b>	<b>36,191,833</b>	<b>38,085,367</b>	<b>32,891,572</b>	<b>(5,193,795)</b>
<b>Expenditures</b>				
Current - Education:				
Instruction	13,650,734	16,723,513	15,620,875	1,102,638
Pupil Personnel Services	3,495,857	3,417,881	3,068,092	349,789
Instructional Media Services	51,492	68,492	68,492	
Instruction and Curriculum Development Services	4,952,034	5,300,139	4,897,414	402,725
Instructional Staff Training Services	10,225,892	6,562,856	4,123,337	2,439,519
Instruction Related Technology	1,102,061	1,107,065	1,021,780	85,285
General Administration	603,181	934,536	908,603	25,933
School Administration	2,750	3,573	3,573	
Facility Services		312	312	
Central Services	172,933	565,033	162,690	402,343
Pupil Transportation Services	97,052	662,826	537,822	125,004
Operation of Plant	63,351	235,162	193,827	41,335
Maintenance of Plant	2,000	2,000	1,149	851
Administrative Technology Services	101,271	177,526	100,346	77,180
Community Services	180,067	425,761	422,560	3,201
Fixed Capital Outlay:				
Facilities Acquisition and Construction	30,965	362,220	362,220	
Other Capital Outlay	1,466,582	1,542,861	1,397,766	145,095
<b>Total Expenditures</b>	<b>36,198,222</b>	<b>38,091,756</b>	<b>32,890,858</b>	<b>5,200,898</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(6,389)</b>	<b>(6,389)</b>	<b>714</b>	<b>7,103</b>
<b>Net Change in Fund Balances</b>	<b>(6,389)</b>	<b>(6,389)</b>	<b>714</b>	<b>7,103</b>
Fund Balances, July 1, 2008	6,389	6,389	6,389	
<b>Fund Balances, June 30, 2009</b>	<b>\$</b>	<b>\$</b>	<b>\$ 7,103</b>	<b>\$ 7,103</b>

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



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF NET ASSETS -**  
**PROPRIETARY FUNDS**  
*June 30, 2009*

**Governmental  
Activities -  
Internal  
Service  
Funds**

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**ASSETS**

Current Assets:	
Cash and Cash Equivalents	\$ 42,002,966
Accounts Receivable	134,933
Interest Receivable	5,231
Due From Other Funds	1,523,996
	<hr/>
<b>TOTAL ASSETS</b>	<b>\$ 43,667,126</b>
	<hr/> <hr/>

**LIABILITIES**

Current Liabilities:	
Accounts Payable	\$ 35,374
Due to Other Agencies	30,566
Unearned Revenue	3,302,719
Estimated Insurance Claims Payable	7,743,785
	<hr/>
<b>Total Current Liabilities</b>	<b>11,112,444</b>
	<hr/>
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	18,097,287
	<hr/>
<b>Total Liabilities</b>	<b>29,209,731</b>
	<hr/>

**NET ASSETS**

Restricted for Employee Benefits	14,457,395
	<hr/>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 43,667,126</b>
	<hr/> <hr/>

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND NET ASSETS -**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2009**

	<u><b>Governmental Activities - Internal Service Funds</b></u>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 979,750
Premium Revenues	43,465,120
Other Operating Revenues	<u>516,942</u>
<b>Total Operating Revenues</b>	<u>44,961,812</u>
<b>OPERATING EXPENSES</b>	
Salaries	1,255,949
Employee Benefits	444,981
Purchased Services	3,729,574
Energy Services	5,092
Materials and Supplies	6,514
Capital Outlay	5,672
Insurance Claims	40,601,847
Other Expenses	<u>1,311,728</u>
<b>Total Operating Expenses</b>	<u>47,361,357</u>
<b>Operating Loss</b>	<u>(2,399,545)</u>
<b>NONOPERATING REVENUES</b>	
Interest	<u>326,637</u>
<b>Total Nonoperating Revenues</b>	<u>326,637</u>
<b>Change in Net Assets</b>	(2,072,908)
Total Net Assets, July 1, 2008	<u>16,530,303</u>
<b>Total Net Assets, June 30, 2009</b>	<u><u>\$ 14,457,395</u></u>

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF CASH FLOWS -**  
**PROPRIETARY FUNDS**  
*For the Fiscal Year Ended June 30, 2009*

	<u><b>Governmental Activities - Internal Service Funds</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Board Funds and Participants	\$ 44,043,001
Cash Payments to Suppliers for Goods and Services	(5,608,482)
Cash Payments to Employees for Services	(2,270,264)
Cash Payments for Insurance Claims	(40,362,537)
	<hr/>
<b>Net Cash Used by Operating Activities</b>	<b>(4,198,282)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of Investments	27,079,493
Interest Income	327,654
	<hr/>
<b>Net Cash Provided by Investing Activities</b>	<b>27,407,147</b>
	<hr/>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>23,208,865</b>
Beginning Cash and Cash Equivalents	18,794,101
	<hr/>
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 42,002,966</b>
	<hr/> <hr/>
<b>Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Loss	\$ (2,399,545)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	98,673
Decrease in Due From Other Funds	(958,553)
Increase in Due To Other Agencies	(54,747)
Decrease in Accrued Liabilities	(421,684)
Decrease in Accounts Payable	14,329
Decrease in Due To Other Funds	(728,709)
Decrease in Unearned Revenue	(59,906)
Increase in Estimated Insurance Claims Payable	311,860
	<hr/>
<b>Total Adjustments</b>	<b>(1,798,737)</b>
	<hr/>
<b>Net Cash Used by Operating Activities</b>	<b>\$ (4,198,282)</b>
	<hr/> <hr/>

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -**  
**FIDUCIARY FUNDS**  
**June 30, 2009**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 3,121,385
<b>LIABILITIES</b>	
Payroll Deductions and Withholdings	\$ 355,262
Due to Other Funds	25,820
Internal Accounts Payable	<u>2,740,303</u>
<b>Total Liabilities</b>	<u>\$ 3,121,385</u>

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

**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

➤ **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 Escambia County School District is considered part of the Florida system of public education. The governing body of the school district is the Escambia County District School Board which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the School Board. Geographic boundaries of the District correspond with those of Escambia 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 the application of these criteria, the following component units are included within the District School Board's reporting entity:

- **Blended Component Unit.** The Escambia School District Employee Benefit Trust (Trust) has been established to administer the District's employee life, health, and dental insurance programs. The Escambia County District School Board exercises significant oversight responsibility over the Trust, and all activities of the Trust are solely for the benefit of the District and its employees. Therefore, the financial activities of the Trust are reported in the District's financial statements.
- **Discretely Presented Component Units.** The component unit columns in the basic financial statements, include the financial data of the District's other component units, as follows:

The Escambia County Public Schools Foundation for Excellence, Inc., (the Foundation) is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds, receive, hold, invest, and administer property and to make expenditures for the benefit of the District. The Foundation is considered to be a component unit of the District, because the District must approve all members of the Foundation Board and the District has the ability to impose its will on the Foundation. It is considered to be a discretely presented component unit, because the two boards are not the same.

Charter schools are separate not-for-profit corporations with a separate board of directors organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. Charter schools operate under a charter of the sponsoring school district and are considered component units since they cannot levy taxes and are fiscally dependent on the District for their support. The District has entered into charters with the following charter schools that are considered part of the District's reporting entity:

Escambia Charter School, Inc., was established to provide an alternative educational system for "at risk" students.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

Beulah Academy of Science, Inc. was established to provide an agriculture and science program for middle school students.

Byrneville Elementary School, Inc. was established to provide education, training, and related services for elementary students.

Dr. Ruby J. Gainer School for Reaching Your Dream was established to provide dropout prevention/alternative programs of education, training, and related services for secondary students who are considered “at risk” of academic failure. Dr. Ruby J. Gainer School for Reaching Your Dream dissolved their charter as of June 30, 2009.

Jacqueline Harris Preparatory Academy was established to provide alternative programs of education, training, and related services for elementary students who are considered “at risk” of academic failure. Jacqueline Harris Preparatory Academy, operated by New Road to Learning, Inc., is a separate not-for-profit entity.

Pensacola Beach Elementary School, Inc., was established to provide education, training and related services for elementary students.

Audits of the Foundation’s financial statements and the charter schools’ financial statements, for the fiscal year ended June 30, 2009, are conducted by independent certified public accountants and are filed in the District’s administrative office at 215 West Garden Street, Pensacola, Florida.

➤ **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 primary government and its component units.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense is allocated to the various functions of the primary government based on actual and estimated usage of the assets in those functions.

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 or business segment 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. The only interfund transactions, other than transfers between the governmental activities, were the transactions involving the internal service funds. These transactions were eliminated by allocating the change in net assets of internal service funds in direct proportion as they were charged as expenses to the various functions/programs.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

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

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Other Federal Programs – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.
- 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, renovation and remodeling projects, and debt service payments on capital leases.
- Capital Projects – Other Fund – to account for the financial resources generated by the local voted sales tax and various other financial resources restricted for educational capital outlay needs, including, new construction, renovation, and remodeling projects.

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

- Internal Service Funds – to account for the District's individual self-insurance programs and to account for the financing of goods and services provided by the District's warehouse to other departments on a cost reimbursement basis.
- Agency Funds – to account for resources of the District's pre-tax flexible benefits plan and the school internal funds which are used to administer moneys collected at the schools in connection with school, student athletic, class, and club activities.

➤ **Basis of Accounting**

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

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

Governmental fund financial statements are prepared 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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. 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 Funds are accounted for as proprietary activities 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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. The principal operating revenues of the District's internal service funds are charges for employee health insurance premiums. Premiums paid in advance by employees are reported as unearned revenue. Operating expenses include insurance claims and excess coverage premiums. Operating expenses are primarily for purchased services.

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.

The charter schools, shown as discretely presented component units, are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

The Escambia County Public Schools Foundation for Excellence, Inc., shown as a discretely presented component unit, is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

➤ **Deposits and Investments**

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash and cash equivalents as those amounts in demand deposit accounts and all highly liquid investments with an original maturity of three months or less.

Investments consist of amounts placed in State Board of Administration Debt Service accounts for investment of debt service moneys and those made locally.

Investments made locally consist of money market mutual funds and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.



(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

➤ **Inventories**

Inventories consist of expendable supplies held for consumption in the course of District operations. Material stores, maintenance stores, custodial stores, transportation stores, and purchased food and lunchroom supply inventories are stated at cost on the first-in, first-out basis. Fuel inventories are stated at an average-cost basis. The United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

➤ **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 \$5,000. 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.

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

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	15 years
Buildings and Fixed Equipment	20 - 55 years
Furniture, Fixtures, and Equipment	5 - 15 years
Motor Vehicles	10 - 20 years
Audio Visual Materials and Computer Software	10 - 15 years

Current-year information relative to changes in capital assets is described in a subsequent note.

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net assets. Bond and certificates of participation (COP) premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the debt using the effective interest method. Bonds and COP payable are reported net of the applicable premiums or discounts.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

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

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported for compensated absences in the governmental fund financial statements only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

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

➤ **State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting according to a calendar established by the Department. 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 also received an allocation under the Classrooms for Kids Program. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

➤ **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 Escambia County Property Appraiser, and property taxes are collected by the Escambia County Tax Collector.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

The School Board adopted the 2008 tax levy on September 16, 2008. 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 Escambia County Tax Collector at fiscal year-end but not yet remitted to the District.

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

➤ **School Capital Outlay Surtax**

The citizens of Escambia County, on September 5, 2006, approved a 0.5 percent school capital outlay sales surtax authorized under Section 212.055(6), Florida Statutes. The surtax proceeds are to be used for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of ten or more years, and retrofitting and technology implementation and any land acquisition, land improvement, design, and engineering costs related thereto.

➤ **Federal Revenue Sources**

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

**2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY**

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any School Board meeting no later than the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**3. INVESTMENTS**

As of June 30, 2009, the District has the following investments and maturities:

Investment	Maturities	Fair Value
Columbia Treasury Reserves (1) State Board of Administration Debt Service Accounts	47 Day Average  46 Day Average	\$ 1,119,842  244,188
Total Investments, Primary Government		<u>1,364,030</u>
Component Units:		
Certificates of Deposit		<u>1,398,430</u>
Total Investments, Reporting Entity		<u><u>\$ 2,762,460</u></u>

Note: (1) These investments are held under trust agreements in connection with the Certificates of Participation, Series 1996, 2002, 2004, 2006 financing arrangements.

**Interest Rate Risk**

- Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. In order to provide sufficient liquidity to pay obligations as they come due, the District's investment policy limits authorized investments to the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, interest-bearing time deposits or savings accounts in qualified public depositories, and direct obligations of the U.S. Treasury.

**Credit Risk**

- The District's investment policy limits authorized investments to the types of investments described above.
- The District's investments in the Local Government Surplus Funds Trust Fund are rated AAAM by Standard & Poor's.
- The District's investments in the Columbia Treasury Reserves are rated AAAM by Standard & Poor's and Aaa by Moody's Investors Service.
- The District's investments in the State Board of Administration 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 the State Board of Administration for managing credit risk for this account.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

Custodial Credit Risk

- Section 218.415(18), Florida Statutes, requires the District to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. The District does not have a formal investment policy that addresses custodial credit risk.

**4. RECEIVABLES**

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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**5. CHANGES IN CAPITAL ASSETS**

Changes in capital assets are presented in the table below.

	Balance 7-1-08	Additions	Deletions	Balance 6-30-09
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,575,531	\$ 2,119,467	\$	\$ 8,694,998
Construction in Progress	10,091,090	29,079,204	24,660,699	14,509,595
Total Capital Assets Not Being Depreciated	<u>16,666,621</u>	<u>31,198,671</u>	<u>24,660,699</u>	<u>23,204,593</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	8,205,484	3,683,779		11,889,263
Buildings and Fixed Equipment	31,848,505	21,072,505	225,812	332,695,198
Furniture, Fixtures, and Equipment	15,004,405	843,420	839,550	15,008,275
Motor Vehicles	29,242,785	5,820,857	51,662	35,011,980
Property Under Capital Leases	11,313,019		1,974,357	9,338,662
Audio Visual Materials and Computer Software	8,213,264	547,220	5,121	8,755,363
Total Capital Assets Being Depreciated	<u>383,827,462</u>	<u>31,967,781</u>	<u>3,096,502</u>	<u>412,698,741</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	3,291,358	725,431		4,016,789
Buildings and Fixed Equipment	110,643,747	6,473,651	99,936	117,017,462
Furniture, Fixtures, and Equipment	9,095,138	951,689	601,212	9,445,615
Motor Vehicles	10,239,507	1,647,898	51,662	11,835,743
Property Under Capital Leases	10,374,941	178,955	1,215,234	9,338,662
Audio Visual Materials and Computer Software	4,720,022	468,531	5,122	5,183,431
Total Accumulated Depreciation	<u>148,364,713</u>	<u>10,446,155</u>	<u>1,973,166</u>	<u>156,837,702</u>
Total Capital Assets Being Depreciated, Net	<u>235,462,749</u>	<u>21,521,626</u>	<u>1,123,336</u>	<u>255,861,039</u>
Governmental Activities Capital Assets, Net	<u>\$ 252,129,370</u>	<u>\$ 52,720,297</u>	<u>\$ 25,784,035</u>	<u>\$ 279,065,632</u>

The classes of property under capital leases are presented in Note 7.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

Depreciation expense was charged to functions as follows:

Function	Amount
<b>GOVERNMENTAL ACTIVITIES</b>	
Instruction	\$ 6,904,793
Pupil Personnel Services	7,497
Instructional Media Services	25,886
Instruction and Curriculum Development Services	33,421
Instructional Staff Training Services	6,253
Instruction Related Technology	385,526
Board of Education	2,757
General Administration	9,745
School Administration	21,638
Facility Services	25,674
Fiscal Services	1,808
Food Services	570,249
Central Services	44,949
Pupil Transportation Services	1,448,684
Operation of Plant	3,409
Maintenance of Plant	361,959
Administrative Technology Services	591,907
	591,907
Total Depreciation Expense - Governmental Activities	\$ 10,446,155

**6. SCHOOL DISTRICT LOAN PROGRAM**

In accordance with the School District Loan Program authorized by Chapter 2006-25, Laws of Florida, the District applied for and received an interest-free loan from the Florida Department of Education totaling \$2,571,706. The loan enabled the District to meet operating expenses while awaiting resolution of litigation regarding school property taxes for Pensacola Beach property owners. Loan provisions require District personnel to notify the Florida Department of Education within 5 business days after the resolution of the litigation. Repayment of the loan must be made within 20 business days following the resolution of the litigation or the District may submit a repayment plan not to exceed two fiscal years.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**7. OBLIGATIONS UNDER CAPITAL LEASES**

The class and amount of property being acquired under capital leases is as follows:

	Asset Balance
Energy Performance	\$ 9,338,662

Future minimum capital lease payments and the present value of the minimum lease payments as of June 30, 2009 are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2010	\$ 696,342	\$ 658,953	\$ 37,389
2011	315,349	301,263	14,086
2012	79,040	78,013	1,027
Total Minimum Lease Payments	\$ 1,090,731	\$ 1,038,229	\$ 52,502

The stated interest rates range from 5.27 to 5.67 percent.

**8. CERTIFICATES OF PARTICIPATION**

The District entered into financing arrangements, characterized as lease purchase agreements, with the Florida School Boards Association, Inc., whereby the District secured financing of various educational facilities. The financing was accomplished through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the District. The following schedule describes the current status of these issues at June 30, 2009:

Issue	Original Amount	Principal Paid	Principal Refunded	Refunded By Series	Balance 06/30/2009
Series 1992	\$ 55,830,000	\$ 15,030,000	\$ 40,800,000	1996-1, 2002	\$
Series 1996-1	26,740,000	4,865,000	19,145,000	2005, 2006	2,730,000
Series 1996-2	21,645,000		21,645,000	2004	
Series 2002	16,745,000	11,045,000			5,700,000
Series 2004	22,725,000	515,000			22,210,000
Series 2005	10,000,000	141,600			9,858,400
Series 2006	10,000,000	223,362			9,776,638
	\$ 163,685,000	\$ 31,819,962	\$ 81,590,000		\$ 50,275,038

As a condition of the financing arrangements, the District has given ground leases on District property to the Florida School Boards Association, Inc. The ground leases on the property associated with the Series 1992, 1996-1, 2002, 2005, and 2006 Certificates end on the earlier of (a) the date on which the Series 1996-1, 2005, and 2006 Certificates, and any Certificates of Participation refunding such Certificates, have been paid



**(Continued)**  
**DISTRICT SCHOOL BOARD OF**  
**ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

in full or provision for their payment has been made or, (b) June 30, 2028. The ground leases on the property associated with the Series 1996-2 and 2004 Certificates end on the earlier of (a) the date on which the series of Certificates has been paid in full or, (b) June 30, 2032. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the ground lease agreements for the benefit of the securers of the Certificates until the end of the ground leases.

The District properties included in the ground leases under these arrangements include the following:

Certificates of Participation Series 1992, 1996-1, 2002, 2005, and 2006:

- Hellen Caro Elementary School
- C.A. Weis Elementary School
- R.C. Lipscomb Elementary School
- Jim Allen Elementary School – Administrative Suite/Media Center
- Bellview Elementary School – Classroom Building
- Cordova Park Elementary School – Five Classroom Additions/Media Center
- Edgewater Elementary School – Classroom Wing/Media Center
- Escambia Westgate Center – Pre-Kindergarten Classroom Renovation
- Holm Elementary School – Classrooms/Media Center
- Myrtle Grove Elementary School – Classroom Addition
- Navy Point Elementary School – Classroom Addition/Administrative Suite
- Pine Meadow Elementary School – Media Center/Kindergarten Classrooms/Administrative Suite
- Pleasant Grove Elementary School – Dining/Classroom Addition/Administrative Suite
- Scenic Heights Elementary School – Pre-Kindergarten Classrooms/Media Center
- Sherwood Elementary School – Pre-Kindergarten Classrooms/Media Center
- Jim C. Bailey Middle School
- Northview High School
- West Florida School of Advanced Technology (the portion formerly known as Beggs Educational Center and used primarily for instructional purposes)
- Tate High School – Physical Education Facility

Certificates of Participation Series 1996-2 and 2004:

- N.B. Cook Elementary School
- Tate High School – Cafeteria/Media Center Addition and Renovation/ESE/ROTC Classroom Building

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

- Myrtle Grove Elementary School – Media Center/Classroom Building Renovation
- Navy Point Elementary School – ESE Classroom Building
- Ferry Pass Middle School – ESE Classroom Building
- Carver/Century K-8 Elementary School – Physical Education Building/Media Center/Classroom Additions

The lease payments are payable by the District, semiannually, on August 1 and February 1 at interest rates ranging from 2.8 to 5.5 percent. The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30, 2009:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2010	\$ 4,945,015	\$ 2,761,200	\$ 2,183,815
2011	4,945,452	2,889,850	2,055,602
2012	4,941,172	3,018,855	1,922,317
2013	5,136,131	3,355,892	1,780,239
2014	5,134,381	3,497,828	1,636,553
2015-2019	25,992,450	20,131,413	5,861,037
2020-2023	<u>15,740,500</u>	<u>14,620,000</u>	<u>1,120,500</u>
Total Minimum Lease Payments	66,835,101	50,275,038	16,560,063
Plus: Unamortized Premium	<u>565,676</u>	<u>565,676</u>	
Total Certificates of Participation	<u>\$ 67,400,777</u>	<u>\$ 50,840,714</u>	<u>\$ 16,560,063</u>

**9. INTEREST RATE SWAP AGREEMENTS**

The District is a party to two interest rate swap agreements that are not recorded in the financial statements. The following paragraphs disclose key aspects of these agreements.

Objectives of the Interest Rate Swap Agreements – In order to protect against the potential of rising interest rates, the District entered into pay-fixed, receivable-variable interest rate swap agreements with Bank of America (the counterparty), for both the \$10,000,000 Series 2005 and \$10,000,000 Series 2006 Certificates of Participation. Effectively, the swap agreements changed the District’s variable interest rate on the Series 2005 and 2006 Certificates of Participation to synthetically fixed interest rates of 3.896 percent and 4.106 percent, respectively.

Terms – The District entered into the first swap agreement at the same time it issued the variable rate Series 2005 Certificates of Participation (December 2005). The swap agreement’s original notional amount of \$10,000,000 matched the Series 2005 Certificates of Participation’s original principal amount of \$10,000,000. Beginning in the 2006-07 fiscal year, the notional value of the swap agreement and the principal amount of the associated debt began to decline. Under the terms of the swap agreement, the District pays the counterparty a fixed interest payment of 3.896 percent and receives from the counterparty a variable interest

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

payment computed as 63.7 percent of the London Interbank Offered Rate (LIBOR) plus 0.65 percent. The District has the right to cancel the swap on six specific dates beginning May 1, 2015, and ending August 1, 2017. The Series 2005 Certificates of Participation and related cancelable swap agreement mature on February 1, 2018.

The District entered into the second swap agreement at the same time it issued the variable rate Series 2006 Certificates of Participation (May 2006). The swap agreement's original notional amount of \$10,000,000 matched the Series 2006 Certificates of Participation's original principal amount of \$10,000,000. Starting in the 2006-07 fiscal year, the notional value of the swap agreement and the principal amount of the associated debt began to decline. Under the terms of the swap agreement, the District pays the counterparty a fixed interest payment of 4.106 percent and receives from the counterparty a variable interest payment computed as 63.7 percent of the LIBOR plus 0.65 percent. The Series 2006 Certificates of Participation and related swap agreement mature on February 1, 2015.

Bank of America purchased the 2005 and 2006 Certificates of Participation from the District. Since Bank of America is both the purchaser of the Certificates of Participation and the counterparty to the swap agreement, in practice the District simply remits the fixed rate interest payment to the Trustee for the Certificates of Participation, who in turn remits that interest payment to Bank of America.

Fair Value – Because interest rates have declined since the inception of the swap agreements, the swap agreement related to the Series 2005 Certificates of Participation has a negative fair value of \$744,790 as of June 30, 2009, and the swap agreement related to the Series 2006 Certificates of Participation has a negative fair value of \$870,045 as of June 30, 2009. The counterparty, using a proprietary valuation model, estimated the fair value. The model calculates future cash flows by projecting forward interest rates, and then discounts those cash flows at their present value. All rates used in the valuation are mid-market levels (mid-way between bid and ask), or are model-based mid-market levels when mid-market levels are not available. The fair values provided take certain factors into consideration, including liquidity of the swap market and the uniqueness of the deal structure as documented in the swap agreements.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

Swap Payments and Associated Debt – Using rates as of June 30, 2009, debt service requirements of the variable rate debt and net swap payments, assuming current interest rates remain the same through the term of the Certificates of Participation, were as follows. As rates vary, variable rate bond interest payments and net swap payments will vary.

Fiscal Year Ending June 30	Series 2005 Principal	Interest (1)	Swaps, Net (2)	Total
2010	\$ 51,245	\$ 162,763	\$ 226,655	\$ 440,663
2011	53,232	161,917	225,477	440,626
2012	55,297	161,038	224,253	440,588
2013	56,411	160,125	224,031	440,567
2014	59,629	159,194	221,684	440,507
2015-2018	9,582,586	427,637	596,099	10,606,322
<b>Total</b>	<b>\$ 9,858,400</b>	<b>\$ 1,232,674</b>	<b>\$ 1,718,199</b>	<b>\$ 12,809,273</b>

Notes: (1) Assumes a variable interest rate of 1.6386448 percent.

(2) Assumes a fixed swap rate payment of 3.896 percent and a variable swap rate receipt of 1.6386448 percent.

Fiscal Year Ending June 30	Series 2006 Principal	Interest (1)	Swaps, Net (2)	Total
2010	\$ 44,755	\$ 161,410	\$ 245,586	\$ 451,751
2011	46,618	160,671	244,462	451,751
2012	48,559	159,901	243,291	451,751
2013	2,999,481	159,100	243,170	3,401,751
2014	3,373,199	109,578	166,723	3,649,500
2015	3,263,827	53,886	81,988	3,399,701
<b>Total</b>	<b>\$ 9,776,439</b>	<b>\$ 804,546</b>	<b>\$ 1,225,220</b>	<b>\$ 11,806,205</b>

Notes: (1) Assumes a variable interest rate of 1.6386448 percent.

(2) Assumes a fixed swap rate payment of 4.106 percent and a variable swap rate receipt of 1.6386448 percent.

Credit Risk – Credit risk is the risk that the counterparty will not fulfill its obligations. As of June 30, 2009, the District was not exposed to credit risk because the swap agreements have a negative fair value. However, should interest rates rise and the value of the swap agreements become positive, the District would be exposed to credit risk in the amount of the swap agreements' fair values. The counterparty has a credit rating from Standard & Poor's of AA.

Termination Risk – The District or the counterparty may terminate the swap agreements if the other party fails to perform under the terms of the swap agreements. If either swap agreement is terminated, the applicable variable rate certificates of participation would no longer carry a synthetic interest rate. Also, if at the time of termination the swap agreement has a negative fair value, the District would be liable to the counterparty for a payment equal to the swap agreement's fair value.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**10. BONDS PAYABLE**

Bonds payable at June 30, 2009 are as follows:

Bond Type	Original Debt Issue Amount	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
State School Bonds:				
Series 2002-B (Refunding)	\$ 6,415,000	\$ 4,200,000	3.5-5.375	2015
Series 2003-A	750,000	650,000	3.0-4.25	2023
Series 2004-A	250,000	225,000	3.25-4.625	2024
Series 2005-A	115,000	105,000	4.0-5.0	2025
Series 2005-A (Refunding)	2,935,000	2,365,000	4.0-5.0	2017
Series 2005-B (Refunding)	325,000	300,000	5.0	2018
Series 2008-A	<u>1,295,000</u>	<u>1,255,000</u>	3.25-5.0	2028
Subtotal	12,085,000	9,100,000		
Unamortized Premiums (Discounts), Net	<u>345,840</u>	<u>191,284</u>		
Total Bonds Payable	<u><u>12,430,840</u></u>	<u><u>\$ 9,291,284</u></u>		

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

➤ **State School Bonds**

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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2009**

Annual requirements to amortize all bonded debt outstanding as of June 30, 2009 are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds:			
2010	\$ 1,407,123	\$ 960,000	\$ 447,123
2011	1,423,022	1,025,000	398,022
2012	1,440,544	1,095,000	345,544
2013	1,453,944	1,155,000	298,944
2014	1,464,625	1,225,000	239,625
2015-2019	2,885,087	2,370,000	515,087
2020-2024	1,035,201	815,000	220,201
2025-2028	<u>510,675</u>	<u>455,000</u>	<u>55,675</u>
Subtotal	11,620,220	9,100,000	2,520,220
Unamortized Premiums (Discounts), Net	<u>191,284</u>	<u>191,284</u>	
Total Bonds Payable	<u>\$ 11,811,504</u>	<u>\$ 9,291,284</u>	<u>\$ 2,520,220</u>

**11. CHANGES IN LONG-TERM LIABILITIES**

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

Description	Balance 7-1-08	Additions	Deductions	Balance 6-30-09	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 1,010,000		\$ 910,000	\$ 9,100,000	\$ 960,000
Unamortized Premiums (Discounts), Net	<u>223,673</u>		<u>32,389</u>	<u>191,284</u>	
Total Bonds Payable	<u>1,023,673</u>	<u>-</u>	<u>942,389</u>	<u>9,291,284</u>	<u>960,000</u>
Certificates of Participation Payable	52920,048		2,645,010	50,275,038	2,761,000
Unamortized Premium	<u>616,781</u>		<u>51,105</u>	<u>565,676</u>	
Total Certificates of Participation Payable	<u>53,536,829</u>		<u>2,696,115</u>	<u>50,840,714</u>	<u>2,761,000</u>
Obligations Under Capital Leases	2,024,988		986,759	1,038,229	658,953
Estimated Insurance Claims Payable	25,529,212	40,036,723	39,724,864	25,841,071	7,743,785
Compensated Absences Payable	43,002,762	2,250,814	4,922,442	40,331,134	4,218,979
Postemployment Health Care Benefits Payable	<u>122,000</u>		<u>7,000</u>	<u>115,000</u>	
Total Governmental Activities	<u>\$ 134,449,464</u>	<u>\$ 42,287,537</u>	<u>\$ 49,279,569</u>	<u>\$ 127,457,432</u>	<u>\$ 16,342,717</u>

For the governmental activities, compensated absences are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the Internal Service Funds.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

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

Funds	Interfund	
	Receivables	Payables
Major:		
General	\$ 2,476,364	\$ 1,575,764
Capital Projects - Local Capital Improvement		176,205
Special Revenue - Other Federal Programs		2,093,851
Nonmajor Governmental	7,446	136,166
Internal Service	1,523,996	
Agency		25,820
Total	<u>\$ 4,007,806</u>	<u>\$ 4,007,806</u>

The interfund receivables and payables represent the payment of expenditures by one fund for another fund and will be repaid within 12 months.

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

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 10,817,649	\$
Capital Projects:		
Local Capital Improvement		14,666,700
Other		555,361
Nonmajor Governmental	5,000,000	595,588
Total	<u>\$ 15,817,649</u>	<u>\$ 15,817,649</u>

Transfers to the General Fund were made to assist in financing maintenance operations, the lease of instructional equipment, and for the payment of property insurance premiums. Transfers to the Nonmajor Governmental Funds were to facilitate the payment of debt service principal and interest.

**13. 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 2009-10 fiscal year budget as a result of purchase orders outstanding at June 30, 2009.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**14. SCHEDULE OF STATE REVENUE SOURCES**

The following is a schedule of the District's State revenue for the 2008-09 fiscal year:

Source	Amount
Florida Education Finance Program	\$ 99,338,872
Categorical Educational Programs	
Florida Teachers Lead Program	572,424
Instructional Material	3,886,798
Transportation	10,828,132
Class Size Reduction	39,369,884
School Recognition/Merit	1,741,326
Excellent Teaching Program	818,522
Voluntary Pre-K Program	927,991
Supplemental Academic Instruction	10,464,883
Safe Schools	1,222,078
Comprehensive K-12 Reading Plan	1,566,106
Workforce Development	5,041,903
Performance Based Incentive	81,666
Adults with Disabilities	241,255
Capital Outlay and Debt Service	1,636,505
Food Service Supplement	360,688
Racing Commission Funds	446,500
District Lottery Funds	942,182
Public Education Capital Outlay	3,264,046
Charter School Capital Outlay	555,361
Other Misc State Revenue	1,154,055
Total	\$ 184,461,177

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



(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**15. PROPERTY TAXES**

The following is a summary of millages and taxes levied on the 2008 tax roll for the 2008-09 fiscal year:

	Millages	Taxes Levied
<u>GENERAL FUND</u>		
Nonvoted School Tax:		
Required Local Effort	5.286	\$ 86,864,443
Basic Discretionary Local Effort	0.748	12,291,828
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvements	1.686	27,705,912
Total	7.720	\$ 126,862,183

**16. FLORIDA RETIREMENT SYSTEM**

All regular employees of the District are covered by the State-administered Florida Retirement System (FRS). Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of FRS. FRS is a single retirement system administered by the Division of Retirement, Department of Management Services 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 Public Employee Optional Retirement Program (PEORP).

Benefits in the Plan vest at six years of service. All vested members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military 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, and 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.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

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 Class, 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. Benefits in PEORP vest after one year of service. There were 479 District participants during the 2008-09 fiscal year. Required contributions made to PEORP totaled \$1,830,732.

**FRS Retirement Contribution Rates**

The Florida Legislature establishes, and may amend, contribution rates for each membership class of FRS. During the 2008-09 fiscal year, contribution rates were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	0.00	9.85
Florida Retirement System, Elected County Officers	0.00	16.53
Teacher's Retirement System, Plan E	6.25	11.35
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes or Plan	0.00	10.91
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.11 percent for the post-employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .05 percent for administrative costs of the Public Employee Optional Retirement Program.

(B) Contribution rates are dependent upon retirement class or plan in which reemployed.

The District's liability for participation 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 contributions (including employee contributions) for the fiscal years ended June 30, 2007, June 30, 2008, and June 30, 2009, totaled \$18,067,582, \$18,653,418, and \$18,101,400, respectively, which were equal to the required contributions for each fiscal year.

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.

**17. SPECIAL TERMINATION BENEFITS**

School Board policy provides for the payment of retirement incentive bonuses to District personnel who retire by the end of the fiscal year in which they first become eligible under any retirement plan sponsored by a unit of Florida municipal, local, or State government and who have a minimum of 15 years of service with the Escambia County School District. The retirement incentive is equal to 25 percent of the qualified employee's gross annual salary. In addition to payments made for regular termination benefits, the District reported expenditures totaling \$1,058,375 during the 2008-09 fiscal year for retirement incentive pay.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009**

**18. POSTEMPLOYMENT HEALTH CARE BENEFITS**

**Plan Description.** The Postemployment Health Care Benefits Plan is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in the District's self-insured health and hospitalization plan for medical, prescription drug, dental, and vision coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the 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 plan on average than those of active employees. Additionally, certain retirees receive insurance coverage at a lower (explicitly subsidized) premium rate than active employees. The benefits provided under this defined benefit plan are provided for a fixed number of years determined at the time of retirement based on the number of years worked for the District. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The Postemployment Healthcare Benefits Plan does not issue a stand-alone report, and is not included in the report of a Public Employee Retirement System or another entity.

**Funding Policy.** For the Postemployment Health Care Benefits Plan, contribution requirements of the District are established by the Board. The District has not advance-funded or established a funding methodology for the annual Other Post Employment Benefit (OPEB) costs or the net OPEB obligation. For the 2008-09 fiscal year, 1,079 retirees received postemployment health care benefits. The District provided required contributions of \$2,701,000 toward the annual OPEB cost, comprised of benefit payments made on behalf of retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums, and net of retiree contributions totaling \$6,596,000.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

***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 Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. 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 for Postemployment Health Care Benefits:

Description	Amount
Normal Cost (service cost for one year)	\$ 1,306,000
Amortization of Unfunded Actuarial Accrued Liability	1,259,000
Interest on Normal Cost and Amortization	128,000
Annual Required Contribution	2,693,000
Interest on Net OPEB Obligation	6,000
Adjustment to Annual Required Contribution	(5,000)
Annual OPEB Cost (Expense)	2,694,000
Contribution Toward the OPEB Cost	(2,701,000)
Decrease in Net OPEB Obligation	(7,000)
Net OPEB Obligation, Beginning of Year	122,000
Net OPEB Obligation, End of Year	\$ 115,000

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year 2007-08 and 2008-09 were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Beginning Balance, 10-1-07	\$		\$
2007-08	2,612,000	95.3%	122,000
2008-09	2,694,000	100.3%	115,000

***Funded Status and Funding Progress.*** As of October 1, 2008, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$32,983,000 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$32,983,000. The covered payroll (annual payroll of active participating employees) was \$199,803,364 for the 2008-09 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 16.5 percent.

(Continued)  
DISTRICT SCHOOL BOARD OF  
ESCAMBIA COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2009

**Actuarial Methods and Assumptions.** Actuarial valuations of an ongoing 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 the healthcare cost trends. Amounts determined regarding the funded status of the 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. 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 OPEB actuarial valuation was completed for the period October 1, 2008, through September 30, 2009, which was the plan year for the District's Employee Benefit Program.

The District's initial OPEB actuarial valuation as of October 1, 2008, used the unit credit method to estimate the unfunded actuarial liability, and the unit credit method to estimate the District's 2008-09 fiscal year annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 5 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 11 percent initially for the 2008-09 fiscal year, reduced by 0.5 percent per year, to an ultimate rate of 6 percent. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization is 28 years.

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

**19. CONSTRUCTION CONTRACT COMMITMENTS**

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

Project	Contract Amount	Completed to Date	Balance Committed
Safety Renovations-Districtwide			
Architect/Engineer	\$ 61,094	\$ 47,844	\$ 13,250
Contractor	711,300		711,300
Lipscomb Elementary Air Conditioning and Heating			
Architect/Engineer	68,967	37,965	31,002
Contractor	542,000	206,392	335,608
Washington High Auditorium			
Architect/Engineer	524,609	498,685	25,924
Contractors	4,412,014	3,794,107	617,907
Pensacola High School Athletic Facilities:			
Architect/Engineer	321,561	278,286	43,275
Contractor	3,396,703	3,004,869	391,834
Tate High General Renovations			
Architect/Engineer	159,404	124,605	34,799
Contractors	1,022,433	457,451	564,982
Montclair Elementary Covered Play Area			
Architect/Engineer	45,500	34,370	11,130
Contractor	584,000		584,000
Bratt Elementary Renovations-Building 1			
Architect/Engineer	91,000	81,704	9,296
Contractors	1,000,641	203,184	797,457
Warrington Middle Additions/Renovations			
Architect/Engineer	230,811	161,862	68,949
Contractors	2,099,027	39,459	2,059,568
Pine Forest PE Facilities Renovations			
Architect/Engineer	70,428	54,726	15,702
Contractors	318,336		318,336
New Downtown Elementary School			
Architect/Engineers	1,497,550	210,741	1,286,809
Contractor	1,800		1,800
Total	<u>\$ 17,159,178</u>	<u>\$ 9,236,250</u>	<u>\$ 7,922,928</u>

Total other construction contract commitments (individually below \$250,000) amounted to \$3,166,275 at June 30, 2009.

**20. 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 District is self-insured for property losses, except that commercial property insurance having a number of different deductibles, sublimits, and policy maximums has been purchased to limit the District's exposure to loss. The District provides a self-insurance program for workers' compensation, automobile liability, and general liability coverage. These activities are accounted for in a Risk Management Fund, a part of the Internal Service Funds reported on the basic financial statements of the District. For automobile and general liability, the District generally relies upon the sovereign immunity limits of Section 768.28, Florida Statutes, which limits the District's liability to \$100,000 for each claimant and \$200,000 in any one occurrence. Workers compensation claims, except for

(Continued)  
**DISTRICT SCHOOL BOARD OF  
 ESCAMBIA COUNTY, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
 June 30, 2009

certain claims covered under stop-loss insurance policies purchased in prior years, are fully covered by the District.

The District also provides commercially purchased life insurance and self-insured dental, prescription drug, and health coverage to its employees, retirees, and their dependents. These activities are accounted for in the Escambia School District Employee Benefit Trust which is reported in the Internal Service Funds on the basic financial statements of the District. The District has entered into agreements with various insurance companies to provide specific excess coverage of health claims that exceed a stated amount per policy period. In addition, third-party administrators have been contracted to assist in the payment and/or processing of dental, prescription drugs, and health claims.

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

For all programs for which the District is self-insured, an undiscounted liability in the amount of \$25,841,072 (\$21,701,415 for workers' compensation, automobile, and general liability claims, and \$4,139,657 for dental, prescription drug, and health insurance claims) was actuarially determined to cover estimated incurred, but not reported claims and insurance claims payable at June 30, 2009.

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

	Beginning-of- Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2007-08	\$ 25,447,943	\$ 40,730,594	\$ (40,649,325)	\$ 25,529,212
2008-09	25,529,212	40,036,723	(39,724,864)	25,841,071

**21. OTHER LOSS CONTINGENCY**

The Escambia County Property Appraiser is involved in ongoing litigation with the Pensacola Beach Leaseholders and Residents Association regarding the appraisals on and taxability of the values of leasehold improvements on Pensacola Beach. During the litigation, some leaseholders have chosen to pay the assessed taxes while others have chosen not to pay the assessed taxes pending the outcome of the litigation. Depending upon the ultimate outcome of this litigation, the District may be entitled to their portion (estimated at \$9,927,610 at June 30, 2009) of the gross taxes uncollected from leaseholders, or the District may be required to return their portion of the gross taxes collected from the leaseholders. At June 30, 2009, the District has received \$4,617,799 in taxes collected from leaseholders.

**22. LITIGATION**

The District is involved in several pending and threatened legal actions. It is the opinion of District management, after giving consideration to the District's related insurance coverage, as well as statutory limitations on uninsured losses for governmental agencies, that the amount of loss from all such claims and actions would not materially affect the financial condition of the District.



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**REQUIRED SUPPLEMENTARY  
INFORMATION**



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**DISTRICT SCHOOL BOARD**  
**OTHER POST EMPLOYMENT BENEFITS**  
**FUNDING PROGRESS**  
**June 30, 2009**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
06/30/2008	\$ 0	\$ 32,599,000	\$ 32,599,000	0.00%	\$ 205,595,499	15.9%
06/30/2009	0	32,983,000	32,983,000	0.00%	199,803,364	16.5%



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**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND  
SCHEDULES**



## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

**The Special Revenue Funds account for certain revenues derived from the State of Florida, the Federal Government and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:**

**Food Service Fund – To account for and report on activities of the food service program in serving breakfast and lunch at the schools.**

**Other Federal Programs Fund – To account for and report on activities of various programs of different funding sources according to the specifications and requirements of each funding source.**

### **Debt Service Funds**

**The Debt Service Funds are used to account for the payment of interest and principal of the current portion on long-term debt.**

**Other Debt Service Fund – To account for and report on Certificates of Participation issues, characterized as lease-purchase agreements and Capital Leases.**

**State Board of Education (SBE) Bond Fund – To account for and report on payment of principal, interest, and related costs on the state school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the state-assessed motor vehicle license tax.**

**Nonmajor Governmental Funds (Continued)**

**Capital Projects Funds**

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

**Capital Outlay and Debt Service Fund – To account for and report on the excess dollars received through the State's Capital Outlay/Debt Service (CO/DS) program, used for construction and maintenance of schools.**

**Public Education Capital Outlay Fund – To account for and report on funds received from the State for the construction and maintenance of schools.**

**State Board of Education (SBE) Bond Fund – To account for and report on proceeds received from the bonds issued by the State Board of Education on behalf of the District.**





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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2009**

	<u>Total Nonmajor Governmental Funds</u>	<u>Special Revenue Funds</u>		<u>Debt Service Funds</u>		<u>State Board of Education (SBE) Bond Fund</u>
		<u>Total Nonmajor Special Revenue Funds</u>	<u>Food Service Fund</u>	<u>Total Nonmajor Debt Service Funds</u>	<u>Other Debt Service Fund</u>	
<b>ASSETS</b>						
Cash	\$ 11,386,287	\$ 4,886,306	\$ 4,886,306	\$ 4,715,630	\$ 4,715,630	\$
Investments	1,364,030			1,364,030	1,119,842	244,188
Accounts Receivable	2,645	2,645	2,645			
Interest Receivable	1,662	955	955	85	85	
Due from Other Funds	7,446	7,446	7,446			
Due From Other Agencies	2,857,365	77,974	77,974			
Inventories	1,337,149	1,337,149	1,337,149			
<b>TOTAL ASSETS</b>	<u>\$ 16,956,584</u>	<u>\$ 6,312,475</u>	<u>\$ 6,312,475</u>	<u>\$ 6,079,745</u>	<u>\$ 5,835,557</u>	<u>\$ 244,188</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Salaries and Benefits Payable	\$ 717	\$ 717	\$ 717	\$	\$	\$
Accounts Payable	60,837	56,977	56,977			
Construction Contracts Payable	59,361					
Construction Contracts Payable - Retainage	34,528					
Due to Other Funds	136,166	1,253	1,253			
Due to Other Agencies	28,775	28,775	28,775			
Interest Payable	1,119,642			1,119,642	1,119,642	
<b>Total Liabilities</b>	<u>1,440,026</u>	<u>87,722</u>	<u>87,722</u>	<u>1,119,642</u>	<u>1,119,642</u>	
Fund Balances:						
Reserved for:						
Encumbrances	1,537,919	115,311	115,311			
Inventories	1,337,149	1,337,149	1,337,149			
Debt Service	244,188			244,188		244,188
Unreserved, Reported in:						
Special Revenue Funds	4,772,293	4,772,293	4,772,293			
Debt Service Funds	4,715,915			4,715,915	4,715,915	
Capital Projects Funds	2,909,094					
<b>Total Fund Balances</b>	<u>15,516,558</u>	<u>6,224,753</u>	<u>6,224,753</u>	<u>4,960,103</u>	<u>4,715,915</u>	<u>244,188</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 16,956,584</u>	<u>\$ 6,312,475</u>	<u>\$ 6,312,475</u>	<u>\$ 6,079,745</u>	<u>\$ 5,835,557</u>	<u>\$ 244,188</u>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**June 30, 2009**

	<b>Capital Projects Funds</b>			
	<b>Total Nonmajor Capital Projects Funds</b>	<b>Capital Outlay &amp; Debt Service Fund</b>	<b>Public Education Capital Outlay Fund</b>	<b>State Board of Education (SBE) Bond Fund</b>
<b>ASSETS</b>				
Cash	\$ 1,784,351	\$ 667,509	\$ 585,908	\$ 530,934
Investments				
Accounts Receivable				
Interest Receivable	622	246	147	229
Due from Other Funds				
Due From Other Agencies	2,779,391		2,779,391	
Inventories				
<b>TOTAL ASSETS</b>	<b>\$ 4,564,364</b>	<b>\$ 667,755</b>	<b>\$ 3,365,446</b>	<b>\$ 531,163</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Salaries and Benefits Payable	\$ 3,860		\$ 3,860	\$
Accounts Payable	59,361	17,108	42,253	
Construction Contracts Payable	34,528		34,528	
Construction Contracts Payable - Retainage	134,913		134,910	3
Due to Other Funds				
Due to Other Agencies				
Interest Payable				
<b>Total Liabilities</b>	<b>232,662</b>	<b>17,108</b>	<b>215,551</b>	<b>3</b>
Fund Balances:				
Reserved for:				
Encumbrances	1,422,608	1,721	891,355	529,532
Inventories				
Debt Service				
Unreserved, Reported in:				
Special Revenue Funds				
Debt Service Funds				
Capital Projects Funds	2,909,094	648,926	2,258,540	1,628
<b>Total Fund Balances</b>	<b>4,331,702</b>	<b>650,647</b>	<b>3,149,895</b>	<b>531,160</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,564,364</b>	<b>\$ 667,755</b>	<b>\$ 3,365,446</b>	<b>\$ 531,163</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Total Nonmajor Governmental Funds</u>	<u>Special Revenue Funds</u>		<u>Debt Service Funds</u>		
		<u>Total Nonmajor Special Revenue Funds</u>	<u>Food Service Fund</u>	<u>Total Nonmajor Debt Service Funds</u>	<u>Other Debt Service Fund</u>	<u>State Board of Education (SBE) Bond Fund</u>
<b>REVENUES</b>						
Federal Direct:						
Other Federal Direct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Federal Direct	-	-	-	-	-	-
Federal Through State:						
Food Service	11,578,098	11,578,098	11,578,098			
Other Federal Through State	1,013,654	1,013,654	1,013,654			
Total Federal Through State	12,591,752	12,591,752	12,591,752			
State:						
Food Service	360,688	360,688	360,688			
CO and DS Withheld for SBE/COBI Bond	1,377,051			1,377,051		1,377,051
CO and DS Distribution	234,860					
Public Education Capital Outlay	3,264,046					
Other State Sources	2,717	2,306	2,306	411		411
Total State	5,239,362	362,994	362,994	1,377,462		1,377,462
Local:						
Food Service	5,753,396	5,753,396	5,753,396			
Interest Income	139,861	45,870	45,870	72,893	72,893	
Other Local Sources	6,732	6,732	6,732			
Total Local	5,899,989	5,805,998	5,805,998	72,893	72,893	
<b>Total Revenues</b>	<b>23,731,103</b>	<b>18,760,744</b>	<b>18,760,744</b>	<b>1,450,355</b>	<b>72,893</b>	<b>1,377,462</b>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<u>Total Nonmajor Governmental Funds</u>	<u>Special Revenue Funds</u>		<u>Total Nonmajor Debt Service Funds</u>	<u>Debt Service Funds</u>	
		<u>Total Nonmajor Special Revenue Funds</u>	<u>Food Service Fund</u>		<u>Other Debt Service Fund</u>	<u>State Board of Education (SBE) Bond Fund</u>
<b>EXPENDITURES</b>						
Current Education:						
Instruction	\$	\$	\$	\$	\$	\$
Pupil Personnel Services						
Instructional Media Services						
Instruction and Curriculum Development Services						
Instructional Staff Training Services						
Instruction Related Technology						
General Administration						
School Administration						
Facility Services	4,434,213					
Food Services	17,651,965	17,651,965	17,651,965			
Central Services						
Pupil Transportation Services						
Operation of Plant						
Administrative Technology Services						
Community Services						
Fixed Capital Outlay:						
Facilities Acquisition and Construction	2,601,341					
Other Capital Outlay	279,072	279,072	279,072			
Debt Service:						
Principal	3,555,010			3,555,010	2,645,010	910,000
Interest and Fiscal Charges	2,647,593			2,646,820	2,192,128	454,692
<b>Total Expenditures</b>	<u>31,169,194</u>	<u>17,931,037</u>	<u>17,931,037</u>	<u>6,201,830</u>	<u>4,837,138</u>	<u>1,364,692</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(7,438,091)</u>	<u>829,707</u>	<u>829,707</u>	<u>(4,751,475)</u>	<u>(4,764,245)</u>	<u>12,770</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Long-Term Debt Issues:						
Bonds Issued						
Premium on Sale of Bonds						
Transfers In	5,000,000			5,000,000	5,000,000	
Transfers Out	(595,588)					
<b>Total Other Financing Sources (Uses)</b>	<u>4,404,412</u>			<u>5,000,000</u>	<u>5,000,000</u>	
<b>Net Change in Fund Balances</b>	<u>(3,033,679)</u>	<u>829,707</u>	<u>829,707</u>	<u>248,525</u>	<u>235,755</u>	<u>12,770</u>
Fund Balances, July 1, 2008	<u>18,550,237</u>	<u>5,395,046</u>	<u>5,395,046</u>	<u>4,711,578</u>	<u>4,480,160</u>	<u>231,418</u>
<b>Fund Balances, June 30, 2009</b>	<u>\$ 15,516,558</u>	<u>\$ 6,224,753</u>	<u>\$ 6,224,753</u>	<u>\$ 4,960,103</u>	<u>\$ 4,715,915</u>	<u>\$ 244,188</u>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Capital Projects Funds</b>			
	<b>Total Nonmajor Capital Projects Funds</b>	<b>Capital Outlay &amp; Debt Service Fund</b>	<b>Public Education Capital Outlay Fund</b>	<b>State Board of Education (SBE) Bond Fund</b>
<b>REVENUES</b>				
Federal Direct:				
Other Federal Direct	\$ _____	\$ _____	\$ _____	\$ _____
Total Federal Direct	_____	_____	_____	_____
Federal Through State:				
Food Service	_____	_____	_____	_____
Other Federal Through State	_____	_____	_____	_____
Total Federal Through State	_____	_____	_____	_____
State:				
Food Service	_____	_____	_____	_____
CO and DS Withheld for SBE/COBI Bond	_____	_____	_____	_____
CO and DS Distribution	234,860	234,860	_____	_____
Public Education Capital Outlay	3,264,046	_____	3,264,046	_____
Other State Sources	_____	_____	_____	_____
Total State	3,498,906	234,860	3,264,046	_____
Local:				
Food Service	_____	_____	_____	_____
Interest Income	21,098	7,806	2,794	10,498
Other Local Sources	_____	_____	_____	_____
Total Local	21,098	7,806	2,794	10,498
<b>Total Revenues</b>	<b>3,520,004</b>	<b>242,666</b>	<b>3,266,840</b>	<b>10,498</b>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Capital Projects Funds</b>			
	<b>Total Nonmajor Capital Projects Funds</b>	<b>Capital Outlay &amp; Debt Service Fund</b>	<b>Public Education Capital Outlay Fund</b>	<b>State Board of Education (SBE) Bond Fund</b>
<b>EXPENDITURES</b>				
Current Education:				
Instruction	\$	\$	\$	\$
Pupil Personnel Services				
Instructional Media Services				
Instruction and Curriculum Development Services				
Instructional Staff Training Services				
Instruction Related Technology				
General Administration				
School Administration				
Facility Services	4,434,213	148,791	4,283,182	2,240
Food Services				
Central Services				
Pupil Transportation Services				
Operation of Plant				
Administrative Technology Services				
Community Services				
Fixed Capital Outlay:				
Facilities Acquisition and Construction	2,601,341	600,000	660,002	1,341,339
Other Capital Outlay				
Debt Service:				
Principal				
Interest and Fiscal Charges	773	773		
<b>Total Expenditures</b>	<u>7,036,327</u>	<u>749,564</u>	<u>4,943,184</u>	<u>1,343,579</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(3,516,323)</u>	<u>(506,898)</u>	<u>(1,676,344)</u>	<u>(1,333,081)</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>				
Long-Term Debt Issues:				
Bonds Issued				
Premium on Sale of Bonds				
Transfers In				
Transfers Out	(595,588)		(595,588)	
<b>Total Other Financial Sources (Uses)</b>	<u>(595,588)</u>		<u>(595,588)</u>	
<b>Net Change in Fund Balances</b>	(4,111,911)	(506,898)	(2,271,932)	(1,333,081)
Fund Balances, July 1, 2008	8,443,613	1,157,545	5,421,827	1,864,241
<b>Fund Balances, June 30, 2009</b>	<u>\$ 4,331,702</u>	<u>\$ 650,647</u>	<u>\$ 3,149,895</u>	<u>\$ 531,160</u>

## **General Fund**

**The General Fund is the primary operating fund of the School Board. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The General Fund is reported as a major governmental fund.**



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEETS**  
**June 30, 2009 and June 30, 2008**

	<b>General Fund</b>	
	<b>Major Governmental Fund</b>	
	<b>Totals</b>	
	<b>2009</b>	<b>2008</b>
<b>ASSETS</b>		
Cash	\$ 46,506,812	\$ 15,954,044
Investments		26,588,013
Accounts Receivable	466,702	526,548
Interest Receivable	2,904	18,452
Due from Reinsurer		
Deposits Receivable	5,300	5,300
Due from Other Funds	2,476,364	4,583,025
Due from Other Agencies	846,854	398,732
Inventories	1,316,108	1,422,407
<b>TOTAL ASSETS</b>	<b>\$ 51,621,044</b>	<b>\$ 49,496,521</b>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Salaries and Benefits Payable	\$ 196,613	\$ 178,610
Payroll Deductions and Withholdings Payable	4,606,423	3,744,372
Accounts Payable	1,981,010	1,788,211
Construction Contracts Payable - Retainage		167,626
Due to Other Funds	1,575,764	672,576
Due to Other Agencies	3,048,705	3,193,518
Deposits Payable		17,435
Loan Payable	2,571,706	2,571,706
<b>Total Liabilities</b>	<b>13,980,221</b>	<b>12,334,054</b>
Fund Balances:		
Reserved for:		
State Categorical Programs	7,549,726	4,293,074
Encumbrances	1,336,715	2,352,701
Inventories	1,316,108	1,422,407
Legal Restrictions	3,005,887	4,267,982
Unreserved:		
Reported in the General Fund	24,432,387	24,826,303
<b>Total Fund Balances</b>	<b>37,640,823</b>	<b>37,162,467</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 51,621,044</b>	<b>\$ 49,496,521</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For Fiscal Years Ended June 30, 2009 and June 30, 2008**

	<b>General Fund</b>	
	<b>Major Governmental Fund</b>	
	<b>Totals</b>	
	<b>2009</b>	<b>2008</b>
<b>REVENUES</b>		
Federal Direct:		
Federal Impact, Current Operations	\$ 1,018,679	\$ 1,183,926
Reserve Officer Training Corps (ROTC)	413,473	409,098
Miscellaneous	287,758	479,909
<b>Total Federal Direct</b>	<b>1,719,910</b>	<b>2,072,933</b>
Federal Through State:		
Medicaid	1,770,666	1,330,938
Miscellaneous	611,881	722,936
<b>Total Federal Through State</b>	<b>2,382,547</b>	<b>2,053,874</b>
State:		
Florida Education Finance Program (FEFP)	112,591,939	119,465,949
Workforce Development	5,041,903	5,272,821
Workforce Education Performance Incentive	81,666	154,358
Adults With Disabilities	241,255	270,706
CO&DS Withheld for Administrative Expense	24,183	24,366
Discretionary Lottery Funds	942,182	1,880,022
Categorical Programs	58,145,077	72,989,150
Other State Sources	1,598,249	2,092,241
<b>Total State</b>	<b>178,666,454</b>	<b>202,149,613</b>
Local:		
District School Taxes	97,379,871	85,413,366
Interest on Investments	657,947	1,670,605
Other Local Sources	4,666,173	5,953,442
<b>Total Local</b>	<b>102,703,991</b>	<b>93,037,413</b>
<b>Total Revenues</b>	<b>285,472,902</b>	<b>299,313,833</b>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES (Continued)**  
**For Fiscal Years Ended June 30, 2009 and June 30, 2008**

	<b>General Fund</b>	
	<b>Major Governmental Fund</b>	
	<b>Totals</b>	
	<b>2009</b>	<b>2008</b>
<b>EXPENDITURES</b>		
Current Education:		
Instruction	\$ 183,146,089	\$ 190,794,369
Pupil Personnel Services	13,857,826	14,287,676
Instructional Media Services	5,203,403	5,389,025
Instruction and Curriculum Development Services	6,053,180	6,586,676
Instructional Staff Training Services	3,147,665	3,953,874
Instruction Related Technology	1,703,797	1,651,904
Board of Education	1,157,359	1,206,764
General Administration	712,415	675,487
School Administration	14,596,287	15,387,931
Facility Services	627,867	3,334,871
Fiscal Services	2,253,484	2,350,543
Food Services	286,000	90,623
Central Services	3,696,790	4,865,438
Pupil Transportation Services	16,099,744	16,104,709
Operation of Plant	27,506,877	28,255,764
Maintenance of Plant	10,805,654	11,547,704
Administrative Technology Services	3,033,744	3,109,120
Community Services	562,595	526,562
Fixed Capital Outlay:		
Facilities Acquisition and Construction	595,256	4,382,082
Other Capital Outlay	774,744	1,605,211
Debt Service:		
Principal	986,760	933,529
Interest and Fiscal Charges	90,578	151,911
<b>Total Expenditures</b>	<b>296,898,114</b>	<b>317,191,773</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(11,425,212)</b>	<b>(17,877,940)</b>
<b>OTHER FINANCING SOURCES</b>		
Transfers In	10,817,649	10,448,151
Insurance Loss Recoveries	1,085,919	4,750,744
<b>Total Other Financing Sources</b>	<b>11,903,568</b>	<b>15,198,895</b>
<b>Change in Fund Balances Before Extraordinary Item</b>	<b>478,356</b>	<b>(2,679,045)</b>
Extraordinary Item		
<b>Net Change in Fund Balances</b>	<b>478,356</b>	<b>(2,679,045)</b>
Fund Balances, July 1, 2008	37,162,467	39,841,512
<b>Fund Balances, June 30, 2009</b>	<b>\$ 37,640,823</b>	<b>\$ 37,162,467</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**For the Fiscal Year Ended June 30, 2009**

	<i>General Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Federal Direct:				
Federal Impact, Current Operations	\$ 500,000	\$ 1,018,679	\$ 1,018,679	\$
Reserve Officers Training Corps (ROTC)	340,000	401,359	413,473	
Miscellaneous	425,000	287,758	287,758	
Total Federal Direct	1,265,000	1,707,796	1,719,910	
Federal Through State:				
Medicaid	800,000	1,770,666	1,770,666	
Miscellaneous Federal through State	47,702	611,881	611,881	
Total Federal through State	847,702	2,382,547	2,382,547	
State:				
Florida Education Finance Program (FEFP)	105,230,337	99,338,872	99,338,872	
Workforce Development	5,041,903	5,041,903	5,041,903	
Workforce Education Performance Incentive	85,069	81,666	81,666	
Adults With Disabilities	256,738	241,255	241,255	
CO and DS Withheld for Administrative Expense	24,366	24,183	24,183	
Discretionary Lottery Funds	1,559,065	942,182	942,183	
Categorical Programs	72,369,107	71,490,318	71,398,143	(92,175)
Other State Sources	1,534,199	1,606,486	1,598,249	(8,237)
Total State	186,100,784	178,766,865	178,666,454	(100,412)
Local:				
District School Taxes	94,744,004	97,379,871	97,379,871	
Interest on Investments	1,500,000	657,947	657,947	
Other Local Sources	3,115,650	4,666,173	4,666,173	
Total Local	99,359,654	102,703,991	102,703,991	
<b>Total Revenues</b>	<b>287,573,140</b>	<b>285,561,199</b>	<b>285,472,902</b>	<b>(100,412)</b>
<b>EXPENDITURES</b>				
Current Education:				
Instruction				
Salaries	138,197,742	129,491,159	127,336,979	2,154,179
Employee Benefits	29,833,529	37,837,764	36,970,260	867,504
Purchased Services	11,503,937	11,894,664	10,723,324	1,171,340
Energy Services	19,490	20,962	13,388	7,574
Materials and Supplies	9,509,432	8,470,622	4,115,578	4,355,044
Capital Outlay	1,753,015	1,802,859	561,417	1,241,442
Other Expenses	3,139,534	3,564,909	3,425,143	139,766
Total Instruction	193,956,679	193,082,939	183,146,089	9,936,849

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<i>General Fund</i>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current Education: (Continued)				
Pupil Personnel Services				
Salaries	\$ 10,081,554	\$ 10,377,507	\$ 10,231,237	\$ 146,270
Employee Benefits	2,982,562	3,016,775	2,923,295	93,480
Purchased Services	691,176	682,694	614,294	68,400
Energy Services	3,800	3,800	2,763	1,037
Materials and Supplies	137,425	160,426	57,423	103,003
Capital Outlay	4,422	10,786	10,168	618
Other Expenses	18,209	33,093	18,646	14,447
<b>Total Pupil Personnel Services</b>	<b>13,919,148</b>	<b>14,285,081</b>	<b>13,857,826</b>	<b>427,255</b>
Instructional Media Services				
Salaries	3,605,952	3,753,654	3,732,543	21,111
Employee Benefits	1,127,152	1,156,047	1,107,886	48,161
Purchased Services	54,813	38,255	12,873	25,382
Materials and Supplies	95,154	96,637	61,683	34,954
Capital Outlay	358,842	353,531	251,859	101,672
Other Expenses	37,045	37,654	36,559	1,095
<b>Total Instructional Media Services</b>	<b>5,278,958</b>	<b>5,435,778</b>	<b>5,203,403</b>	<b>232,375</b>
Instruction and Curriculum Development Services				
Salaries	4,523,471	4,738,636	4,558,698	179,938
Employee Benefits	1,252,988	1,288,833	1,210,417	78,416
Purchased Services	211,850	207,179	207,864	(685)
Materials and Supplies	93,081	108,281	71,571	36,710
Capital Outlay		417	417	
Other Expenses	5,274	8,676	4,213	4,463
<b>Total Instruction and Curriculum Development Services</b>	<b>6,086,664</b>	<b>6,352,022</b>	<b>6,053,180</b>	<b>298,842</b>
Instructional Staff Training Services				
Salaries	2,164,834	2,455,472	2,287,489	167,983
Employee Benefits	615,770	668,269	607,911	60,358
Purchased Services	206,424	211,023	156,443	54,580
Materials and Supplies	58,608	68,380	37,443	30,937
Capital Outlay	699	3,418	3,418	
Other Expenses	77,789	106,246	54,961	51,285
<b>Total Instructional Staff Training Services</b>	<b>3,124,124</b>	<b>3,512,808</b>	<b>3,147,665</b>	<b>365,143</b>
Instruction Related Technology				
Salaries	1,212,196	1,321,698	1,294,461	27,237
Employee Benefits	379,709	402,707	362,276	40,431
Purchased Services	62,825	62,825	45,377	17,448
Materials and Supplies	17,500	10,986		10,986
Capital Outlay	10,000	10,000	68	9,932
Other Expenses	1,200	1,293	1,615	(322)
<b>Total Instruction Related Technology</b>	<b>1,683,430</b>	<b>1,809,509</b>	<b>1,703,797</b>	<b>105,712</b>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<i>General Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>EXPENDITURES</b>				
Current Education: (Continued)				
Board of Education				
Salaries	\$ 586,562	\$ 586,942	\$ 571,253	\$ 15,689
Employee Benefits	480,978	481,072	435,895	45,177
Purchased Services	162,382	166,953	99,715	67,238
Energy Services	1,487	810	780	30
Materials and Supplies	9,735	5,553	2,261	3,292
Capital Outlay		363	363	
Other Expenses	35,689	34,614	47,092	(12,478)
Total Board of Education	1,276,833	1,276,307	1,157,359	118,948
General Administration				
Salaries	449,861	450,142	494,580	(44,438)
Employee Benefits	116,867	116,937	116,599	338
Purchased Services	27,466	28,805	29,208	(403)
Materials and Supplies	16,250	9,931	6,564	3,367
Capital Outlay		696	696	
Other Expenses	67,024	71,125	64,768	6,357
Total General Administration	677,468	677,636	712,415	(34,779)
School Administration				
Salaries	11,380,471	11,553,748	11,335,880	217,868
Employee Benefits	3,275,946	3,294,700	3,167,061	127,639
Purchased Services	8,508	7,712	7,123	589
Materials and Supplies	122,472	109,929	68,010	41,919
Capital Outlay	16,335	17,966	16,377	1,589
Other Expenses	29,455	28,490	1,836	26,654
Total School Administration	14,833,187	15,012,545	14,596,287	416,258
Facility Services				
Salaries	175,037	175,037	168,974	6,063
Employee Benefits	43,111	43,111	41,198	1,913
Purchased Services	250,184	753,993	166,161	587,832
Energy Services	23,070	20,980	15,846	5,134
Materials and Supplies	25,877	30,602	10,612	19,990
Capital Outlay	63,502	235,681	224,771	10,910
Other Expenses	775	376	305	71
Total Facility Services	581,556	1,259,780	627,867	631,913
Fiscal Services				
Salaries	1,498,808	1,618,808	1,644,383	(25,575)
Employee Benefits	417,701	436,701	419,887	16,814
Purchased Services	169,550	209,699	142,955	66,744
Materials and Supplies	48,337	46,839	26,497	20,342
Capital Outlay	642	1,532	889	643
Other Expenses	61,314	53,562	18,873	34,689
Total Fiscal Services	2,196,352	2,367,141	2,253,484	113,657

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<i>General Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>EXPENDITURES</b>				
Current Education: (Continued)				
Food Services				
Salaries	\$ 194,184	\$ 288,457	\$ 275,037	\$ 13,420
Employee Benefits	6,273	10,022	8,539	1,483
Other Expenses		2,424	2,424	
Total Food Services	200,457	300,903	286,000	14,903
Central Services				
Salaries	2,298,109	2,412,325	2,254,348	157,977
Employee Benefits	1,062,327	973,250	717,961	255,289
Purchased Services	827,222	830,060	478,434	351,626
Energy Services	66,697	45,197	32,966	12,231
Materials and Supplies	143,223	184,095	75,476	108,619
Capital Outlay		2,259	3,087	(828)
Other Expenses	125,379	136,491	134,518	1,973
Total Central Services	4,522,957	4,583,677	3,696,790	886,887
Pupil Transportation Services				
Salaries	8,514,165	8,593,923	8,935,429	(341,506)
Employee Benefits	4,389,390	4,411,075	3,980,452	430,623
Purchased Services	386,628	422,039	221,779	200,260
Energy Services	3,879,506	3,704,553	2,018,669	1,685,884
Materials and Supplies	676,599	825,099	800,912	24,187
Capital Outlay	1,800	72,197	5,196	67,001
Other Expenses	312,588	282,493	137,307	145,186
Total Pupil Transportation Services	18,160,676	18,311,379	16,099,744	2,211,635
Operation of Plant				
Salaries	5,111,136	5,125,049	5,242,601	(117,552)
Employee Benefits	2,561,217	2,579,557	2,558,315	21,242
Purchased Services	7,943,561	7,628,149	7,031,419	596,730
Energy Services	11,579,367	11,811,661	11,802,786	8,875
Materials and Supplies	588,603	600,174	552,574	47,600
Capital Outlay	49,557	56,990	29,579	27,411
Other Expenses	376,224	390,932	289,603	101,329
Total Operation of Plant	28,209,665	28,192,512	27,506,877	685,635
Maintenance of Plant				
Salaries	4,767,655	4,732,685	4,862,237	(129,552)
Employee Benefits	1,967,854	1,981,532	1,909,362	72,170
Purchased Services	3,643,639	4,612,072	2,301,308	2,310,764
Energy Services	242,917	244,678	221,076	23,602
Materials and Supplies	1,483,138	1,494,784	1,439,970	54,814
Capital Outlay	49,120	48,928	41,315	7,613
Other Expenses	28,721	28,721	30,386	(1,665)
Total Maintenance of Plant	12,183,044	13,143,400	10,805,654	2,337,746

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<b>General Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current Education: (Continued)				
Administrative Technology Services				
Salaries	\$ 2,397,989	\$ 2,452,497	\$ 2,291,112	\$ 161,385
Employee Benefits	661,390	679,021	632,113	46,908
Purchased Services	11,199	11,199	29,660	(18,461)
Energy Services	9,541	8,963	4,573	4,390
Materials and Supplies	109,506	105,958	64,343	41,615
Capital Outlay		11,818	11,818	
Other Expenses		125	125	
<b>Total Administrative Technology Services</b>	<b>3,189,625</b>	<b>3,269,581</b>	<b>3,033,744</b>	<b>235,837</b>
Community Services				
Salaries	60,510	158,138	180,698	(22,560)
Employee Benefits	18,171	68,116	67,456	660
Purchased Services	10,056	17,222	15,672	1,550
Materials and Supplies	143,355	53,787	36,710	17,077
Capital Outlay	887	8,078	7,809	269
Other Expenses	493,727	434,682	254,250	180,432
<b>Total Community Services</b>	<b>726,706</b>	<b>740,023</b>	<b>562,595</b>	<b>177,428</b>
Fixed Capital Outlay:				
Facilities Acquisition and Construction	621,889	653,413	595,256	58,157
Other Capital Outlay	1,385,010	1,386,488	774,744	611,744
<b>Total Fixed Capital Outlay</b>	<b>2,006,899</b>	<b>2,039,901</b>	<b>1,370,000</b>	<b>669,901</b>
Debt Service:				
Principal	991,151	991,260	986,760	4,500
Interest and Fiscal Charges	90,687	90,578	90,578	
<b>Total Debt Service</b>	<b>1,081,838</b>	<b>1,081,838</b>	<b>1,077,338</b>	<b>4,500</b>
<b>Total Expenditures</b>	<b>313,896,266</b>	<b>316,734,760</b>	<b>296,898,114</b>	<b>19,836,645</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(26,323,126)</b>	<b>(31,173,561)</b>	<b>(11,425,212)</b>	<b>19,748,349</b>
<b>Other Financing Sources</b>				
Transfers In	10,945,450	10,817,649	10,817,649	
Insurance Loss Recoveries		1,085,919	1,085,919	
<b>Total Other Financing Sources</b>	<b>10,945,450</b>	<b>11,903,568</b>	<b>11,903,568</b>	
<b>Net Change in Fund Balances</b>	<b>(15,377,676)</b>	<b>(19,269,993)</b>	<b>478,356</b>	<b>19,748,349</b>
Fund Balances, July 1, 2008	37,162,467	37,162,467	37,162,467	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 21,784,791</b>	<b>\$ 17,892,474</b>	<b>\$ 37,640,823</b>	<b>\$ 19,748,349</b>



## **Special Revenue Funds**

**The Special Revenue Funds account for certain revenues derived from the State of Florida, the Federal Government and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:**

### **Nonmajor Special Revenue Funds**

**Food Service Fund – To account for and report on activities of the food service program in serving breakfast and lunch at the schools.**

**Other Federal Programs Fund – To account for and report on activities of various programs of different funding sources according to the specifications and requirements of each funding source.**



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2009**  
**(With comparative totals for June 30, 2008)**

	<b>Special Revenue Funds</b>			
	<b>Governmental Funds</b>		<b>Totals</b>	
	<b>Major</b>	<b>Nonmajor</b>	<b>2009</b>	<b>2008</b>
	<b>Other Federal Programs Fund</b>	<b>Food Service Fund</b>		
<b>ASSETS</b>				
Cash	\$ 125,812	\$ 4,886,306	\$ 5,012,118	\$ 3,304,391
Accounts Receivable	108,572	2,645	111,217	72,447
Interest Receivable		955	955	5,798
Due From Other Funds		7,446	7,446	12,665
Due From Other Agencies	2,461,780	77,974	2,539,754	2,182,642
Inventories		1,337,149	1,337,149	1,078,435
<b>TOTAL ASSETS</b>	<b>\$ 2,696,164</b>	<b>\$ 6,312,475</b>	<b>\$ 9,008,639</b>	<b>\$ 6,656,378</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Salaries and Benefits Payable	\$ 15,290	\$ 717	\$ 16,007	\$ 22,613
Accounts Payable	560,400	56,977	617,377	658,656
Construction Contracts Payable - Retainage	19,520		19,520	31,210
Due to Other Funds	2,093,851	1,253	2,095,104	323,418
Due to Other Agencies		28,775	28,775	219,046
<b>Total Liabilities</b>	<b>2,689,061</b>	<b>87,722</b>	<b>2,776,783</b>	<b>1,254,943</b>
Fund Balances:				
Reserved for:				
Encumbrances		115,311	115,311	433,193
Inventories		1,337,149	1,337,149	1,078,435
Unreserved, Reported in:				
Special Revenue Funds	7,103	4,772,293	4,779,396	3,889,807
<b>Total Fund Balances</b>	<b>7,103</b>	<b>6,224,753</b>	<b>6,231,856</b>	<b>5,401,435</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 2,696,164</b>	<b>\$ 6,312,475</b>	<b>\$ 9,008,639</b>	<b>\$ 6,656,378</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2009**  
**(With comparative totals for the fiscal year ended June 30, 2008)**

	<b>Special Revenue Funds</b>			
	<b>Governmental Funds</b>		<b>Totals</b>	
	<b>Major</b>	<b>Nonmajor</b>	<b>2009</b>	<b>2008</b>
	<b>Other Federal Programs Fund</b>	<b>Food Service Fund</b>		
<b>REVENUES</b>				
Federal Direct:				
Other Federal Direct	\$ 406,459	\$	\$ 406,459	\$ 292,410
Total Federal Direct	406,459		406,459	292,410
Federal Through State:				
Food Service		11,578,098	11,578,098	10,611,256
Other Federal Through State	32,485,113	1,013,654	33,498,767	29,824,230
Total Federal Through State	32,485,113	12,591,752	45,076,865	40,435,486
State:				
Food Service		360,688	360,688	367,566
Other State Sources		2,306	2,306	4,670
Total State		362,994	362,994	372,236
Local:				
Food Service		5,753,396	5,753,396	5,901,163
Interest Income		45,870	45,870	118,904
Other Local Sources		6,732	6,732	3,814
Total Local		5,805,998	5,805,998	6,023,881
<b>Total Revenues</b>	<b>\$ 32,891,572</b>	<b>\$ 18,760,744</b>	<b>\$ 51,652,316</b>	<b>\$ 47,124,013</b>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL SPECIAL REVENUE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES (Continued)**  
**For the Fiscal Year Ended June 30, 2009**  
**(With comparative totals for the fiscal year ended June 30, 2008)**

	<b>Special Revenue Funds</b>			
	<b>Governmental Funds</b>		<b>Totals</b>	
	<b>Major</b>	<b>Nonmajor</b>	<b>2009</b>	<b>2008</b>
	<b>Other Federal Programs Fund</b>	<b>Food Service Fund</b>		
<b>EXPENDITURES</b>				
Current Education:				
Instruction	\$ 15,620,875		\$ 15,620,875	\$ 13,483,837
Pupil Personnel Services	3,068,092		3,068,092	2,765,465
Instructional Media Services	68,492		68,492	72,634
Instruction and Curriculum Development Services	4,897,414		4,897,414	5,107,141
Instructional Staff Training Services	4,123,337		4,123,337	3,775,151
Instruction Related Technology	1,021,780		1,021,780	1,162,795
General Administration	908,603		908,603	828,902
School Administration	3,573		3,573	2,280
Facility Services	312		312	
Food Services		17,651,965	17,651,965	18,172,121
Central Services	162,690		162,690	104,899
Pupil Transportation Services	537,822		537,822	392,107
Operation of Plant	193,827		193,827	25,759
Maintenance of Plant	1,149		1,149	
Administrative Technology Services	100,346		100,346	38,113
Community Services	422,560		422,560	369,468
Fixed Capital Outlay:				
Facilities Acquisition and Construction	362,220		362,220	32,587
Other Capital Outlay	1,397,766	279,072	1,676,838	1,569,057
Debt Service:				
Principal			-	117,511
Interest and Fiscal Charges				
<b>Total Expenditures</b>	<b>32,890,858</b>	<b>17,931,037</b>	<b>50,821,895</b>	<b>48,019,827</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>714</b>	<b>829,707</b>	<b>830,421</b>	<b>(895,814)</b>
<b>Net Change in Fund Balances</b>	<b>714</b>	<b>829,707</b>	<b>830,421</b>	<b>(895,814)</b>
Fund Balances, July 1, 2008	6,389	5,395,046	5,401,435	6,297,249
<b>Fund Balances, June 30, 2009</b>	<b>\$ 7,103</b>	<b>\$ 6,224,753</b>	<b>\$ 6,231,856</b>	<b>\$ 5,401,435</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**FOOD SERVICE - SPECIAL REVENUE FUND**  
**For the Fiscal Year Ended June 30, 2009**

	<i>Food Service Fund</i>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Federal Through State:				
Food Service and Other Federal Through State Sources	\$ 11,707,000	\$ 12,340,000	\$ 12,591,752	\$ 251,752
Total Federal Through State	11,707,000	12,340,000	12,591,752	251,752
State:				
Food Service	374,500	348,000	362,994	14,994
Total State	374,500	348,000	362,994	14,994
Local:				
Food Service	6,078,000	5,517,000	5,753,396	236,396
Interest Income	90,000	42,000	45,870	3,870
Other Local Sources	3,000	5,500	6,732	1,232
Total Local	6,171,000	5,564,500	5,805,998	241,498
<b>Total Revenues</b>	<b>18,252,500</b>	<b>18,252,500</b>	<b>18,760,744</b>	<b>508,244</b>
<b>EXPENDITURES</b>				
Current Education:				
Food Services:				
Salaries	4,695,000	4,632,000	4,543,968	88,032
Employees Benefits	2,466,510	2,483,010	2,373,175	109,835
Purchased Services	898,613	845,371	619,107	226,264
Energy Services	243,500	277,650	267,093	10,557
Materials and Supplies	8,513,300	8,564,780	8,384,474	180,306
Capital Outlay	1,014,666	726,065	181,608	544,457
Other Expenses	1,234,000	1,312,300	1,282,540	29,760
Total Food Services	19,065,589	18,841,176	17,651,965	1,189,211
Fixed Capital Outlay:				
Other Capital Outlay	280,000	417,927	279,072	138,855
Total Fixed Capital Outlay	280,000	417,927	279,072	138,855
<b>Total Expenditures</b>	<b>19,345,589</b>	<b>19,259,103</b>	<b>17,931,037</b>	<b>1,328,066</b>
<b>Deficiency of Revenues Over Expenditures</b>	<b>(1,093,089)</b>	<b>(1,006,603)</b>	<b>829,707</b>	<b>1,836,310</b>
<b>Net Change in Fund Balances</b>	<b>(1,093,089)</b>	<b>(1,006,603)</b>	<b>829,707</b>	<b>1,836,310</b>
Fund Balances, July 1, 2008	5,395,046	5,395,046	5,395,046	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 4,301,957</b>	<b>\$ 4,388,443</b>	<b>\$ 6,224,753</b>	<b>\$ 1,836,310</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**OTHER FEDERAL PROGRAMS - SPECIAL REVENUE FUND**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Other Federal Programs Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Federal Direct:				
Other Federal Direct	\$ 4,750	\$ 406,459	\$ 406,459	\$
Total Federal Direct	4,750	406,459	406,459	
Federal Through State:				
Vocational Education Acts	676,511	749,732	749,140	(592)
Workforce Investment Act	251,905	246,036	242,222	(3,814)
Individuals with Disabilities Education Act	12,407,685	12,413,709	10,648,105	(1,765,604)
Elementary and Secondary Education Act, Title I	16,563,500	16,956,380	14,912,361	(2,044,019)
Adult General Education	164,762	163,971	163,971	
Elementary and Secondary Education Act, Title V	15,545	15,545	15,545	
Federal Through Local		184,475	79,196	(105,279)
Other Federal Through State Sources	6,107,175	6,949,060	5,674,573	(1,274,487)
Total Federal Through State	36,187,083	37,678,908	32,485,113	(5,193,795)
<b>Total Revenues</b>	<b>36,191,833</b>	<b>38,085,367</b>	<b>32,891,572</b>	<b>(5,193,795)</b>
<b>EXPENDITURES</b>				
Current Education:				
Instruction:				
Salaries	5,060,403	6,334,204	6,080,988	253,216
Employees Benefits	2,382,593	2,424,725	2,271,901	152,824
Purchased Services	1,571,007	3,793,653	3,348,963	444,690
Energy Services	2,016	1,500		
Materials and Supplies	3,882,614	2,399,602	2,286,577	113,025
Capital Outlay	566,165	1,312,659	1,222,765	89,894
Other Expenses	185,936	457,170	409,680	47,490
Total Instruction	13,650,734	16,723,513	15,620,874	1,101,139
Pupil Personnel Services:				
Salaries	1,382,550	1,373,038	1,220,356	152,682
Employees Benefits	461,983	458,081	369,967	88,114
Purchased Services	1,415,083	1,308,922	1,245,926	62,996
Materials and Supplies	80,753	105,734	71,278	34,456
Capital Outlay	13,755	27,919	25,129	2,790
Other Expenses	141,733	144,187	135,436	8,751
Total Pupil Personnel Services	3,495,857	3,417,881	3,068,092	349,789
Instructional Media Services:				
Salaries	26,535	33,894	33,894	
Employees Benefits	13,606	13,675	13,675	
Materials and Supplies	851	2,050	2,050	
Capital Outlay	10,500	18,873	18,873	
Total Instructional Media Services	51,492	68,492	68,492	

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**OTHER FEDERAL PROGRAMS - SPECIAL REVENUE FUND (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Other Federal Programs Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current Education (continued)				
Instruction and Curriculum Development Services:				
Salaries	\$ 3,367,652	\$ 3,633,848	\$ 3,489,582	\$ 144,266
Employees Benefits	1,077,191	1,093,622	1,000,389	93,233
Purchased Services	247,545	328,630	223,272	105,358
Materials and Supplies	104,318	175,884	123,018	52,866
Capital Outlay	137,478	62,893	55,931	6,962
Other Expenses	17,850	5,262	5,222	40
Total Instruction and Curriculum Development Services	4,952,034	5,300,139	4,897,414	402,725
Instructional Staff Training Services:				
Salaries	1,992,812	2,614,163	2,066,370	547,793
Employees Benefits	557,809	580,175	487,453	92,722
Purchased Services	1,266,323	995,449	774,789	220,660
Materials and Supplies	5,891,908	1,738,995	321,447	1,417,548
Capital Outlay	117,706	197,616	137,602	60,014
Other Expenses	399,334	436,458	335,676	100,782
Total Instructional Staff Training Services	10,225,892	6,562,856	4,123,337	2,439,519
Instruction Related Technology:				
Salaries	789,025	798,451	750,349	48,102
Employees Benefits	247,020	245,721	220,360	25,361
Purchased Services	2,300	2,184	962	1,222
Materials and Supplies	200			
Other Expenses	63,516	60,709	50,109	10,600
Total Instruction Related Technology	1,102,061	1,107,065	1,021,780	85,285
General Administration:				
Other Expenses	603,181	934,536	908,604	25,932
Total General Administration	603,181	934,536	908,604	25,932
School Administration:				
Salaries		904	904	
Employees Benefits	388	212	212	
Other Expenses	2,362	2,457	2,457	
Total School Administration	2,750	3,573	3,573	
Facility Services:				
Capital Outlay		312	312	
Total Facility Services		312	312	
Central Services:				
Salaries	71,527	72,329	62,329	10,000
Employees Benefits	19,119	22,904	20,823	2,081
Purchased Services	63,483	450,665	72,665	378,000
Materials and Supplies	5,000	2,000		2,000
Other Expenses	13,804	17,135	6,873	10,262
Total Central Services	172,933	565,033	162,690	402,343

(Continued)



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**OTHER FEDERAL PROGRAMS - SPECIAL REVENUE FUND (Continued)**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Other Federal Programs Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current Education (continued)				
Pupil Transportation Services:				
Purchased Services	\$ 19,250	\$ 16,866	\$ 14,866	\$ 2,000
Energy Services	1,534	1,534	740	794
Materials and Supplies	325	325		325
Other Expenses	75,943	644,101	522,216	121,885
Total Pupil Transportation Services	97,052	662,826	537,822	125,004
Operation of Plant:				
Purchased Services	36,419	112,276	101,933	10,343
Energy Services			42,649	(42,649)
Materials and Supplies		49,958		49,958
Capital Outlay	26,932	72,928	49,245	23,683
Total Operation of Plant	63,351	235,162	193,827	41,335
Maintenance of Plant:				
Purchased Services	2,000	2,000	1,149	851
Total Maintenance of Plant	2,000	2,000	1,149	851
Administrative Technology Services:				
Salaries	80,000	150,229	78,274	71,955
Employees Benefits	21,171	27,197	22,072	5,125
Purchased Services	100	100		100
Total Administrative Technology Services	101,271	177,526	100,346	77,180
Community Services:				
Employees Benefits	2,687	2,537	2,531	6
Purchased Services	882	1,377	1,377	
Materials and Supplies				
Other Expenses	176,498	421,847	418,652	3,195
Total Community Services	180,067	425,761	422,560	3,201
Fixed Capital Outlay:				
Facilities Acquisition and Construction	30,965	362,220	362,220	
Other Capital Outlay	1,466,582	1,542,861	1,397,766	145,095
Total Fixed Capital Outlay	1,497,547	1,905,081	1,759,986	145,095
<b>Total Expenditures</b>	<b>36,198,222</b>	<b>38,091,756</b>	<b>32,890,858</b>	<b>5,200,898</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>(6,389)</b>	<b>714</b>	<b>7,103</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>(6,389)</b>	<b>714</b>	<b>7,103</b>
Fund Balances, July 1, 2008	6,389	6,389	6,389	
<b>Fund Balances, June 30, 2009</b>	<b>\$</b>	<b>\$</b>	<b>\$ 7,103</b>	<b>\$ 7,103</b>



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## **Debt Service Funds**

**The Debt Service Funds are used to account for the payment of interest and principal of the current portion on long-term debt.**

## **Nonmajor Debt Service Funds**

**Other Debt Service Fund – To account for and report on Certificates of Participation issues, characterized as lease-purchase agreements and Capital Leases.**

**State Board of Education (SBE) Bond Fund – To account for and report on payment of principal, interest, and related costs on the state school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the state-assessed motor vehicle license tax.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL DEBT SERVICE FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2009**  
*(With comparative totals for June 30, 2008)*

	<b>Debt Service Funds</b>			
	<b>Governmental Funds</b>			
	<b>Nonmajor</b>		<b>Totals</b>	
<b>Other Debt Service Fund</b>	<b>State Board of Education (SBE) Bond Fund</b>	<b>2009</b>	<b>2008</b>	
<b>ASSETS</b>				
Cash	\$ 4,715,630	\$	\$ 4,715,630	\$ 4,623,421
Investments	1,119,842	244,188	1,364,030	1,410,595
Interest Receivable	85		85	1,327
<b>TOTAL ASSETS</b>	<b>\$ 5,835,557</b>	<b>\$ 244,188</b>	<b>\$ 6,079,745</b>	<b>\$ 6,035,343</b>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts Payable	\$	\$	-	\$ 500
Interest Payable	1,119,642		1,119,642	1,323,265
<b>Total Liabilities</b>	<b>1,119,642</b>		<b>1,119,642</b>	<b>1,323,765</b>
Fund Balances:				
Reserved for:				
Debt Service		244,188	244,188	231,418
Unreserved, Reported in:				
Debt Service Funds	4,715,915		4,715,915	4,480,160
<b>Total Fund Balances</b>	<b>4,715,915</b>	<b>244,188</b>	<b>4,960,103</b>	<b>4,711,578</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,835,557</b>	<b>\$ 244,188</b>	<b>\$ 6,079,745</b>	<b>\$ 6,035,343</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL DEBT SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2009**  
*(With comparative totals for the fiscal year ended June 30, 2008)*

	<i>Debt Service Funds</i>				
	<i>Governmental Funds</i>				
	<i>Nonmajor</i>		<i>Totals</i>		
<i>Other Debt Service Fund</i>	<i>State Board of Education (SBE) Bond Fund</i>	<i>2009</i>	<i>2008</i>		
<b>REVENUES</b>					
State:					
CO and DS Withheld for SBE/COBI Bond	\$	\$ 1,377,051	\$ 1,377,051	\$ 1,270,660	
Other State Sources		411	411	10,945	
Total State		1,377,462	1,377,462	1,281,605	
Local:					
Interest Income	72,893		72,893	122,066	
Total Local	72,893		72,893	122,066	
<b>Total Revenues</b>	<b>72,893</b>	<b>1,377,462</b>	<b>1,450,355</b>	<b>1,403,671</b>	
<b>EXPENDITURES</b>					
Debt Service:					
Principal	2,645,009	910,000	3,555,009	3,383,820	
Interest and Fiscal Charges	2,192,128	454,692	2,646,820	3,050,837	
<b>Total Expenditures</b>	<b>4,837,137</b>	<b>1,364,692</b>	<b>6,201,829</b>	<b>6,434,657</b>	
<b>Deficiency of Revenues Over Expenditures</b>	<b>(4,764,244)</b>	<b>12,770</b>	<b>(4,751,474)</b>	<b>(5,030,986)</b>	
<b>OTHER FINANCING SOURCES</b>					
Transfer In	5,000,000		5,000,000	5,000,000	
<b>Total Other Financing Sources</b>	<b>5,000,000</b>		<b>5,000,000</b>	<b>5,000,000</b>	
<b>Net Change in Fund Balances</b>	<b>235,756</b>	<b>12,770</b>	<b>248,526</b>	<b>(30,986)</b>	
Fund Balances, July 1, 2008	4,480,159	231,418	4,711,577	4,742,563	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 4,715,915</b>	<b>\$ 244,188</b>	<b>\$ 4,960,103</b>	<b>\$ 4,711,577</b>	

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**OTHER DEBT SERVICE - DEBT SERVICE FUND**  
**For the Fiscal Year Ended June 30, 2009**

	<i>Other Debt Service Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Local:				
Interest Income	\$	\$ 72,893	\$ 72,893	\$
Total Local		72,893	72,893	
<b>Total Revenues</b>		<b>72,893</b>	<b>72,893</b>	
<b>EXPENDITURES</b>				
Debt Service:				
Principal	2,645,210	2,645,010	2,645,010	
Interest and Fiscal Charges	2,343,160	2,192,128	2,192,128	
<b>Total Expenditures</b>	<b>4,988,370</b>	<b>4,837,138</b>	<b>4,837,138</b>	
<b>Deficiency of Revenues Over Expenditures</b>	<b>(4,988,370)</b>	<b>(4,764,245)</b>	<b>(4,764,245)</b>	
<b>OTHER FINANCING SOURCES</b>				
Transfer In	5,000,000	5,000,000	5,000,000	
<b>Total Other Financing Sources</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	
<b>Net Change in Fund Balances</b>	<b>11,630</b>	<b>235,755</b>	<b>235,755</b>	
Fund Balances, July 1, 2008	4,480,160	4,480,160	4,480,160	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 4,491,790</b>	<b>\$ 4,715,915</b>	<b>\$ 4,715,915</b>	<b>\$</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**STATE BOARD OF EDUCATION (SBE) BOND - DEBT SERVICE FUND**  
**For the Fiscal Year Ended June 30, 2009**

	<i>State Board of Education (SBE) Bond Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
State:				
CO and DS Withheld for SBE/COBI Bond	\$ 1,377,051	\$ 1,377,051	\$ 1,377,051	\$
Other State Sources		411	411	
Total State	<u>1,377,051</u>	<u>1,377,462</u>	<u>1,377,462</u>	
<b>Total Revenues</b>	<u>1,377,051</u>	<u>1,377,462</u>	<u>1,377,462</u>	
<b>EXPENDITURES</b>				
Debt Service:				
Principal	910,000	910,000	910,000	
Interest and Fiscal Charges	<u>467,051</u>	<u>454,692</u>	<u>454,692</u>	
<b>Total Expenditures</b>	<u>1,377,051</u>	<u>1,364,692</u>	<u>1,364,692</u>	
<b>Deficiency of Revenues Over Expenditures</b>		<u>12,770</u>	<u>12,770</u>	
<b>Net Change in Fund Balances</b>		12,770	12,770	
Fund Balances, July 1, 2008	<u>231,418</u>	<u>231,418</u>	<u>231,418</u>	
<b>Fund Balances, June 30, 2009</b>	<u>\$ 231,418</u>	<u>\$ 244,188</u>	<u>\$ 244,188</u>	<u>\$</u>



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## **Capital Projects Funds**

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

### **Major Capital Projects Funds**

**Capital Projects - Other Fund** – To account for and report on funds received from various sources designated for construction and maintenance of schools.

**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, renovation and remodeling projects, and debt service payments on revenue anticipation notes and certificates of participation.

### **Nonmajor Capital Projects Funds**

**Capital Outlay and Debt Service Fund** – To account for and report on the excess dollars received through the State's Capital Outlay/Debt Service (CO/DS) program, used for construction and maintenance of schools.

**Public Education Capital Outlay Fund** – To account for and report on funds received from the State for the construction and maintenance of schools.

**State Board of Education (SBE) Bond Fund** – To account for and report on proceeds received from the bonds issued by the State Board of Education on behalf of the District.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL CAPITAL PROJECTS FUNDS**  
**COMBINING BALANCE SHEET**  
**June 30, 2009**  
*(With comparative totals for June 30, 2008)*

	<b>Capital Projects Funds</b>				
	<b>Governmental Funds</b>				
	<b>Major</b>		<b>Nonmajor</b>		
<b>Capital Projects - Other Fund</b>	<b>Local Capital Improvement Fund</b>	<b>Capital Outlay and Debt Service Fund</b>	<b>Public Education Capital Outlay Fund</b>	<b>State Board of Education (SBE) Bond Fund</b>	
<b>ASSETS</b>					
Cash	\$ 73,201,340	\$ 15,812,550	\$ 667,509	\$ 585,908	\$ 530,934
Investments					
Accounts Receivable					
Interest Receivable	2,778	2,730	246	147	229
Due from Other Agencies	2,726,225			2,779,391	
<b>TOTAL ASSETS</b>	<b>\$ 75,930,343</b>	<b>\$ 15,815,280</b>	<b>\$ 667,755</b>	<b>\$ 3,365,446</b>	<b>\$ 531,163</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 157,283	\$ 2,111,607	\$	\$ 3,860	\$
Construction Contracts Payable	825,399	107,736	17,109	42,253	
Construction Contracts Payable - Retainage	846,993			34,528	
Due to Other Funds		176,205		134,910	3
<b>Total Liabilities</b>	<b>1,829,675</b>	<b>2,395,548</b>	<b>17,109</b>	<b>215,551</b>	<b>3</b>
Fund Balances:					
Reserved for:					
Encumbrances	9,874,584	2,232,736	1,721	891,355	529,532
Unreserved, Reported in:					
Capital Projects Funds	64,226,084	11,186,996	648,925	2,258,540	1,628
<b>Total Fund Balances</b>	<b>74,100,668</b>	<b>13,419,732</b>	<b>650,646</b>	<b>3,149,895</b>	<b>531,160</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 75,930,343</b>	<b>\$ 15,815,280</b>	<b>\$ 667,755</b>	<b>\$ 3,365,446</b>	<b>\$ 531,163</b>

**Capital Projects Funds**

**Governmental Funds**

**Totals**

**2009**

**2008**

\$	90,798,241	\$	69,508,636
			33,603,048
			8,280
	6,130		34,003
	<u>5,505,616</u>		<u>15,328,661</u>
\$	<u>96,309,987</u>	\$	<u>118,482,628</u>

\$	2,272,750	\$	397,626
	992,497		1,136,517
	881,521		1,002,924
	<u>311,118</u>		<u>3,411,869</u>
	<u>4,457,886</u>		<u>5,948,936</u>

13,529,928                      27,960,118

78,322,173                      84,573,574

91,852,101                      112,533,692

\$	<u>96,309,987</u>	\$	<u>118,482,628</u>
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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**ALL CAPITAL PROJECTS FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Fiscal Year Ended June 30, 2009**  
*(With comparative totals for the fiscal year ended June 30, 2008)*

	<b>Capital Projects Funds</b>				
	<b>Governmental Funds</b>				
	<b>Major</b>		<b>Nonmajor</b>		
<b>Capital Projects - Other Fund</b>	<b>Local Capital Improvement Fund</b>	<b>Capital Outlay &amp; Debt Service Fund</b>	<b>Public Education Capital Outlay Fund</b>	<b>State Board of Education (SBE) Bond Fund</b>	
<b>REVENUES</b>					
State:					
CO and DS Distribution	\$	\$	\$ 234,860	\$ 3,264,046	\$
Public Education Capital Outlay					
Other State Sources	555,361				
<b>Total State</b>	<b>555,361</b>		<b>234,860</b>	<b>3,264,046</b>	
Local:					
District School Taxes		27,210,547			
Sales Tax	19,438,020				
Interest Income	666,356	219,700	7,806	2,794	10,498
Other Local Sources	250,000				
<b>Total Local</b>	<b>20,354,376</b>	<b>27,430,247</b>	<b>7,806</b>	<b>2,794</b>	<b>10,498</b>
<b>Total Revenues</b>	<b>20,909,737</b>	<b>27,430,247</b>	<b>242,666</b>	<b>3,266,840</b>	<b>10,498</b>
<b>EXPENDITURES</b>					
Current Education:					
Facility Services	9,917,019	4,423,846	148,791	4,283,182	2,240
Fixed Capital Outlay:					
Facilities Acquisition and Construction	23,365,028	11,981,709	600,000	660,002	1,341,339
Debt Service:					
Interest and Fiscal Charges			773		
<b>Total Expenditures</b>	<b>33,282,047</b>	<b>16,405,555</b>	<b>749,564</b>	<b>4,943,184</b>	<b>1,343,579</b>
<b>Excess of Revenues Over Expenditures</b>	<b>(12,372,310)</b>	<b>11,024,692</b>	<b>(506,898)</b>	<b>(1,676,344)</b>	<b>(1,333,081)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issues:					
Bonds Issued					
Premium on Sale of Bonds					
Proceeds from Sale of Capital Assets					
Transfers Out	(555,361)	(14,666,700)		(595,588)	
<b>Total Other Financing Sources (Uses)</b>	<b>(555,361)</b>	<b>(14,666,700)</b>		<b>(595,588)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(12,927,671)</b>	<b>(3,642,008)</b>	<b>(506,898)</b>	<b>(2,271,932)</b>	<b>(1,333,081)</b>
Fund Balances, July 1, 2008	87,028,339	17,061,740	1,157,544	5,421,827	1,864,241
<b>Fund Balances, June 30, 2009</b>	<b>\$ 74,100,668</b>	<b>\$ 13,419,732</b>	<b>\$ 650,646</b>	<b>\$ 3,149,895</b>	<b>\$ 531,160</b>

<i>Capital Projects Funds</i>	
<i>Governmental Funds</i>	
<i>Totals</i>	
<i>2009</i>	<i>2008</i>
\$ 234,860	\$ 358,903
3,264,046	6,231,986
555,361	4,657,351
<u>4,054,267</u>	<u>11,248,240</u>
27,210,547	29,869,892
19,438,020	20,655,828
907,154	3,320,999
250,000	18,983
<u>47,805,721</u>	<u>53,865,702</u>
<u>51,859,988</u>	<u>65,113,942</u>
18,775,078	20,384,622
37,948,078	16,970,491
<u>773</u>	<u>6,084</u>
<u>56,723,929</u>	<u>37,361,197</u>
<u>(4,863,941)</u>	<u>27,752,745</u>
-	1,295,000
-	46,756
-	2,199
<u>(15,817,649)</u>	<u>(15,443,396)</u>
<u>(15,817,649)</u>	<u>(14,099,441)</u>
(20,681,590)	13,653,304
<u>112,533,691</u>	<u>98,880,388</u>
<u>\$ 91,852,101</u>	<u>\$ 112,533,692</u>

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
CAPITAL PROJECTS FUND - LOCAL CAPITAL IMPROVEMENT  
For the Fiscal Year Ended June 30, 2009

	<i>Local Capital Improvement Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Local:				
District School Taxes	\$ 26,473,051	\$ 27,210,547	\$ 27,210,547	\$
Interest Income		219,700	219,700	
<b>Total Local</b>	<b>26,473,051</b>	<b>27,430,247</b>	<b>27,430,247</b>	
<b>Total Revenues</b>	<b>26,473,051</b>	<b>27,430,247</b>	<b>27,430,247</b>	
<b>EXPENDITURES</b>				
Current - Education:				
Facility Services:				
Furniture, Fixtures, and Equipment	958,744	2,632,985	2,074,268	558,717
Improvements Other Than Buildings	472,775	840,751	666,813	173,938
Remodeling and Renovations	4,020,113	3,880,220	1,682,765	2,197,455
<b>Total Facility Services</b>	<b>5,451,632</b>	<b>7,353,956</b>	<b>4,423,846</b>	<b>2,930,110</b>
Fixed Capital Outlay:				
Facilities Acquisition and Construction:				
Buildings and Fixed Equipment	1,316,818	4,306,827	3,463,039	843,788
Furniture, Fixtures, and Equipment	5,940,431	4,323,818	2,594,931	1,728,887
Motor Vehicles	7,532,163	7,291,009	5,809,667	1,481,342
Improvements Other Than Buildings	200,000	299,039	99,039	200,000
Remodeling and Renovations	29,600	32,789	15,033	17,756
Computer Software		8,948		8,948
<b>Total Facilities Acquisition and Construction</b>	<b>15,019,012</b>	<b>16,262,430</b>	<b>11,981,709</b>	<b>4,280,721</b>
<b>Total Expenditures</b>	<b>20,470,644</b>	<b>23,616,386</b>	<b>16,405,555</b>	<b>7,210,831</b>
<b>Excess of Revenues Over Expenditures</b>	<b>6,002,407</b>	<b>3,813,861</b>	<b>11,024,692</b>	<b>7,210,831</b>
<b>Other Financing Uses</b>				
Transfers Out	(14,740,707)	(14,666,700)	(14,666,700)	
<b>Total Other Financing Uses</b>	<b>(14,740,707)</b>	<b>(14,666,700)</b>	<b>(14,666,700)</b>	
<b>Net Change in Fund Balances</b>	<b>(8,738,300)</b>	<b>(10,852,839)</b>	<b>(3,642,008)</b>	<b>7,210,831</b>
Fund Balances, July 1, 2008	17,061,740	17,061,740	17,061,740	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 8,323,440</b>	<b>\$ 6,208,901</b>	<b>\$ 13,419,732</b>	<b>\$ 7,210,831</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
CAPITAL PROJECTS FUND - CAPITAL OUTLAY AND DEBT SERVICE  
For the Fiscal Year Ended June 30, 2009**

	<i>Capital Outlay and Debt Service Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
State:				
CO and DS Distribution	\$ 358,903	\$ 234,860	\$ 234,860	\$
Total State	358,903	234,860	234,860	
Local:				
Interest Income		7,806	7,806	
Total Local		7,806	7,806	
<b>Total Revenues</b>	358,903	242,666	242,666	
<b>EXPENDITURES</b>				
Current - Education:				
Facility Services:				
Improvements Other Than Buildings	28,304	28,304		28,304
Remodeling and Renovations	876,853	752,038	148,791	603,247
Total Facility Services	905,157	780,342	148,791	631,551
Fixed Capital Outlay:				
Facilities Acquisition and Construction:				
Buildings and Fixed Equipment		600,000	600,000	
Improvements Other Than Buildings	212,420	11,289		11,289
Total Facilities Acquisition and Construction	212,420	611,289	600,000	11,289
Debt Service:				
Dues and Fees		773	773	
Total Debt Service		773	773	
<b>Total Expenditures</b>	1,117,577	1,392,404	749,564	642,840
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(758,674)	(1,149,738)	(506,898)	642,840
<b>Net Change in Fund Balances</b>	(758,674)	(1,149,738)	(506,898)	642,840
Fund Balances, July 1, 2008	1,157,544	1,157,544	1,157,544	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 398,870</b>	<b>\$ 7,806</b>	<b>\$ 650,646</b>	<b>\$ 642,840</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**CAPITAL PROJECTS FUND - PUBLIC EDUCATION CAPITAL OUTLAY**  
**For the Fiscal Year Ended June 30, 2009**

	<i>Public Education Capital Outlay Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
State:				
Public Education Capital Outlay	\$ 3,264,046	\$ 3,264,046	\$ 3,264,046	\$
Total State	3,264,046	3,264,046	3,264,046	
Local:				
Interest Income		2,794	2,794	
Total Local		2,794	2,794	
<b>Total Revenues</b>	<b>3,264,046</b>	<b>3,266,840</b>	<b>3,266,840</b>	
<b>EXPENDITURES</b>				
Current - Education:				
Facility Services:				
Furniture, Fixtures, and Equipment	12	6,118	6,118	
Improvements Other Than Buildings	1,473,580	1,464,912	1,269,854	195,058
Remodeling and Renovations	5,835,871	5,770,780	3,007,210	2,763,570
Total Facility Services	7,309,463	7,241,810	4,283,182	2,958,628
Fixed Capital Outlay:				
Facilities Acquisition and Construction:				
Buildings and Fixed Equipment	51,837	61,952	61,429	523
Improvements Other Than Buildings	180,075	150,667	114,500	36,167
Remodeling and Renovations	511,405	499,482	361,096	138,386
Land		122,977	122,977	
Total Facilities Acquisition and Construction	743,317	835,078	660,002	175,076
<b>Total Expenditures</b>	<b>8,052,780</b>	<b>8,076,888</b>	<b>4,943,184</b>	<b>3,133,704</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(4,788,734)</b>	<b>(4,810,048)</b>	<b>(1,676,344)</b>	<b>3,133,704</b>
<b>Other Financing Uses</b>				
Transfers Out	(620,228)	(595,588)	(595,588)	
<b>Total Other Financing Uses</b>	<b>(620,228)</b>	<b>(595,588)</b>	<b>(595,588)</b>	
<b>Net Change in Fund Balances</b>	<b>(5,408,962)</b>	<b>(5,405,636)</b>	<b>(2,271,932)</b>	<b>3,133,704</b>
Fund Balances, July 1, 2008	5,421,827	5,421,827	5,421,827	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 12,865</b>	<b>\$ 16,191</b>	<b>\$ 3,149,895</b>	<b>\$ 3,133,704</b>



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
CAPITAL PROJECTS FUND - STATE BOARD OF EDUCATION (SBE) BOND  
For the Fiscal Year Ended June 30, 2009**

	<b>State Board of Education (SBE) Bond Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Local:				
Interest Income	\$	\$ 10,498	\$ 10,498	\$
Total Local		10,498	10,498	
<b>Total Revenues</b>		10,498	10,498	
<b>EXPENDITURES</b>				
Current - Education:				
Facility Services:				
Remodeling and Renovations	528,569	533,400	2,240	531,160
Total Facility Services	528,569	533,400	2,240	531,160
Fixed Capital Outlay:				
Facilities Acquisition and Construction:				
Buildings and Fixed Equipment		1,341,339	1,341,339	
Total Facilities Acquisition and Construction		1,341,339	1,341,339	
<b>Total Expenditures</b>	528,569	1,874,739	1,343,579	531,160
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(528,569)	(1,864,241)	(1,333,081)	531,160
<b>Net Change in Fund Balances</b>	(528,569)	(1,864,241)	(1,333,081)	531,160
Fund Balances, July 1, 2008	1,864,241	1,864,241	1,864,241	
<b>Fund Balances, June 30, 2009</b>	\$ 1,335,672	\$ -	\$ 531,160	\$ 531,160

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES - BUDGET TO ACTUAL**  
**CAPITAL PROJECTS FUND - OTHER CAPITAL PROJECTS**  
**For the Fiscal Year Ended June 30, 2009**

	<i>Capital Projects - Other Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
State:				
Charter School Capital Outlay	\$ 584,515	\$ 555,361	\$ 555,361	\$
Total State Sources	584,515	555,361	555,361	
Local:				
Local Sales Taxes	20,000,000	19,438,020	19,438,020	
Interest Income		666,356	666,356	
Other Local Revenue		250,000	250,000	
Total Local	20,000,000	20,354,376	20,354,376	
<b>Total Revenues</b>	<b>20,584,515</b>	<b>20,909,737</b>	<b>20,909,737</b>	
<b>EXPENDITURES</b>				
Current - Education:				
Facility Services:				
Furniture, Fixtures, and Equipment	390,918	847,560	616,034	231,526
Improvements Other Than Buildings	661,563	862,440	515,196	347,244
Remodeling and Renovations	21,132,415	20,307,622	8,780,737	11,526,885
Computer Software	1,448	1,448		1,448
Audio Visual		5,052	5,052	
Total Facility Services	22,186,344	22,024,122	9,917,019	12,107,103
Fixed Capital Outlay:				
Facilities Acquisition and Construction				
Buildings and Fixed Equipment	54,991,411	52,367,825	18,072,339	34,295,486
Furniture, Fixtures, and Equipment	1,152,195	1,740,764	809,192	931,572
Land	1,003,141	2,562,531	1,989,712	572,819
Improvements Other Than Buildings	1,734,464	2,184,268	1,889,006	295,262
Remodeling and Renovations	408,449	979,298	604,779	374,519
Total Facilities Acquisition and Construction	59,289,660	59,834,686	23,365,028	36,469,658
<b>Total Expenditures</b>	<b>81,476,004</b>	<b>81,858,808</b>	<b>33,282,047</b>	<b>48,576,761</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(60,891,489)</b>	<b>(60,949,071)</b>	<b>(12,372,310)</b>	<b>48,576,761</b>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(584,515)	(555,361)	(555,361)	
<b>Total Other Financing Uses</b>	<b>(584,515)</b>	<b>(555,361)</b>	<b>(555,361)</b>	
<b>Net Change in Fund Balances</b>	<b>(61,476,004)</b>	<b>(61,504,432)</b>	<b>(12,927,671)</b>	<b>48,576,761</b>
Fund Balances, July 1, 2008	87,028,339	87,028,339	87,028,339	
<b>Fund Balances, June 30, 2009</b>	<b>\$ 25,552,335</b>	<b>\$ 25,523,907</b>	<b>\$ 74,100,668</b>	<b>\$ 48,576,761</b>

## **Internal Service Funds**

**Internal Service Funds are nonmajor proprietary funds and are reported as Governmental-Type activities. They are used to account for the financing of goods or services provided by one department to other departments within the school district on a cost reimbursement basis. The following funds are included in the Internal Service Funds:**

**Risk Management Fund – To account for and report on funds received for and used by the District’s self-insured property, casualty, liability, and workers’ compensation program.**

**Employee Benefit Trust Fund– To account for and report on funds received for and used to pay for life, health and dental insurance issued under the District’s Self-Insurance Program.**

**Warehouse Operations Fund – To account for and report on funds received for and used by the District’s Warehouse operation.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF NET ASSETS**  
**June 30, 2009**  
*(With comparative totals for June 30, 2008)*

	<b>Governmental Activities</b>			<b>Totals</b>	
	<b>Proprietary Funds - Internal Service Funds</b>			<b>2009</b>	<b>2008</b>
	<b>Self-Insurance</b>				
	<b>Risk Management Fund</b>	<b>Employee Benefit Trust Fund</b>	<b>Warehouse Operations Fund</b>		
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents	\$ 20,094,218	\$ 21,908,748	\$	\$ 42,002,966	\$ 18,794,101
Investments					27,079,493
Accounts Receivable, Net	108,536	26,397		134,933	233,607
Interest Receivable	5,231			5,231	6,248
Due From Other Funds	1,523,996			1,523,996	565,443
<b>TOTAL ASSETS</b>	<b>\$ 21,731,981</b>	<b>\$ 21,935,145</b>	<b>\$</b>	<b>\$ 43,667,126</b>	<b>\$ 46,678,892</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	\$	\$ 35,374	\$	\$ 35,374	\$ 442,730
Accrued Liabilities					728,709
Due to Other Funds					85,313
Due to Other Agencies	30,566			30,566	3,362,625
Deferred Revenue		3,302,719		3,302,719	7,467,682
Estimated Insurance Claims Payable	3,604,128	4,139,657		7,743,785	
<b>Total Current Liabilities</b>	<b>3,634,694</b>	<b>7,477,750</b>		<b>11,112,444</b>	<b>12,087,059</b>
Non-Current Liabilities:					
Estimated Insurance Claims Payable	18,097,287			18,097,287	18,061,530
<b>Total Liabilities</b>	<b>21,731,981</b>	<b>7,477,750</b>		<b>29,209,731</b>	<b>30,148,589</b>
<b>NET ASSETS</b>					
Restricted for Employee Benefits		14,457,395		14,457,395	16,530,303
<b>Total Net Assets</b>		<b>14,457,395</b>		<b>14,457,395</b>	<b>16,530,303</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 21,731,981</b>	<b>\$ 21,935,145</b>	<b>\$</b>	<b>\$ 43,667,126</b>	<b>\$ 46,678,892</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET ASSETS**  
**For the Fiscal Year Ended June 30, 2009**  
*(With comparative totals for the fiscal year ended June 30, 2008)*

	<b>Governmental Activities</b>				
	<b>Proprietary Funds - Internal Service Funds</b>				
	<b>Self-Insurance</b>			<b>Totals</b>	
	<b>Risk Management Fund</b>	<b>Employee Benefit Trust Fund</b>	<b>Warehouse Operations Fund</b>	<b>2009</b>	<b>2008</b>
<b>OPERATING REVENUES</b>					
Charges for Services	\$	\$	\$ 979,750	\$ 979,750	\$ 1,130,585
Premium Revenues	4,490,581	38,974,539		43,465,120	45,357,697
Other Operating Revenues		516,942		516,942	847,079
<b>Total Operating Revenues</b>	<b>4,490,581</b>	<b>39,491,481</b>	<b>979,750</b>	<b>44,961,812</b>	<b>47,335,361</b>
<b>OPERATING EXPENSES</b>					
Salaries	263,193	179,068	813,688	1,255,949	1,249,769
Employees Benefits	230,361	48,558	166,062	444,981	546,722
Purchased Services	443,266	3,286,308		3,729,574	3,502,204
Energy Services	3,579	1,513		5,092	4,060
Material and Supplies	4,578	1,936		6,514	7,307
Capital Outlay	3,987	1,685		5,672	335
Other Expenses	803,160	508,568		1,311,728	1,893,859
Insurance Claims	2,911,241	37,690,606		40,601,847	40,730,594
<b>Total Operating Expenses</b>	<b>4,663,365</b>	<b>41,718,242</b>	<b>979,750</b>	<b>47,361,357</b>	<b>47,934,850</b>
<b>Operating Loss</b>	<b>(172,784)</b>	<b>(2,226,761)</b>		<b>(2,399,545)</b>	<b>(599,489)</b>
<b>NONOPERATING REVENUES</b>					
Interest	172,784	153,853		326,637	1,290,428
Loss Recoveries					413,942
<b>Total Nonoperating Revenues</b>	<b>172,784</b>	<b>153,853</b>		<b>326,637</b>	<b>1,704,370</b>
<b>Change in Net Assets</b>		<b>(2,072,908)</b>		<b>(2,072,908)</b>	<b>1,104,881</b>
Total Net Assets, July 1, 2008		16,530,303		16,530,303	15,425,422
<b>Total Net Assets, June 30, 2009</b>	<b>\$</b>	<b>\$ 14,457,395</b>	<b>\$</b>	<b>\$ 14,457,395</b>	<b>\$ 16,530,303</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
For the Fiscal Year Ended June 30, 2009  
(With comparative totals for the fiscal year ended June 30, 2008)

	<b>Governmental Activities</b>				
	<b>Proprietary Funds - Internal Service Funds</b>				
	<b>Self-Insurance</b>			<b>Totals</b>	
	<b>Risk Management Fund</b>	<b>Employee Benefit Trust Fund</b>	<b>Warehouse Operations Fund</b>	<b>2009</b>	<b>2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Board Funds and Participants	\$ 3,625,533	\$ 39,437,718	\$ 979,750	\$ 44,043,001	\$ 49,755,725
Cash Payments to Suppliers for Goods and Services	(541,119)	(5,067,363)		(5,608,482)	(5,238,543)
Cash Payments to Employees for Services	(795,227)	(495,287)	(979,750)	(2,270,264)	(1,813,810)
Cash Payments for Insurance Claims	(3,315,939)	(37,046,598)		(40,362,537)	(40,649,325)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(1,026,752)</b>	<b>(3,171,530)</b>		<b>(4,198,282)</b>	<b>2,054,047</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Loss Recoveries					413,942
<b>Net Cash Provided by Noncapital Financing Activities</b>					<b>413,942</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Sale of Investments	12,035,330	15,044,163		27,079,493	12,692,158
Interest Income	173,801	153,853		327,654	1,285,438
<b>Net Cash Provided by Investment Activities</b>	<b>12,209,131</b>	<b>15,198,016</b>		<b>27,407,147</b>	<b>13,977,596</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>11,182,379</b>	<b>12,026,486</b>		<b>23,208,865</b>	<b>16,445,585</b>
Beginning Cash and Cash Equivalents	8,911,839	9,882,262		18,794,101	2,348,516
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 20,094,218</b>	<b>\$ 21,908,748</b>	<b>\$</b>	<b>\$ 42,002,966</b>	<b>\$ 18,794,101</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Loss	\$ (172,784)	\$ (2,226,762)	\$	\$ (2,399,546)	\$ (599,489)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:					
Changes in Assets and Liabilities:					
Decrease in Accounts Receivable	93,504	5,170		98,674	288,214
(Increase) Decrease in Due From Other Funds	(958,553)			(958,553)	2,155,027
Increase in Accounts Payable		14,329		14,329	(484,528)
Increase (Decrease) in Accrued Liabilities		(421,684)		(421,684)	(35,698)
Increase (Decrease) in Due to Other Funds	(461,047)	(267,662)		(728,709)	(13,184)
Decrease in Due to Other Agencies	(54,747)			(54,747)	85,313
Decrease in Unearned Revenue		(59,906)		(59,906)	(22,877)
Increase (Decrease) in Estimated Insurance Claims Payable	526,875	(215,015)		311,860	681,269
<b>Total Adjustments</b>	<b>(853,968)</b>	<b>(944,768)</b>		<b>(1,798,736)</b>	<b>2,653,536</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (1,026,752)</b>	<b>\$ (3,171,530)</b>	<b>\$</b>	<b>\$ (4,198,282)</b>	<b>\$ 2,054,047</b>

## **Agency Funds**

**Agency Funds are Fiduciary Funds and are used to account for resources held by the District in a trustee capacity or as an agent for individuals or private organizations. These resources include student and club activities funds that are held in trust for student, athletic, class, club activities, etc. and a voluntary employee benefits program.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**June 30, 2009**

	<i>Agency Funds</i>		
	<i>Total</i>	<i>Student and Club Activities</i>	<i>Employee Benefits</i>
<b>ASSETS</b>			
Cash	\$ 3,121,385	\$ 2,764,018	\$ 357,367
<b>LIABILITIES</b>			
Payroll Deductions and Withholdings	355,262		355,262
Due to Other Funds	25,820	23,715	2,105
Internal Accounts Payable	2,740,303	2,740,303	
Total Liabilities	\$ 3,121,385	\$ 2,764,018	\$ 357,367



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - AGENCY FUNDS**  
**For the Fiscal Year Ended June 30, 2009**

	<b>Student and Club Activities</b>			<b>June 30, 2009</b>
	<b>June 30, 2008</b>	<b>Additions</b>	<b>Deletions</b>	
<b>Assets</b>				
Cash	\$ 2,724,039	\$ 6,374,319	\$ 6,334,340	\$ 2,764,018
<b>Liabilities</b>				
Accounts Payable and Other Current Liabilities	\$ 2,724,039	\$ 6,374,319	\$ 6,334,340	\$ 2,764,018

	<b>Employee Benefits Program</b>			<b>June 30, 2009</b>
	<b>June 30, 2008</b>	<b>Additions</b>	<b>Deletions</b>	
<b>Assets</b>				
Cash	\$ 215,195	\$ 875,703	\$ 733,531	\$ 357,367
<b>Liabilities</b>				
Accounts Payable and Other Current Liabilities	\$ 215,195	\$ 875,703	\$ 733,531	\$ 357,367

	<b>Total</b>			<b>June 30, 2009</b>
	<b>June 30, 2008</b>	<b>Additions</b>	<b>Deletions</b>	
<b>Assets</b>				
Cash	\$ 2,939,234	\$ 7,250,022	\$ 7,067,871	\$ 3,121,385
<b>Liabilities</b>				
Accounts Payable and Other Current Liabilities	\$ 2,939,234	\$ 7,250,022	\$ 7,067,871	\$ 3,121,385



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### **Discretely Presented Component Units**

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

### **Nonmajor Discretely Presented Component Units**

The Escambia County Public Schools Foundation for Excellence, Inc. (the "Foundation") is a not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds, receive, hold, invest, and administer property and to make expenditures for the benefit of the District. Section 1001.453, Florida Statutes, requires the Foundation to be authorized and approved by the District. The stated mission of the Foundation is to enhance the quality of education in Escambia County Public Schools through raising and distributing funds and in-kind contributions, fostering involvement in the public schools by business and community, and by providing recognition and rewards for outstanding contributions to and performance within the public school system. The Foundation is considered to be a component unit of the District because the District must approve all members of the Foundation Board and the District has the ability to impose its will on the Foundation. It is considered to be a discretely presented component unit because the two boards are not the same.

Escambia Charter School, Inc., Beulah Academy of Science, Inc., Byrneville Elementary School, Inc., Dr. Ruby J. Gainer School for Reaching Your Dream, Jacqueline Harris Preparatory Academy, and Pensacola Beach Elementary School, Inc. (Charter Schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. These six charter schools operate under charters approved by their sponsor, the Board, and are considered to be component units of the District since they cannot levy taxes and are fiscally dependent on the District to levy taxes for their support.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF NET ASSETS**  
**COMPONENT UNITS**  
**June 30, 2009**

	<b>Charter Schools</b>				
	<b><i>Dr. Ruby J. Gainer School for Reaching Your Dream</i></b>	<b><i>Jacqueline Harris Preparatory Academy</i></b>	<b><i>Pensacola Beach Elementary School, Inc.</i></b>	<b><i>Escambia Charter School Inc.</i></b>	<b><i>Byrneville Elementary School, Inc.</i></b>
<b>ASSETS</b>					
Cash	\$ 9,174	\$ 185,844	\$ 322,382	\$ 346,414	\$ 448,323
Investments			835,811	44,994	267,625
Accounts Receivable	2,545	8,132	12,060	166	4,579
Deposits Receivable		1,366			
Prepaid Items		14,951	27,484	6,893	
Due from Other Agencies				8,645	
Other Assets					
Capital Assets:					
Non-Depreciable Capital Assets	125,353				
Depreciable Capital Assets, Net	658,940	397,008	2,043,054	431,592	136,189
<b>Total Assets</b>	<b>\$ 796,012</b>	<b>\$ 607,301</b>	<b>\$ 3,240,791</b>	<b>\$ 838,704</b>	<b>\$ 856,716</b>
<b>LIABILITIES</b>					
Accounts Payable and Other Current Liabilities	19,588	220,885	49,516	22,214	63,109
Non-Current Liabilities:					
Portion Due or Payable Within One Year:					
Notes Payable	17,444			15,234	
Obligations Under Capital Leases		59,960		42,571	
Compensated Absences Payable	12,798			5,823	4,531
Portion Due or Payable After One Year:					
Notes Payable	520,886			44,363	
Obligations Under Capital Leases		221,576		57,720	
Compensated Absences Payable				9,885	4,158
<b>Total Liabilities</b>	<b>570,716</b>	<b>502,421</b>	<b>49,516</b>	<b>197,810</b>	<b>71,798</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	245,963	115,472	2,043,054	271,704	136,189
Restricted for:					
Capital Projects			85,004		-
Scholarships, Endowments, and Other Programs					
Unrestricted	(20,667)	(10,592)	1,063,217	369,190	648,729
<b>Total Net Assets - Component Units</b>	<b>225,296</b>	<b>104,880</b>	<b>3,191,275</b>	<b>640,894</b>	<b>784,918</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 796,012</b>	<b>\$ 607,301</b>	<b>\$ 3,240,791</b>	<b>\$ 838,704</b>	<b>\$ 856,716</b>

<b><i>Charter Schools Beulah Academy of Science, Inc.</i></b>	<b><i>Total Charter Schools</i></b>	<b><i>The Escambia County Public Schools Foundation for Excellence, Inc.</i></b>	<b><i>Total Component Units</i></b>
\$ 824,478	\$ 2,136,615	\$ 233,240	\$ 2,369,855
	1,148,430	250,000	1,398,430
	27,482	24,413	51,895
	1,366		1,366
20,321	69,649		69,649
	8,645		8,645
570,126	695,479		695,479
1,839,782	5,506,565	1,016	5,507,581
<b>\$ 3,254,707</b>	<b>\$ 9,594,231</b>	<b>\$ 508,669</b>	<b>\$ 10,102,900</b>
16,358	391,670	38,968	430,638
193,765	226,443		226,443
	102,531		102,531
	23,152		23,152
1,399,252	1,964,501		1,964,501
	279,296		279,296
	14,043		14,043
1,609,375	3,001,636	38,968	3,040,604
816,891	3,629,273	1,016	3,630,289
	85,004		85,004
140,000	140,000	384,118	524,118
688,441	2,738,318	84,567	2,822,885
1,645,332	6,592,595	469,701	7,062,296
<b>\$ 3,254,707</b>	<b>\$ 9,594,231</b>	<b>\$ 508,669</b>	<b>\$ 10,102,900</b>

(continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
*For the Fiscal Year Ended June 30, 2009*

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Charter Schools</b>				
Governmental Activities:				
Instruction	\$ 3,326,075	\$	\$ 353,033	\$
Pupil Personnel Services	167,035		5,539	
Instructional Media Services	3,547			
Instruction and Curriculum Development Services	23,470			
Instructional Staff Training Services	9,496		3,928	
Board of Education	3,152			
General Administration	32,259			
School Administration	1,019,470			
Facility Services	229,449		147,648	
Fiscal Services	162,368			
Food Services	214,091	95,352	4,264	
Central Services	174,889			
Pupil Transportation Services	524,622		235,141	
Operation of Plant	576,086		-	
Maintenance of Plant	168,543		-	
Community Services	2,881	3,319	4,710	
Interest on Long-Term Debt	204,471			
Depreciation - Unallocated	37,682			
Pensacola Beach Elementary Building Foundation	154,214	140,400		
<b>Total Charter Schools</b>	<b>7,033,800</b>	<b>239,071</b>	<b>754,263</b>	
The Escambia County Public Schools Foundation For Excellence, Inc.	538,944			
<b>Total Component Units</b>	<b>\$ 7,572,744</b>	<b>\$ 239,071</b>	<b>\$ 754,263</b>	<b>\$</b>

General Revenues:  
Grants and Contributions Not Restricted to Specific Programs  
Unrestricted Investment Earnings

**Total General Revenues**

**Change in Net Assets**

Net Assets, July 1, 2008

**Net Assets, June 30, 2009**

**Net (Expenses) Revenue and Changes in Net Assets**

<b><u>Total Charter Schools</u></b>	<b><u>The Escambia County Public Schools Foundation For Excellence, Inc.</u></b>	<b><u>Total Component Units</u></b>
\$ (2,973,042)	\$	\$ (2,973,042)
(161,496)		(161,496)
(3,547)		(3,547)
(23,470)		(23,470)
(5,568)		(5,568)
(3,152)		(3,152)
(32,259)		(32,259)
(1,019,470)		(1,019,470)
(81,801)		(81,801)
(162,368)		(162,368)
(114,475)		(114,475)
(174,889)		(174,889)
(289,481)		(289,481)
(576,086)		(576,086)
(168,543)		(168,543)
5,148		5,148
(204,471)		(204,471)
(37,682)		(37,682)
(13,814)		(13,814)
<u>(6,040,466)</u>		<u>(6,040,466)</u>
	<u>(538,944)</u>	<u>(538,944)</u>
<u>(6,040,466)</u>	<u>(538,944)</u>	<u>(6,579,410)</u>
6,280,523	558,776	6,839,299
<u>50,012</u>	<u>9,626</u>	<u>59,638</u>
<u>6,330,535</u>	<u>568,402</u>	<u>6,898,937</u>
290,069	29,458	319,527
<u>6,302,526</u>	<u>440,243</u>	<u>6,742,769</u>
<u>\$ 6,592,595</u>	<u>\$ 469,701</u>	<u>\$ 7,062,296</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2009**

**Dr. Ruby J. Gainer School for Reaching Your Dream**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Program Revenues Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Total Dr. Ruby J. Gainer School for Reaching Your Dream</b>
<b>Charter School</b>					
Governmental Activities:					
Instruction	\$ 290,582	\$	\$ 60,224	\$	\$ (230,358)
Pupil Personnel Services	127,402		5,539		(121,863)
Instructional Media Services					
Instruction and Curriculum Development Services					
Instructional Staff Training Services					
Board of Education					
General Administration					
School Administration	131,870				(131,870)
Facility Services					
Fiscal Services	26,499				(26,499)
Food Services	873				(873)
Central Services	58,111				(58,111)
Pupil Transportation Services	51,178				(51,178)
Operation of Plant	52,624				(52,624)
Maintenance of Plant	40,273				(40,273)
Community Services					
Interest on Long-Term Debt	44,746				(44,746)
Unallocated Depreciation	37,682				(37,682)
	<b>\$ 861,840</b>	<b>\$</b>	<b>\$ 65,763</b>	<b>\$</b>	<b>(796,077)</b>
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					740,784
Unrestricted Investment Earnings					117
					<b>740,901</b>
<b>Change in Net Assets</b>					
					(55,176)
Net Assets, July 1, 2008					
					280,472
<b>Net Assets, June 30, 2009</b>					
					<b>\$ 225,296</b>



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2009**

**Jacqueline Harris Preparatory Academy**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Program Revenues Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Total Jacqueline Harris Preparatory Academy</b>
<b>Charter School</b>					
Governmental Activities:					
Instruction	\$ 721,165	\$	\$	\$	\$ (721,165)
Pupil Personnel Services					
Instructional Media Services					
Instruction and Curriculum Development Services	18,996				(18,996)
Instructional Staff Training Services					
Board of Education	2,313				(2,313)
General Administration	1,828				(1,828)
School Administration	272,711				(272,711)
Facility Services					
Fiscal Services	44,950				(44,950)
Food Services	10,372				(10,372)
Central Services					
Pupil Transportation Services	86,573				(86,573)
Operation of Plant	221,825				(221,825)
Maintenance of Plant	67,264				(67,264)
Community Services					
Interest on Long-Term Debt	67,313				(67,313)
Unallocated Depreciation					
<b>Total Charter School</b>	<b>\$ 1,515,310</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>(1,515,310)</b>
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					1,447,645
<b>Total General Revenues</b>					<b>1,447,645</b>
<b>Change in Net Assets</b>					<b>(67,665)</b>
Net Assets, July 1, 2008					172,545
<b>Net Assets, June 30, 2009</b>					<b>\$ 104,880</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2009**

**Pensacola Beach Elementary School, Inc.**

<b>Functions/Programs</b>	<b>Program Revenues</b>			<b>Total</b>
<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Pensacola Beach Elementary School, Inc.</b>
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 596,165	\$ 18,479		\$ (577,686)
Pupil Personnel Services				
Instructional Media Services	982			(982)
Instruction and Curriculum Development Services	345			(345)
Instructional Staff Training Services				
Board of Education				
General Administration	15,575			(15,575)
School Administration	136,483			(136,483)
Facility Services	191,085		147,648	(43,437)
Fiscal Services	28,916			(28,916)
Food Services	40,564	23,140	4,264	(13,160)
Central Services				
Pupil Transportation Services	31,186			(31,186)
Operation of Plant	5,697			(5,697)
Maintenance of Plant	1,911			(1,911)
Community Services	2,881	3,319	4,710	5,148
Interest on Long-Term Debt				
Pensacola Beach Elementary Building Foundation	154,214	140,400		(13,814)
<b>Total Charter School</b>	<b>\$ 1,206,004</b>	<b>\$ 166,859</b>	<b>\$ 175,101</b>	<b>\$ (864,044)</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				874,202
Unrestricted Investment Earnings				32,261
<b>Total General Revenues</b>				<b>906,463</b>
<b>Change in Net Assets</b>				<b>42,419</b>
Net Assets, July 1, 2008				3,148,856
<b>Net Assets, June 30, 2009</b>				<b>\$ 3,191,275</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2009**

**Escambia Charter School, Inc.**

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>		<u>Total Escambia Charter School, Inc.</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 422,199	\$	\$ 77,952	\$ (344,247)
Pupil Personnel Services	33,222			(33,222)
Instructional Media Services				
Instruction and Curriculum Development Services	56			(56)
Instructional Staff Training Services	5,328			(5,328)
Board of Education	839			(839)
General Administration				
School Administration	2,434			(2,434)
Facility Services	35,874			(35,874)
Fiscal Services	37,703			(37,703)
Food Services				
Central Services	41,933			(41,933)
Pupil Transportation Services	149,688		56,722	(92,966)
Operation of Plant	51,350			(51,350)
Maintenance of Plant	7,000			(7,000)
Community Services				
Interest on Long-Term Debt	17,349			(17,349)
Unallocated Depreciation				
<b>Total Charter School</b>	<u>\$ 804,975</u>	<u>\$</u>	<u>\$ 134,674</u>	<u>\$ (670,301)</u>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				826,496
Unrestricted Investment Earnings				3,259
<b>Total General Revenues</b>				<u>829,755</u>
<b>Change in Net Assets</b>				159,454
Net Assets, July 1, 2008				<u>481,440</u>
<b>Net Assets, June 30, 2009</b>				<u>\$ 640,894</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2009**

**Byrneville Elementary School, Inc.**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		<b>Total Byrneville Elementary School, Inc.</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 675,454	\$	\$ 83,873	\$ (591,581)
Pupil Personnel Services	4,211			(4,211)
Instructional Media Services	305			(305)
Instruction and Curriculum Development Services	2,787			(2,787)
Instructional Staff Training Services	3,343		3,343	-
Board of Education				
General Administration	14,356			(14,356)
School Administration	276,206			(276,206)
Facility Services	1,928			(1,928)
Fiscal Services	13,200			(13,200)
Food Services	21,300	20,519		(781)
Central Services				
Pupil Transportation Services	35,198		64,973	29,775
Operation of Plant	57,433			(57,433)
Maintenance of Plant	244			(244)
Community Services				
Interest on Long-Term Debt				
Unallocated Depreciation				
<b>Total Charter School</b>	<b>\$ 1,105,965</b>	<b>\$ 20,519</b>	<b>\$ 152,189</b>	<b>\$ (933,257)</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				915,771
Unrestricted Investment Earnings				14,375
<b>Total General Revenues</b>				<b>930,146</b>
<b>Change in Net Assets</b>				<b>(3,111)</b>
Net Assets, July 1, 2008				788,029
<b>Net Assets, June 30, 2009</b>				<b>\$ 784,918</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNIT**  
**For the Fiscal Year Ended June 30, 2009**

**Beulah Academy of Science, Inc.**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Program Revenues</b>		<b>Total Beulah Academy of Science, Inc.</b>
			<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
<b>Charter School</b>					
Governmental Activities:					
Instruction	\$ 620,510	\$	\$ 112,505	\$	\$ (508,005)
Pupil Personnel Services	2,200				(2,200)
Instructional Media Services	2,260				(2,260)
Instruction and Curriculum Development Services	1,286				(1,286)
Instructional Staff Training Services	825		585		(240)
Board of Education					
General Administration	500				(500)
School Administration	199,766				(199,766)
Facility Services	562				(562)
Fiscal Services	11,100				(11,100)
Food Services	140,982	51,693			(89,289)
Central Services	74,845				(74,845)
Pupil Transportation Services	170,799		113,446		(57,353)
Operation of Plant	187,157				(187,157)
Maintenance of Plant	51,851				(51,851)
Community Services					
Interest on Long-Term Debt	75,063				(75,063)
Unallocated Depreciation					
<b>Total Charter School</b>	<b>\$ 1,539,706</b>	<b>\$ 51,693</b>	<b>\$ 226,536</b>	<b>\$</b>	<b>(1,261,477)</b>
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					1,475,625
Unrestricted Investment Earnings					_____
<b>Total General Revenues</b>					<b>1,475,625</b>
<b>Change in Net Assets</b>					<b>214,148</b>
Net Assets, July 1, 2008					1,431,184
<b>Net Assets, June 30, 2009</b>					<b>\$ 1,645,332</b>



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# STATISTICAL SECTION





## STATISTICAL SECTION

This part of the District School Board of Escambia County, Florida's comprehensive annual financial report presents detail information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the School Board's overall financial health.

<b>Contents</b>	<b>Page</b>
Financial Trends <i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	122
Revenue Capacity <i>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.</i>	140
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	146
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</i>	148
Operating Information <i>These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</i>	152

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**NET ASSETS BY COMPONENT - GOVERNMENT-WIDE**  
**LAST EIGHT FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(Unaudited)**

	<b>Fiscal Year Ending</b>	
	<b>June 30, 2002</b>	<b>June 30, 2003</b>
<b>Governmental Activities:</b>		
Invested in Capital Assets, Net of Related Debt	\$ 133,478,835	\$ 147,586,093
Restricted	68,213,141	53,219,958
Unrestricted	(27,098,266)	(23,503,134)
Total Governmental Activities Net Assets	174,593,710	177,302,917
<b>Business-Type Activities:</b>		
Invested in Capital Assets, Net of Related Debt	1,233	860
Restricted	54,932	29,616
Unrestricted		
Total Business-Type Activities Net Assets	56,165	30,476
<b>Primary Government:</b>		
Invested in Capital Assets, Net of Related Debt	133,480,068	147,586,953
Restricted	68,268,073	53,249,574
Unrestricted	(27,098,266)	(23,503,134)
Total Primary Government Net Assets	\$ 174,649,875	\$ 177,333,393

Note: Government-wide information was not required prior to GASB 34. The District implemented GASB 34 for the fiscal year ending June 30, 2002. As a result, information is only available for the last eight fiscal years.

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Source: District Records

<b>Fiscal Year Ending</b>					
<b>June 30, 2004</b>	<b>June 30, 2005</b>	<b>June 30, 2006</b>	<b>June 30, 2007</b>	<b>June 30, 2008</b>	<b>June 30, 2009</b>
\$ 154,090,375	\$ 163,801,365	\$ 165,456,952	\$ 178,915,643	\$ 188,476,535	\$ 217,895,405
59,376,537	73,009,496	104,744,385	128,677,400	141,958,454	125,051,180
<u>(20,340,709)</u>	<u>(22,151)</u>	<u>(4,437,218)</u>	<u>(5,337,670)</u>	<u>(8,743,741)</u>	<u>(8,434,689)</u>
193,126,203	236,788,710	265,764,119	302,255,373	321,691,248	334,511,896
486					
2,213	9,518				
		9,504	12,755		
2,699	9,518	9,504	12,755		
154,090,861	163,801,365	165,456,952	178,915,643	188,476,535	217,895,405
59,378,750	73,019,014	104,744,385	128,677,400	141,958,454	125,051,180
<u>(20,340,709)</u>	<u>(22,151)</u>	<u>(4,427,714)</u>	<u>(5,324,915)</u>	<u>(8,743,741)</u>	<u>(8,434,689)</u>
<u>\$ 193,128,902</u>	<u>\$ 236,798,228</u>	<u>\$ 265,773,623</u>	<u>\$ 302,268,128</u>	<u>\$ 321,691,248</u>	<u>\$ 334,511,896</u>

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

	Fiscal Year Ending							
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
<b>Primary Government:</b>								
<b>Expenses:</b>								
<b>Governmental Activities:</b>								
Instruction	\$ 146,181,833	\$ 148,379,688	\$ 155,887,571	\$ 166,893,196	\$ 184,674,639	\$ 200,035,407	\$ 210,699,076	\$ 205,755,887
Pupil Personnel Services	14,602,965	14,640,383	15,203,973	15,476,153	16,289,854	17,710,197	17,159,487	16,952,375
Instructional Media Services	4,819,412	4,732,436	4,963,139	4,821,902	5,471,588	5,877,497	5,591,263	5,302,170
Instruction and Curriculum								
Development Services	11,396,661	10,443,906	11,121,191	11,689,669	10,324,742	11,939,007	11,812,859	10,898,048
Instructional Staff Training Services	2,309,488	3,356,182	3,846,981	5,449,226	7,157,151	7,408,236	7,787,869	7,202,670
Instruction Related Technology					2,677,467	2,777,732	3,267,448	3,105,661
Board of Education	965,996	1,035,031	1,006,635	999,642	1,063,889	1,063,256	1,212,416	1,169,146
General Administration	946,551	767,721	2,006,341	2,100,671	1,741,746	1,369,805	1,525,336	1,609,860
School Administration	13,837,066	14,170,283	13,945,547	13,769,779	14,577,098	15,866,203	15,674,843	14,449,919
Facility Services	31,252,376	25,371,556	24,038,082	27,337,176	37,322,496	37,396,130	31,604,053	22,275,464
Fiscal Services	1,901,000	2,130,256	2,102,778	2,023,565	2,104,460	2,255,833	2,386,653	2,211,047
Food Service	15,780,247	15,524,550	16,563,724	16,988,160	18,021,854	18,952,187	18,578,045	18,394,973
Central Services	5,878,048	5,792,717	5,696,036	5,543,354	3,440,807	4,160,563	5,103,314	3,830,766
Pupil Transportation Services	14,770,450	14,423,377	14,997,131	14,984,538	15,593,018	17,173,433	17,894,762	18,143,178
Operation of Plant	18,982,467	21,020,078	21,494,975	22,312,201	23,119,212	27,270,568	28,308,033	27,722,642
Maintenance of Plant	4,701,360	5,364,336	9,738,735	22,204,545	19,020,854	13,854,263	11,875,929	11,125,532
Administrative Technology Services					3,670,920	3,712,180	3,813,897	3,719,871
Community Services	1,125,850	933,994	740,474	674,314	694,296	709,533	897,108	985,155
Interest and Fiscal Charges	5,689,887	4,813,325	4,454,513	3,771,756	3,181,513	3,650,125	3,251,291	2,876,984
Loss on Disposal of Capital Assets	796,866		1,281,080	1,126,173	1,006,503	3,653,313	334,149	1,123,337
Depreciation - Unallocated	8,014,964	17,721,728	8,803,524	8,924,399				
<b>Total Governmental Activities Expenses</b>	<b>303,953,487</b>	<b>310,621,547</b>	<b>317,892,430</b>	<b>347,090,419</b>	<b>371,154,107</b>	<b>396,835,468</b>	<b>398,777,831</b>	<b>378,854,685</b>
<b>Business-Type Activities:</b>								
Panhandle Management Development Network	93,327	94,361	85,300	46,637	47,785	65,894	8,000	-
<b>Total Business-Type Activities Expenses</b>	<b>93,327</b>	<b>94,361</b>	<b>85,300</b>	<b>46,637</b>	<b>47,785</b>	<b>65,894</b>	<b>8,000</b>	<b>-</b>
<b>Total Primary Government Expenses</b>	<b>304,046,814</b>	<b>310,715,908</b>	<b>317,977,730</b>	<b>347,137,056</b>	<b>371,201,892</b>	<b>396,901,362</b>	<b>398,785,831</b>	<b>378,854,685</b>
<b>Program Revenues:</b>								
<b>Governmental Activities:</b>								
Charges for Services								
Instruction	1,480,931	1,373,975	1,249,100	1,213,461	1,163,378	1,186,281	1,221,058	1,146,218
Food Services	5,224,796	5,112,183	5,238,245	5,088,795	5,833,058	6,104,082	5,901,163	5,753,396
Transportation								457,021
Operating Grants and Contributions	21,939,980	22,705,666	22,377,627	23,087,951	23,186,429	23,196,783	22,893,049	23,782,878
Capital Grants and Contributions	13,988,444	5,405,474	9,783,044	6,884,765	6,626,047	14,393,520	12,787,860	5,549,903
<b>Total Governmental Activities Program Revenues</b>	<b>42,634,151</b>	<b>34,597,298</b>	<b>38,648,016</b>	<b>36,274,972</b>	<b>36,808,912</b>	<b>44,880,666</b>	<b>42,803,130</b>	<b>36,689,416</b>
<b>Business-Type Activities:</b>								
Charges for Services	93,721	68,672	57,327	53,187	47,598	68,770		
<b>Total Business-Type Activities Program Revenues</b>	<b>93,721</b>	<b>68,672</b>	<b>57,327</b>	<b>53,187</b>	<b>47,598</b>	<b>68,770</b>		
<b>Total Primary Government Program Revenues</b>	<b>42,727,872</b>	<b>34,665,970</b>	<b>38,705,343</b>	<b>36,328,159</b>	<b>36,856,510</b>	<b>44,949,436</b>	<b>42,803,130</b>	<b>36,689,416</b>

(Continued)

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

	Fiscal Year Ending							
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
<b>Net (Expenses)/Revenues</b>								
Governmental Activities	(261,319,336)	(276,024,249)	(279,244,414)	(310,815,447)	(334,345,195)	(351,954,802)	(355,974,701)	(342,165,269)
Business-Type Activities	394	(25,689)	(27,973)	6,550	(187)	2,876	(8,000)	-
Total Primary Government Net Expenses	<u>(261,318,942)</u>	<u>(276,049,938)</u>	<u>(279,272,387)</u>	<u>(310,808,897)</u>	<u>(334,345,382)</u>	<u>(351,951,926)</u>	<u>(355,982,701)</u>	<u>(342,165,269)</u>
<b>General Revenues and Other Changes in Net Assets:</b>								
<b>Governmental Activities:</b>								
Property Taxes:								
Levied for General Purposes	58,641,483	60,456,419	63,387,027	69,965,606	65,457,064	81,045,039	85,413,366	97,379,871
Levied for Capital Projects	16,790,984	17,457,807	18,720,521	21,828,682	21,702,808	27,507,116	29,869,892	27,210,548
Sales Taxes	16,816,616	17,349,378	18,321,536	22,265,741	22,770,190	21,969,232	20,655,828	19,438,020
Grants and Entitlements	173,532,735	180,952,272	189,999,251	197,604,758	221,882,698	225,973,513	224,459,137	204,808,168
Unrestricted Investment Earnings	2,143,931	1,334,820	1,148,147	2,485,859	6,555,524	8,754,067	5,787,426	1,743,725
Miscellaneous	1,961,409	1,182,760	3,491,218	5,162,918	2,941,087	3,015,536	4,756,160	3,319,666
Loss Recoveries				35,164,391	22,011,233	20,181,553	4,464,012	1,085,919
Transfers							4,755	
Total Governmental Activities	<u>269,887,158</u>	<u>278,733,456</u>	<u>295,067,700</u>	<u>354,477,955</u>	<u>363,320,604</u>	<u>388,446,056</u>	<u>375,410,576</u>	<u>354,985,917</u>
<b>Business-Type Activities:</b>								
Transfers							(4,755)	
Investment Earnings			196	269	173	375		
Total Business-Type Activities			<u>196</u>	<u>269</u>	<u>173</u>	<u>375</u>	<u>(4,755)</u>	<u>-</u>
Total Primary Government General Revenues and Other Changes in Net Assets	<u>269,887,158</u>	<u>278,733,456</u>	<u>295,067,896</u>	<u>354,478,224</u>	<u>363,320,777</u>	<u>388,446,431</u>	<u>375,405,821</u>	<u>354,985,917</u>
<b>Changes in Net Assets:</b>								
Governmental Activities	8,567,822	2,709,207	15,823,286	43,662,508	28,975,409	36,491,254	19,435,875	12,820,648
Business-Type Activities	394	(25,689)	(27,777)	6,819	(14)	3,251	(12,755)	-
Total Primary Government	<u>\$ 8,568,216</u>	<u>\$ 2,683,518</u>	<u>\$ 15,795,509</u>	<u>\$ 43,669,327</u>	<u>\$ 28,975,395</u>	<u>\$ 36,494,505</u>	<u>\$ 19,423,120</u>	<u>\$ 12,820,648</u>

Source: District Records

Note: Government-wide information was not required prior to GASB 34. The District implemented GASB 34 for the fiscal year ending June 30, 2002. As a result, information is only available for the last eight fiscal years.

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

	For the Fiscal Year Ending			
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003
<b>General Fund</b>				
Reserved for:				
Encumbrances	\$ 3,050,588	\$ 3,125,421	\$ 2,222,655	\$ 1,882,203
State Categorical Programs	5,465,128	8,142,689	997,913	1,652,485
Inventories			1,238,383	1,557,216
Legal Restrictions				
Other Purposes			1,732,707	1,344,288
Unreserved	4,928,009	5,449,383	7,831,113	10,512,434
<b>Total General Fund</b>	<b>\$ 13,443,725</b>	<b>\$ 16,717,493</b>	<b>\$ 14,022,771</b>	<b>\$ 16,948,626</b>
<b>All Other Governmental Funds</b>				
Reserved for:				
Debt Service	\$ 559,299	\$	\$ 354,902	\$
Encumbrances	24,042,034	20,652,953	14,047,489	12,727,074
Inventories			1,036,622	1,111,230
Unreserved, Reported in:				
Special Revenue Funds	4,727,428	3,367,169	3,910,822	4,455,894
Debt Service Funds		957,831	540,643	1,120,715
Capital Projects Funds (a)	42,224,791	48,454,234	47,586,880	33,381,242
<b>Total All Other Governmental Funds</b>	<b>\$ 71,553,552</b>	<b>\$ 73,432,187</b>	<b>\$ 67,477,358</b>	<b>\$ 52,796,155</b>

(a) The increase in Fund Balance is primarily caused by the accumulation of sales tax dollars which will be used according to an established schedule. In the 2004-05 fiscal year a hurricane caused extensive damage to the physical structures. Both FEMA and insurance recoveries were used to reconstruct the facilities putting on hold the sales tax projects.

---

Source: District Records

For the Fiscal Year Ending					
<u>June 30, 2004</u>	<u>June 30, 2005</u>	<u>June 30, 2006</u>	<u>June 30, 2007</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>
\$ 2,831,554	\$ 20,015,372	\$ 12,727,760	\$ 11,191,867	\$ 2,352,701	\$ 1,336,715
3,983,729	1,559,107	3,391,398	5,202,838	4,293,074	7,549,726
1,390,954	1,205,985	1,319,469	1,356,364	1,422,407	1,316,108
				4,267,982	3,005,887
3,135,501	1,757,006	1,381,969	1,608,877		
<u>10,080,983</u>	<u>15,541,028</u>	<u>20,703,572</u>	<u>20,481,566</u>	<u>24,826,303</u>	<u>24,432,387</u>
<u>\$ 21,422,721</u>	<u>\$ 40,078,498</u>	<u>\$ 39,524,168</u>	<u>\$ 39,841,512</u>	<u>\$ 37,162,467</u>	<u>\$ 37,640,823</u>
\$	\$ 278,580	\$	\$	\$ 231,418	\$ 244,188
13,208,781	3,599,895	12,308,154	13,303,247	28,393,311	13,645,239
811,738	1,137,894	1,148,835	1,070,863	1,078,435	1,337,149
5,068,701	4,284,110	4,604,630	4,426,188	3,889,807	4,779,396
1,244,181	344,816	2,915,269	4,742,564	4,480,160	4,715,914
<u>36,080,185</u>	<u>55,401,026</u>	<u>67,713,542</u>	<u>86,377,339</u>	<u>84,573,574</u>	<u>78,322,174</u>
<u>\$ 56,413,586</u>	<u>\$ 65,046,321</u>	<u>\$ 88,690,430</u>	<u>\$ 109,920,201</u>	<u>\$ 122,646,705</u>	<u>\$ 103,044,060</u>

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

	For the Fiscal Year Ending									
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
<b>Federal Direct Sources:</b>										
Federal Impact, Current Operations	\$ 633,759	\$ 940,582	\$ 1,051,851	\$ 1,233,674	\$ 1,280,899	\$ 1,294,911	\$ 923,300	\$ 1,152,581	\$ 1,183,926	\$ 1,018,679
Reserve Officers Training Corps (ROTC)	316,195	313,000	391,258	367,798	392,036	415,085	453,665	417,065	409,098	413,473
Miscellaneous Federal Direct	488,041	453,564	1,239,511	1,524,949	1,371,359	480,964	311,764	962,300	772,319	694,217
<b>Total Federal Direct Sources</b>	<b>1,437,995</b>	<b>1,707,146</b>	<b>2,682,620</b>	<b>3,126,421</b>	<b>3,044,294</b>	<b>2,190,960</b>	<b>1,688,729</b>	<b>2,531,946</b>	<b>2,365,343</b>	<b>2,126,369</b>
<b>Federal Through State Sources:</b>										
Food Service and Donated Foods	10,362,925	10,512,735	10,943,800	10,795,273	11,124,757	11,355,676	11,318,091	11,671,718	11,410,831	11,578,098
Other Federal Through State Grants	20,401,895	24,116,941	25,537,582	28,382,641	30,940,397	33,193,175	38,520,498	35,048,555	31,078,529	35,881,314
<b>Total Federal Through State Sources</b>	<b>30,764,820</b>	<b>34,629,676</b>	<b>36,481,382</b>	<b>39,177,914</b>	<b>42,065,154</b>	<b>44,548,851</b>	<b>49,838,589</b>	<b>46,720,273</b>	<b>42,489,360</b>	<b>47,459,412</b>
<b>State Sources:</b>										
Florida Education Finance Program (FEFP)	123,192,690	132,061,385	122,802,678	130,287,135	131,516,738	126,838,697	139,867,238	137,022,162	119,465,949	112,591,939
Workforce Development	5,082,947	5,520,377	5,010,451	5,023,407	4,989,038	5,109,994	5,228,544	5,432,193	5,272,821	5,041,903
Adults with Disabilities	357,460	312,460	292,962	291,344	292,962	292,946	293,265	292,671	270,706	241,255
Categorical Programs	29,916,146	23,135,615	22,163,564	20,572,516	26,188,898	33,566,532	42,949,749	52,103,260	72,989,150	58,145,077
District Discretionary Lottery Funds	2,691,245	3,284,494	3,856,072	2,976,815	1,977,606	2,261,868	1,964,953	1,586,871	1,880,022	942,182
CO&DS Distributed to District	174,590	179,920	201,066	205,043	181,261	175,119	171,673	191,946	383,269	259,043
CO&DS Withheld for SBE/COBI Bonds	1,418,940	1,395,847	1,375,490	1,382,986	1,398,835	1,414,448	1,409,332	1,384,081	1,270,660	1,377,051
Public Education Capital Outlay	1,499,000	7,680,003	7,048,061	3,709,360	3,746,833	4,215,818	4,200,190	5,493,269	6,231,986	3,264,046
Classroom First Program		1,193,641								
School Infrastructure Trust	1,745,268									
Effort Index			4,788,867							
Class Size Reduction					4,385,854	969,616	660,491	6,995,090	4,061,135	
Food Services	463,069	444,759	467,249	452,487	423,314	394,459	371,017	371,943	367,566	360,688
State Grants and Other State Sources	3,178,669	2,963,443	1,783,645	1,807,755	1,921,109	5,535,116	2,921,613	3,181,271	2,858,430	2,237,993
<b>Total State Sources</b>	<b>169,720,024</b>	<b>178,171,944</b>	<b>169,790,105</b>	<b>166,708,848</b>	<b>177,022,448</b>	<b>180,774,613</b>	<b>200,038,065</b>	<b>214,054,757</b>	<b>215,051,694</b>	<b>184,461,177</b>
<b>Local Sources:</b>										
District School Ad Valorem Taxes	63,752,175	71,558,613	75,432,467	77,914,226	82,107,548	91,794,287	87,159,872	108,552,155	115,283,258	124,590,418
Food Service Sales	5,036,200	5,077,352	5,224,796	5,112,183	5,238,245	5,088,796	5,833,058	6,104,082	5,901,163	5,753,396
Sales Taxes	16,511,353	15,540,007	16,816,616	17,349,378	18,321,536	22,265,741	22,770,190	21,969,232	20,655,828	19,438,020
Interest Income	4,936,836	5,241,687	2,500,838	1,263,196	1,049,558	2,225,860	5,855,365	7,854,187	5,232,574	1,683,864
Local Grants and Other Local Sources	3,754,140	4,362,621	3,386,187	2,556,734	4,740,319	5,022,851	4,104,466	4,201,818	5,976,239	4,922,905
<b>Total Local Sources</b>	<b>93,990,704</b>	<b>101,780,280</b>	<b>103,360,904</b>	<b>104,195,717</b>	<b>111,457,206</b>	<b>126,397,535</b>	<b>125,722,951</b>	<b>148,681,474</b>	<b>153,049,062</b>	<b>156,388,603</b>
<b>Total Revenues</b>	<b>295,913,543</b>	<b>316,289,046</b>	<b>312,315,011</b>	<b>313,208,900</b>	<b>333,589,102</b>	<b>353,911,959</b>	<b>377,288,334</b>	<b>411,988,450</b>	<b>412,955,459</b>	<b>390,435,561</b>
<b>Expenditures:</b>										
<b>Current:</b>										
Instruction	139,324,292	144,650,123	147,787,709	148,588,919	156,391,058	170,618,643	181,014,101	194,003,980	204,278,206	198,766,964
Pupil Personnel Services	14,525,830	14,532,658	14,734,135	14,638,858	15,306,204	15,962,268	16,499,340	17,744,031	17,053,141	16,925,918
Instructional Media Services	5,181,817	4,862,571	4,868,413	4,738,314	4,982,034	4,953,218	5,556,320	5,866,894	5,461,659	5,271,895
Instruction and Curriculum										
Development Services	9,915,584	10,791,346	11,489,935	10,444,996	11,199,203	11,941,611	10,322,096	11,518,924	11,693,817	10,950,594
Instructional Staff Training Services	2,011,331	1,806,171	2,312,444	3,357,515	3,861,770	5,490,789	7,152,755	7,407,788	7,729,025	7,271,002
Instruction Related Technology (a)										
Board of Education	1,098,531	985,575	972,879	1,036,285	1,010,844	1,018,539	898,235	1,062,728	1,206,764	1,157,359
General Administration	1,283,936	1,847,101	949,863	768,364	2,006,576	2,116,662	1,749,728	1,360,405	1,504,389	1,621,018
School Administration	14,538,363	14,740,873	13,947,689	14,141,719	14,121,144	14,355,836	14,798,168	15,900,390	15,390,211	14,599,860
Facility Services	1,940,716	1,491,654	26,486,596	21,041,401	19,385,210	22,643,281	29,608,301	32,431,045	23,719,493	19,403,257
Fiscal Services	1,929,359	2,019,798	1,915,765	2,130,080	2,115,085	2,077,336	2,136,659	2,255,801	2,350,543	2,253,484
Food Service	15,306,363	16,763,770	15,947,507	15,532,370	16,599,856	17,059,157	17,712,161	18,687,353	18,262,744	17,937,965
Central Services	7,020,616	6,813,772	5,933,242	5,785,915	5,725,181	5,766,979	3,368,861	4,012,916	4,970,337	3,859,480



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

	For the Fiscal Year Ending									
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
Pupil Transportation Services	15,506,071	16,270,544	14,080,972	13,517,857	14,030,520	14,263,018	14,588,532	15,868,321	16,496,816	16,637,566
Operation of Plant	18,364,602	19,588,497	19,149,719	21,043,491	21,530,190	22,520,423	23,246,435	27,282,271	28,281,523	27,700,704
Maintenance of Plant	5,747,881	5,373,295	4,784,086	5,374,729	9,759,126	22,408,399	17,443,160	12,293,035	11,547,704	10,806,803
Administrative Technology Services (a)							2,980,297	3,143,570	3,147,233	3,134,090
Community Services	811,267	959,907	1,131,211	934,695	740,476	674,314	694,296	709,533	896,030	985,155
<b>Fixed Capital Outlay:</b>										
Facilities Acquisition and Construction	40,238,587	43,804,765	23,458,433	26,981,209	13,510,274	12,417,729	11,629,269	24,593,503	21,385,160	38,905,554
Other Capital Outlay	4,241,796	4,568,565	3,049,746	3,596,899	3,292,953	4,858,396	4,746,264	3,768,805	3,174,268	2,451,582
<b>Debt Service:</b>										
Principal	2,734,919	3,803,538	4,277,595	7,063,889	6,816,652	8,658,207	4,477,131	4,455,384	4,434,860	4,541,770
Interest and Fiscal Charges	5,132,717	5,580,206	5,531,064	4,813,325	4,456,181	4,081,231	3,102,584	3,478,895	3,208,832	2,738,171
<b>Total Expenditures</b>	<b>306,854,578</b>	<b>321,254,729</b>	<b>322,809,003</b>	<b>325,530,830</b>	<b>326,840,537</b>	<b>363,886,036</b>	<b>376,255,971</b>	<b>410,622,888</b>	<b>409,007,454</b>	<b>410,645,768</b>
Excess (Deficiency) of Revenues Over Expenditures	(10,941,035)	(4,965,683)	(10,493,992)	(12,321,930)	6,748,565	(9,974,077)	1,032,363	1,365,562	3,948,005	(20,210,207)
<b>Other Financing Sources (Uses)</b>										
Notes Payable Issued	9,990,458	10,000,000			554,427					
Bonds Issued					742,516	369,633		1,295,000		
Refunding Bonds Issued							3,260,000			
Proceeds from Sale of Capital Assets			6,500	520,000	42,000				2,199	
Loss Recoveries	1,004,209	96,541	121,834	46,582	4,018	36,517,919		4,750,744		1,085,919
Certificates of Participation Issued						22,725,000	20,000,000			
Refunding Certificates of Participation Issued			16,745,000			(23,172,965)				
Inception of Capital Lease			1,419,930							
Premiums on Long-Term Debt Issued							301,935		46,756	
Payment to Refunding Escrow Agent			(16,448,823)			823,002	(23,515,752)			
Transfers In	6,938,224	8,803,685	7,861,264	8,599,185	14,057,259	14,363,168	12,851,686	14,218,508	15,448,151	15,817,649
Transfers Out	(7,237,924)	(6,782,140)	(7,861,264)	(8,599,185)	(14,057,259)	(14,363,168)	(12,851,686)	(14,218,508)	(15,443,396)	(15,817,649)
Total Other Financing Sources (Uses)	10,694,967	10,118,086	1,844,441	566,582	1,342,961	37,262,589	46,183	-	6,099,454	1,085,919
Change in Fund Balances Before Extraordinary Items	(246,068)	5,152,403	(8,649,551)	(11,755,348)	8,091,526	27,288,512	1,078,546	1,365,562	10,047,459	(19,124,288)
Extraordinary Items							22,011,233	20,181,553		
Net Change in Fund Balances	(246,068)	5,152,403	(8,649,551)	(11,755,348)	8,091,526	27,288,512	23,089,779	21,547,115	10,047,459	(19,124,288)
Fund Balances, Beginning	85,243,345	84,997,277	90,149,680	81,500,129	69,744,781	77,836,307	105,124,819	128,214,598	149,761,713	159,809,172
Fund Balances, Ending	\$ 84,997,277	\$ 90,149,680	\$ 81,500,129	\$ 69,744,781	\$ 77,836,307	\$ 105,124,819	\$ 128,214,598	\$ 149,761,713	\$ 159,809,172	\$ 140,684,884
Debt Service as a Percentage of Noncapital Expenditures	3.00%	3.44%	3.31%	4.03%	3.64%	3.68%	2.11%	2.08%	1.95%	1.95%

(a) In fiscal year ending June 30, 2006, two new function/program expenditures classifications were established to report technology expenditures previously reported in central services.

Source: District Records

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

	Fiscal Year Ending				
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004
<b>Federal Direct Sources:</b>					
Federal Impact, Current Operation	\$ 633,759	\$ 940,582	\$ 1,051,851	\$ 1,233,674	\$ 1,280,899
Reserve Officers Training Corps (ROTC)	316,195	313,000	391,258	367,798	392,036
Miscellaneous	76,029				
<b>Total Federal Direct</b>	<b>1,025,983</b>	<b>1,253,582</b>	<b>1,443,109</b>	<b>1,601,472</b>	<b>1,672,935</b>
<b>Federal Through State:</b>					
Medicaid	860,365	1,241,438	1,353,540	1,783,361	1,470,881
Miscellaneous	340,819	75,687	237,559	188,451	473,977
<b>Total Federal Through State</b>	<b>1,201,184</b>	<b>1,317,125</b>	<b>1,591,099</b>	<b>1,971,812</b>	<b>1,944,858</b>
<b>State Sources:</b>					
Florida Education Finance Program (FEFP)	123,192,690	132,061,385	122,802,678	130,287,135	131,516,738
Workforce Development	5,082,947	5,520,377	5,010,451	5,023,407	4,989,038
Adults with Disabilities	357,460	312,460	292,962	291,344	292,962
Categorical Programs	29,916,146	23,135,615	22,163,564	20,572,517	26,188,897
District Discretionary Lottery Funds	2,691,245	3,284,494	3,856,072	2,976,815	1,977,606
CO&DS Withheld for Administrative Expenses	24,009	23,996	24,008	24,183	24,009
State Grants and Other State Sources	2,948,940	2,881,334	1,707,672	1,742,363	1,871,578
<b>Total State Sources</b>	<b>164,213,437</b>	<b>167,219,661</b>	<b>155,857,407</b>	<b>160,917,764</b>	<b>166,860,828</b>
<b>Local Sources:</b>					
District School Ad Valorem Taxes	49,600,771	56,078,618	58,641,483	60,456,419	63,387,027
Interest Income	2,016,622	1,771,751	938,572	397,370	399,730
Local Grants and Other Local Sources	3,653,217	4,351,025	3,380,607	2,534,690	4,209,416
<b>Total Local Sources</b>	<b>55,270,610</b>	<b>62,201,394</b>	<b>62,960,662</b>	<b>63,388,479</b>	<b>67,996,173</b>
<b>Total Revenues</b>	<b>221,711,214</b>	<b>231,991,762</b>	<b>221,852,277</b>	<b>227,879,527</b>	<b>238,474,794</b>
<b>Expenditures: (by object)</b>					
Salaries	139,277,523	138,079,906	139,550,364	136,940,507	147,476,069
Employee Benefits	45,756,459	48,289,417	45,353,386	45,521,652	49,953,573
Purchased Services	14,719,268	15,006,948	15,750,925	18,057,716	16,185,449
Energy Services	6,199,101	7,087,030	6,854,883	8,030,180	9,082,941
Material and Supplies	7,149,381	10,404,563	8,556,734	8,307,840	8,488,709
Capital Outlay	4,696,901	3,836,562	2,338,298	2,420,516	2,212,705
Other Expenditures	5,813,588	5,172,197	4,878,302	6,421,080	6,398,132
<b>Total Expenditures</b>	<b>223,612,221</b>	<b>227,876,623</b>	<b>223,282,892</b>	<b>225,699,491</b>	<b>239,797,578</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(1,901,007)</b>	<b>4,115,139</b>	<b>(1,430,615)</b>	<b>2,180,036</b>	<b>(1,322,784)</b>
<b>Other Financing Sources (Uses) and Extraordinary Items, Net</b>					
	891,157	(841,371)	(1,264,107)	745,819	5,796,879
<b>Net Change in Fund Balances</b>	<b>(1,009,850)</b>	<b>3,273,768</b>	<b>(2,694,722)</b>	<b>2,925,855</b>	<b>4,474,095</b>
Beginning Fund Balances	14,453,575	13,443,725	16,717,493	14,022,771	16,948,626
<b>Ending Fund Balances</b>	<b>\$ 13,443,725</b>	<b>\$ 16,717,493</b>	<b>\$ 14,022,771</b>	<b>\$ 16,948,626</b>	<b>\$ 21,422,721</b>
<b>Breakdown of Fund Balances:</b>					
Reserved for Encumbrances	\$ 3,050,588	\$ 3,125,421	\$ 2,222,655	\$ 1,882,203	\$ 2,831,554
Reserved for State Categorical Programs	5,465,128	8,142,689	997,913	1,652,485	3,983,729
Reserved for Inventories			1,238,383	1,557,216	1,390,954
Reserved for Legal Restrictions					
Reserved for Other Purposes			1,732,707	1,344,288	3,135,501
Unreserved Fund Balances	4,928,009	5,449,383	7,831,113	10,512,434	10,080,983
<b>Total Fund Balances</b>	<b>\$ 13,443,725</b>	<b>\$ 16,717,493</b>	<b>\$ 14,022,771</b>	<b>\$ 16,948,626</b>	<b>\$ 21,422,721</b>
Unreserved Fund Balances to Expenditures	2.2038%	2.3914%	3.5073%	4.6577%	4.2040%

Source: District Records

		Fiscal Year Ending				
June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009		
\$ 1,294,911	\$ 923,300	\$ 1,152,581	\$ 1,183,926	\$ 1,018,679		
415,085	453,665	417,065	409,098	413,473		
		774,897	479,909	287,758		
<u>1,709,996</u>	<u>1,376,965</u>	<u>2,344,543</u>	<u>2,072,933</u>	<u>1,719,910</u>		
1,530,427	1,461,179	1,630,119	1,330,938	1,770,666		
457,910	1,925,915	1,072,281	722,936	611,881		
<u>1,988,337</u>	<u>3,387,094</u>	<u>2,702,400</u>	<u>2,053,874</u>	<u>2,382,547</u>		
126,838,697	139,867,238	123,195,784	119,465,949	112,591,939		
5,109,994	5,228,544	5,432,193	5,272,821	5,041,903		
292,946	293,265	292,671	270,706	241,255		
33,566,532	42,949,749	67,516,508	72,989,150	58,145,077		
2,261,868	1,964,953	1,586,871	1,880,022	942,182		
24,183	24,100	24,000	24,366	24,183		
5,481,315	2,908,516	1,514,492	2,246,599	1,679,915		
<u>173,575,535</u>	<u>193,236,365</u>	<u>199,562,519</u>	<u>202,149,613</u>	<u>178,666,454</u>		
69,965,606	65,457,064	81,045,039	85,413,366	97,379,871		
916,057	2,531,032	2,787,991	1,670,605	657,947		
4,823,194	3,910,721	3,954,616	5,953,442	4,666,173		
<u>75,704,857</u>	<u>71,898,817</u>	<u>87,787,646</u>	<u>93,037,413</u>	<u>102,703,991</u>		
<u>252,978,725</u>	<u>269,899,241</u>	<u>292,397,108</u>	<u>299,313,833</u>	<u>285,472,902</u>		
160,361,976	167,083,890	179,553,401	190,474,042	187,697,940		
51,376,161	51,996,419	58,021,054	59,837,414	57,236,883		
28,757,660	25,417,185	25,902,383	26,772,419	22,283,610		
10,389,053	11,672,236	11,880,296	13,255,550	14,112,848		
10,046,297	10,514,935	9,764,556	11,127,609	7,427,626		
9,535,374	25,510,874	26,947,899	9,897,268	2,539,246		
5,907,704	6,192,300	7,408,162	5,827,471	5,599,961		
<u>276,374,225</u>	<u>298,387,839</u>	<u>319,477,751</u>	<u>317,191,773</u>	<u>296,898,114</u>		
<u>(23,395,500)</u>	<u>(28,488,598)</u>	<u>(27,080,643)</u>	<u>(17,877,940)</u>	<u>(11,425,212)</u>		
<u>42,051,277</u>	<u>27,934,268</u>	<u>27,397,987</u>	<u>15,198,895</u>	<u>11,903,568</u>		
18,655,777	(554,330)	317,344	(2,679,045)	478,356		
21,422,721	40,078,498	39,524,168	39,841,512	37,162,467		
<u>\$ 40,078,498</u>	<u>\$ 39,524,168</u>	<u>\$ 39,841,512</u>	<u>\$ 37,162,467</u>	<u>\$ 37,640,823</u>		
\$ 20,015,372	\$ 12,727,760	\$ 11,191,867	\$ 2,352,701	\$ 1,336,715		
1,559,107	3,391,398	5,202,838	4,293,074	7,549,726		
1,205,985	1,319,469	1,356,364	1,422,407	1,316,108		
			4,267,982	3,005,887		
1,757,006	1,381,969	1,608,877				
15,541,028	20,703,572	20,481,566	24,826,303	24,432,387		
<u>\$ 40,078,498</u>	<u>\$ 39,524,168</u>	<u>\$ 39,841,512</u>	<u>\$ 37,162,467</u>	<u>\$ 37,640,823</u>		
<u>5.6232%</u>	<u>6.9385%</u>	<u>6.4110%</u>	<u>7.8269%</u>	<u>8.2292%</u>		

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

	<u>June 30, 2000</u>	<u>June 30, 2001</u>	<u>Fiscal Year Ending June 30, 2002</u>	<u>June 30, 2003</u>	<u>June 30, 2004</u>
<b>Federal Direct Sources:</b>					
Miscellaneous Federal Direct	\$ 412,012	\$ 453,565	\$ 1,239,511	\$ 1,524,949	\$ 1,371,359
Total Federal Direct	412,012	453,565	1,239,511	1,524,949	1,371,359
<b>Federal Through State Sources:</b>					
Other Federal Through State Grants	19,200,711	22,799,815	23,946,484	26,410,829	28,995,539
Total Federal Through State Sources	19,200,711	22,799,815	23,946,484	26,410,829	28,995,539
<b>Total Revenues</b>	<b>19,612,723</b>	<b>23,253,380</b>	<b>25,185,995</b>	<b>27,935,778</b>	<b>30,366,898</b>
<b>Expenditures: (by object)</b>					
Salaries	9,557,936	10,458,090	11,679,048	12,852,156	13,130,138
Employee Benefits	3,403,843	4,006,902	4,177,579	4,365,521	4,790,861
Purchased Services	1,378,617	2,287,153	2,836,195	3,289,273	3,506,225
Energy Services	348	1,331	245	211	502
Material and Supplies	1,208,903	1,180,909	1,332,283	1,584,232	1,596,745
Capital Outlay	2,248,061	2,887,802	2,912,945	3,847,603	4,665,010
Other Expenditures	1,809,522	2,440,287	2,241,300	1,998,682	3,078,248
<b>Total Expenditures</b>	<b>19,607,230</b>	<b>23,262,474</b>	<b>25,179,595</b>	<b>27,937,678</b>	<b>30,767,729</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>5,493</b>	<b>(9,094)</b>	<b>6,400</b>	<b>(1,900)</b>	<b>(400,831)</b>
<b>Other Financing Sources (Uses), Net</b>					<b>554,427</b>
<b>Net Change in Fund Balances</b>	<b>5,493</b>	<b>(9,094)</b>	<b>6,400</b>	<b>(1,900)</b>	<b>153,596</b>
Beginning Fund Balances	16,775	22,268	13,174	19,574	17,674
<b>Ending Fund Balances</b>	<b>\$ 22,268</b>	<b>\$ 13,174</b>	<b>\$ 19,574</b>	<b>\$ 17,674</b>	<b>\$ 171,270</b>

Source: District Records

Fiscal Year Ending				
June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
\$ 480,964	\$ 311,763	\$ 187,403	\$ 292,410	\$ 406,459
480,964	311,763	187,403	292,410	406,459
31,204,838	35,133,404	32,346,156	29,024,655	32,485,113
31,204,838	35,133,404	32,346,156	29,024,655	32,485,113
31,685,802	35,445,167	32,533,559	29,317,065	32,891,572
14,014,019	15,743,581	14,713,854	12,980,787	13,783,044
4,764,814	5,240,037	5,054,632	4,345,499	4,409,385
4,113,685	5,485,612	5,898,030	6,066,469	5,785,903
22,632	38,886	1,658	1,735	43,389
1,660,079	2,552,837	2,448,622	1,652,221	2,804,369
4,354,247	3,927,614	2,307,647	1,861,682	3,269,844
2,924,867	2,453,453	2,109,852	2,407,423	2,794,924
31,854,343	35,442,020	32,534,295	29,315,816	32,890,858
(168,541)	3,147	(736)	1,249	714
(168,541)	3,147	(736)	1,249	714
171,270	2,729	5,876	5,140	6,389
\$ 2,729	\$ 5,876	\$ 5,140	\$ 6,389	\$ 7,103

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

	Fiscal Year Ending				
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004
<b>Federal Through State Sources:</b>					
Food Service and Donated Foods	\$ 10,362,925	\$ 10,512,735	\$ 10,943,800	\$ 10,795,273	\$ 11,124,757
<b>State Sources:</b>					
Food Services	463,069	453,094	475,314	460,022	430,611
Total State Sources	463,069	453,094	475,314	460,022	430,611
<b>Local Sources:</b>					
Food Service Sales	5,036,200	5,077,352	5,224,796	5,112,183	5,238,245
Interest Income and Other Sources	200,403	178,301	66,773	68,223	84,515
Total Local Sources	5,236,603	5,255,653	5,291,569	5,180,406	5,322,760
<b>Total Revenues</b>	<b>16,062,597</b>	<b>16,221,482</b>	<b>16,710,683</b>	<b>16,435,701</b>	<b>16,878,128</b>
<b>Expenditures: (by object)</b>					
Salaries	4,600,770	4,726,644	4,231,510	4,213,771	4,220,401
Employee Benefits	2,423,758	2,888,177	2,488,601	2,491,983	2,574,455
Purchased Services	905,188	390,496	301,409	634,500	635,100
Energy Services	4,296	137,751	132,482	145,510	186,922
Material and Supplies	6,408,297	7,093,928	7,188,960	6,748,536	7,319,008
Capital Outlay	754,921	1,123,340	982,352	814,106	419,066
Other Expenditures	695,454	962,558	764,807	737,375	1,271,869
<b>Total Expenditures</b>	<b>15,792,684</b>	<b>17,322,894</b>	<b>16,090,121</b>	<b>15,785,781</b>	<b>16,626,821</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>269,913</b>	<b>(1,101,412)</b>	<b>620,562</b>	<b>649,920</b>	<b>251,307</b>
<b>Other Financing Sources (Uses), Net</b>	<b>19,263</b>				
<b>Net Change in Fund Balances</b>	<b>289,176</b>	<b>(1,101,412)</b>	<b>620,562</b>	<b>649,920</b>	<b>251,307</b>
Beginning Fund Balances	5,208,655	5,497,831	4,396,419	5,016,981	5,666,901
<b>Ending Fund Balances</b>	<b>\$ 5,497,831</b>	<b>\$ 4,396,419</b>	<b>\$ 5,016,981</b>	<b>\$ 5,666,901</b>	<b>\$ 5,918,208</b>

Source: District Records

Fiscal Year Ending				
June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
\$ 11,355,676	\$ 11,318,091	\$ 11,671,717	\$ 11,410,831	\$ 12,591,752
401,547	377,827	379,559	372,236	362,994
401,547	377,827	379,559	372,236	362,994
5,088,795	5,833,058	6,104,082	5,901,164	5,760,128
166,200	294,865	348,506	122,717	45,870
5,254,995	6,127,923	6,452,588	6,023,881	5,805,998
17,012,218	17,823,841	18,503,864	17,806,948	18,760,744
4,342,695	4,436,365	4,606,343	4,593,503	4,543,968
2,483,332	2,418,154	2,527,340	2,452,205	2,373,175
735,201	644,944	836,673	662,948	619,107
224,013	205,765	218,074	237,012	267,093
7,699,579	7,816,491	8,395,097	8,379,362	8,384,474
207,240	1,378,702	802,153	1,211,713	181,608
1,273,628	1,076,308	1,001,329	1,167,268	1,282,540
16,965,688	17,976,729	18,387,009	18,704,011	17,931,037
46,530	(152,888)	116,855	(897,063)	829,707
191,372	172,032			
237,902	19,144	116,855	(897,063)	829,707
5,918,208	6,156,110	6,175,254	6,292,109	5,395,046
<u>\$ 6,156,110</u>	<u>\$ 6,175,254</u>	<u>\$ 6,292,109</u>	<u>\$ 5,395,046</u>	<u>\$ 6,224,753</u>

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

	Fiscal Year Ending				
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004
<b>State Sources:</b>					
CO&DS withheld for SBE/COBI Bonds	\$ 1,401,965	\$ 1,395,847	\$ 1,375,490	\$ 1,382,986	\$ 1,398,835
SBE/COBI Bond Interest	16,975	15,167	7,664	2,949	2,903
<b>Total State Sources</b>	<u>1,418,940</u>	<u>1,411,014</u>	<u>1,383,154</u>	<u>1,385,935</u>	<u>1,401,738</u>
<b>Local Sources:</b>					
Ad Valorem Taxes					
Interest Income and Others	38,583	34,510	114,722	7,367	3,786
<b>Total Local Sources</b>	<u>38,583</u>	<u>34,510</u>	<u>114,722</u>	<u>7,367</u>	<u>3,786</u>
<b>Total Revenues</b>	<u>1,457,523</u>	<u>1,445,524</u>	<u>1,497,876</u>	<u>1,393,302</u>	<u>1,405,524</u>
<b>Expenditures: (by object)</b>					
Debt Service:					
Principal	2,510,078	3,627,184	20,482,955	4,720,000	5,500,000
Interest and Fiscal Charges	5,094,800	5,549,155	5,683,471	4,312,035	4,068,456
<b>Total Expenditures</b>	<u>7,604,878</u>	<u>9,176,339</u>	<u>26,166,426</u>	<u>9,032,035</u>	<u>9,568,456</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>(6,147,355)</u>	<u>(7,730,815)</u>	<u>(24,668,550)</u>	<u>(7,638,733)</u>	<u>(8,162,932)</u>
<b>Other Financing Sources (Uses), Net</b>	<u>6,170,908</u>	<u>8,129,347</u>	<u>24,606,264</u>	<u>7,863,903</u>	<u>8,286,398</u>
<b>Net Change in Fund Balances</b>	23,553	398,532	(62,286)	225,170	123,466
Beginning Fund Balances	535,746	559,299	957,831	895,545	1,120,715
<b>Ending Fund Balances</b>	<u>\$ 559,299</u>	<u>\$ 957,831</u>	<u>\$ 895,545</u>	<u>\$ 1,120,715</u>	<u>\$ 1,244,181</u>

Source: District Records



Fiscal Year Ending				
June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
\$ 1,414,448	\$ 1,409,332	\$ 1,384,081	\$ 1,270,660	\$ 1,377,051
2,747	10,233	8,977	10,945	411
<u>1,417,195</u>	<u>1,419,565</u>	<u>1,393,058</u>	<u>1,281,605</u>	<u>1,377,462</u>
<u>13,889</u>	<u>50,612</u>	<u>164,684</u>	<u>122,066</u>	<u>72,893</u>
<u>13,889</u>	<u>50,612</u>	<u>164,684</u>	<u>122,066</u>	<u>72,893</u>
<u>1,431,084</u>	<u>1,470,177</u>	<u>1,557,742</u>	<u>1,403,671</u>	<u>1,450,355</u>
7,330,000	3,150,000	3,461,133	3,383,820	3,555,009
3,735,344	2,831,106	3,269,333	3,050,837	2,646,820
<u>11,065,344</u>	<u>5,981,106</u>	<u>6,730,466</u>	<u>6,434,657</u>	<u>6,201,829</u>
<u>(9,634,260)</u>	<u>(4,510,929)</u>	<u>(5,172,724)</u>	<u>(5,030,986)</u>	<u>(4,751,474)</u>
<u>9,013,475</u>	<u>6,802,802</u>	<u>7,000,019</u>	<u>5,000,000</u>	<u>5,000,000</u>
(620,785)	2,291,873	1,827,295	(30,986)	248,526
1,244,181	623,396	2,915,269	4,742,564	4,711,578
<u>\$ 623,396</u>	<u>\$ 2,915,269</u>	<u>\$ 4,742,564</u>	<u>\$ 4,711,578</u>	<u>\$ 4,960,104</u>

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

	Fiscal Year Ending				
	June 30, 2000	June 30, 2001	June 30, 2002	June 30, 2003	June 30, 2004
<b>REVENUES</b>					
<b>State Sources:</b>					
CO&DS Distributed to District	\$ 174,590	\$ 179,921	\$ 201,065	\$ 205,043	\$ 181,262
Interest on Undistributed CO&DS	27,811	34,611	36,236	30,724	15,322
Public Education Capital Outlay	1,499,000	7,680,003	7,048,061	3,709,360	3,746,833
Classroom First Program	1,745,268	1,193,641			
School Infrastructure Trust					
Effort Index			4,788,867		
Class Size Reduction					4,385,854
State Grants and Other State Sources	177,909				
<b>Total State Sources</b>	<b>3,624,578</b>	<b>9,088,176</b>	<b>12,074,229</b>	<b>3,945,127</b>	<b>8,329,271</b>
<b>Local Sources:</b>					
District School Ad Valorem Taxes	14,151,404	15,479,995	16,790,984	17,457,807	18,720,521
Sales Taxes	16,511,353	15,540,007	16,816,616	17,349,378	18,321,536
Interest Income and Others	2,685,210	3,261,246	1,383,784	794,161	592,428
Local Grants and Other Local Sources	96,941	7,475	2,566	18,119	500,000
<b>Total Local Sources</b>	<b>33,444,908</b>	<b>34,288,723</b>	<b>34,993,950</b>	<b>35,619,465</b>	<b>38,134,485</b>
<b>Total Revenues</b>	<b>37,069,486</b>	<b>43,376,899</b>	<b>47,068,179</b>	<b>39,564,592</b>	<b>46,463,756</b>
<b>Expenditures: (by object)</b>					
<b>Capital Outlay:</b>					
Library Books		48,783	112,650	44,667	50,023
Audio Visual Materials		6,051			
Buildings and Fixed Equipment	21,338,679	18,827,192	14,285,631	20,235,844	6,556,242
Furniture, Fixtures, and Equipment	3,412,749	3,412,079	4,493,976	4,032,205	4,410,598
Motor Vehicles	1,816,053	2,305,599	2,156,482	1,700,060	2,793,707
Land	36,648	5,000	304,382	60,910	52,603
Improvements Other Than Buildings	685,977	654,483	2,317,046	1,439,344	1,642,127
Remodeling and Renovations	12,836,103	18,246,974	21,785,503	20,900,222	14,568,783
Computer Software	15,281	15,860	359,879	84,048	
Debt Service	96,075	94,378	71,925	1,229,862	5,868
<b>Total Expenditures</b>	<b>40,237,565</b>	<b>43,616,399</b>	<b>45,887,474</b>	<b>49,727,162</b>	<b>30,079,951</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(3,168,079)</b>	<b>(239,500)</b>	<b>1,180,705</b>	<b>(10,162,570)</b>	<b>16,383,805</b>
<b>Other Financing Sources (Uses), Net</b>	<b>3,613,638</b>	<b>2,830,109</b>	<b>(5,048,893)</b>	<b>(8,043,141)</b>	<b>(13,294,743)</b>
<b>Net Change in Fund Balances</b>	<b>445,559</b>	<b>2,590,609</b>	<b>(3,868,188)</b>	<b>(18,205,711)</b>	<b>3,089,062</b>
Beginning Fund Balances	65,028,595	65,474,154	68,064,763	64,196,575	45,990,864
<b>Ending Fund Balances</b>	<b>\$ 65,474,154</b>	<b>\$ 68,064,763</b>	<b>\$ 64,196,575</b>	<b>\$ 45,990,864</b>	<b>\$ 49,079,926</b>

Source: District Records

Fiscal Year Ending				
June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009
\$ 175,119	\$ 171,673	\$ 191,946	\$ 321,739	\$ 218,610
19,783	20,236	39,316	37,164	16,250
4,215,818	4,200,190	5,493,269	6,231,986	3,264,046
969,616	660,491	6,995,090	4,061,135	555,361
			596,216	
5,380,336	5,052,590	12,719,621	11,248,240	4,054,267
21,828,681	21,702,809	27,507,116	29,869,892	27,210,547
22,265,741	22,770,190	21,969,232	20,655,828	19,438,020
1,210,270	3,096,002	4,672,099	3,320,999	907,154
119,102	76,599	128,109	18,983	250,000
45,423,794	47,645,600	54,276,556	53,865,702	47,805,721
50,804,130	52,698,190	66,996,177	65,113,942	51,859,988
6,907,055	2,229,307	8,079,252	11,680,546	5,052
2,393,435	4,441,863	4,075,877	5,298,861	23,538,147
3,163,734	2,204,470	4,143,409	1,848	6,100,544
1,139,642	539,171	563,825	85,346	5,809,667
13,918,452	9,101,748	16,630,143	2,561,012	2,112,690
101,232			17,727,500	4,554,406
2,886		861	6,084	14,602,651
27,626,436	18,516,559	33,493,367	37,361,197	773
23,177,694	34,181,631	33,502,810	27,752,745	56,723,930
(13,993,535)	(12,851,686)	(14,216,452)	(14,099,441)	(4,863,942)
9,184,159	21,329,945	19,286,358	13,653,304	(15,817,649)
49,079,926	58,264,085	79,594,030	98,880,388	(20,681,591)
\$ 58,264,085	\$ 79,594,030	\$ 98,880,388	\$ 112,533,692	112,533,692
				\$ 91,852,101

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

<b>Fiscal Year Ending</b>	<b>Property Tax</b>		<b>Sales Tax</b>	<b>Total</b>
	<b>General Purposes</b>	<b>Capital Projects</b>		
June 30, 2009	\$ 97,379,871	\$ 27,210,548	\$ 19,438,020	\$ 144,028,439
June 30, 2008	85,413,366	29,869,892	20,655,828	135,939,086
June 30, 2007	81,045,039	27,507,116	21,969,232	130,521,387
June 30, 2006	65,457,064	21,702,808	22,770,190	109,930,062
June 30, 2005	69,965,606	21,828,681	22,265,741	114,060,028
June 30, 2004	63,387,027	18,720,521	18,321,536	100,429,084
June 30, 2003	60,456,419	17,457,807	17,349,378	95,263,604
June 30, 2002	58,641,483	16,790,983	16,816,616	92,249,082
June 30, 2001	56,078,618	15,479,995	15,540,007	87,098,620
June 30, 2000	49,600,771	14,151,404	16,511,353	80,263,528

Source: District Records

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

Fiscal Year	Assessed Value				Less: Exemptions	Total Taxable Value	Ratio of Taxable Value to Assessed Value	Total Direct Rate
	Real Property	Personal Property	Centrally Assessed Property	Total Assessed Value				
2008-09	\$ 25,691,952	\$ 2,659,525	\$ 23,023	\$ 28,374,500	\$12,537,387	\$ 15,837,113	55.81%	7.720
2007-08	26,716,632	2,361,421	21,134	29,099,187	13,148,156	15,951,031	54.82%	7.720
2006-07	24,459,300	2,374,054	18,447	26,851,801	12,025,873	14,825,928	55.21%	7.894
2005-06	18,226,317	2,175,889	17,849	20,420,055	8,806,171	11,613,884	56.87%	8.033
2004-05	17,167,533	2,148,921	24,542	19,340,996	7,678,231	11,662,765	60.30%	8.410
2003-04	14,727,904	2,083,218	25,608	16,836,730	7,061,078	9,775,652	58.06%	8.788
2002-03	13,632,391	1,942,602	18,318	15,593,311	6,492,804	9,100,507	58.36%	8.887
2001-02	13,106,468	1,870,758	16,822	14,994,048	6,351,990	8,642,058	57.64%	8.986
2000-01	12,428,794	1,952,344	19,934	14,401,072	6,355,814	8,045,258	55.87%	9.249
1999-00	11,314,784	1,886,144	22,195	13,223,123	5,872,045	7,351,078	55.59%	9.011

Notes: Assessed values approximate estimated actual values.  
Tax rates per \$1,000 of assessed value.

Source: Escambia County Property Appraiser and Florida Department of Revenue

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

	Fiscal Year			
	1999-00	2000-01	2001-02	2002-03
<b>Direct Rates:</b>				
District School Board:				
Local Required Effort	6.251	6.489	6.226	6.127
Discretionary Local	0.510	0.510	0.510	0.510
Supplemental Discretionary	0.250	0.250	0.250	0.250
Capital Improvement	2.000	2.000	2.000	2.000
<b>Total District School Board</b>	<b>9.011</b>	<b>9.249</b>	<b>8.986</b>	<b>8.887</b>
<b>Overlapping Rates:</b>				
Escambia County	8.756	8.756	8.756	8.756
Escambia County Municipal Service Taxing Unit	0.747	0.747	0.747	0.747
City of Pensacola	5.057	5.057	5.057	5.057
City of Pensacola Downtown Improvement Board	2.000	2.000	2.000	1.000
Northwest Florida Water Management	0.050	0.050	0.050	0.050
Town of Century	1.086	1.031	0.998	0.981

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Source: Escambia County Tax Collector

Fiscal Year					
2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
6.049	5.694	5.273	5.134	4.960	5.286
0.510	0.510	0.510	0.510	0.510	0.498
0.229	0.206	0.250	0.250	0.250	0.250
2.000	2.000	2.000	2.000	2.000	1.686
8.788	8.410	8.033	7.894	7.720	7.720
8.756	8.756	8.756	8.756	8.017	6.976
0.747	0.747	0.747	0.747	0.685	0.685
5.057	5.057	5.057	4.950	4.598	4.540
2.000	2.000	2.000	2.000	2.000	2.000
0.050	0.050	0.050	0.050	0.045	0.045
0.941	0.828	0.861	0.764	0.781	0.823

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND NINE YEARS AGO  
(amounts expressed in thousands)  
(Unaudited)**

<u>Taxpayer</u>	<u>Fiscal Year</u>					
	<u>2008-09</u>			<u>1998-99</u>		
	<u>Rank</u>	<u>Assessed Value</u>	<u>Percentage of Total Assessed Value</u>	<u>Rank</u>	<u>Assessed Value</u>	<u>Percentage of Total Assessed Value</u>
Gulf Power Company	1	\$ 445,543	2.13%	1	\$ 358,608	5.10%
International Paper Company	2	401,419	1.92%	2	197,772	2.81%
Solutia, Inc.	3	193,348	0.92%	3	196,180	2.79%
Sacred Heart Health System	4	186,377	0.89%			0.00%
Pensacola Baptist Hospital	5	154,557	0.74%			0.00%
City of Pensacola	6	121,493	0.58%			
Pensacola Christian College	7	118,726	0.57%			
West Florida Medical Center	8	95,449	0.46%	5	42,181	0.60%
Bellsouth Telecommunication	9	78,912	0.38%	4	119,240	1.70%
Wal Mart Stores	10	67,684	0.32%			
Huntsman Specialty Chemical				6	37,332	0.53%
Wesinghouse Electric Corporation				7	34,525	0.49%
Simon Debartolo/Simon Property				8	28,642	0.41%
Escambia Housing Corporation				9	28,233	0.40%
Armstrong World Industries				10	27,686	0.39%
<b>Totals</b>		<u>\$ 1,863,508</u>	<u>11.73%</u>		<u>\$ 1,070,399</u>	<u>15.22%</u>

**Source: Escambia County Tax Roll compiled by the Escambia County Property Appraiser and tangible personal property records on file in the Escambia County Tax Collector's office.**



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

Fiscal Year	Total Tax Levy	Collected to End of Tax Year		Delinquent Collections (1)	Collected in Fiscal Year	
		Current Tax Collections (1)	Percent of Levy		Total Collections (1)	Percent of Levy
2008-09	\$ 126,868,775	\$ 118,049,237	93.05%	\$ 873,145	\$ 118,922,382	93.74%
2007-08	123,128,068	113,579,256	92.24%	1,704,002	115,283,258	93.63%
2006-07	117,027,107	107,994,392	92.28%	557,763	108,552,155	92.76%
2005-06	93,284,933	86,860,563	93.11%	299,309	87,159,872	93.43%
2004-05	97,736,698	89,794,940	91.87%	1,999,347	91,794,287	93.92%
2003-04	85,893,371	81,307,409	94.66%	800,139	82,107,548	95.59%
2002-03	80,859,383	77,412,114	95.74%	502,112	77,914,226	96.36%
2001-02	77,644,471	Not Available	Not Available	Not Available	75,432,466	97.15%
2000-01	74,405,047	Not Available	Not Available	Not Available	71,558,613	96.17%
1999-00	66,235,273	Not Available	Not Available	Not Available	63,752,175	96.25%

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

(1) Net of allowable discounts

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Source: Escambia County Tax Collector

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

Fiscal Year	Governmental Activities (A)					Percentage of Personal Income (B)	Per Capita (B)
	Notes Payable	State Board of Education Bonds	Certificates of Participation	Capital Leases	Total Primary Government		
2008-09	\$	\$ 9,291,284	\$ 50,840,714	\$ 1,038,229	\$ 61,170,227	0.878%	207
2007-08		10,233,673	53,536,829	2,024,988	65,795,490	0.944%	222
2006-07		9,764,305	56,131,879	3,076,029	68,972,213	0.756%	233
2005-06		9,240,982	58,719,369	4,070,281	72,030,632	0.824%	244
2004-05		11,532,666	60,195,842	5,397,412	77,125,920	0.920%	261
2003-04	4,050,000	12,007,890	60,780,000	6,725,619	83,563,509	1.049%	282
2002-03	6,700,000	12,055,000	62,840,000	7,486,257	89,081,257	1.180%	299
2001-02	8,575,000	12,845,000	64,900,000	9,842,219	96,162,219	1.308%	323
2000-01	9,500,000	13,555,000	66,135,000	9,420,188	98,610,188	1.374%	332
1999-00	264,284	14,210,000	67,730,000	10,179,900	92,384,184	1.348%	314

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

Source:

(A) District Records

(B) Total Primary Government Debt divided by Personal Income and Population from Page 156.

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

<u>Fiscal Year</u>	<u>Taxable Assessed Value (A)</u>	<u>Annual Lease Payment</u>	<u>Millage Levy to Provide 1.00x Coverage (B)</u>
2008-09	\$ 14,324,102	\$ 4,948,369	.36 Mills
2007-08	15,951,031	5,108,002	.34 Mills
2006-07	14,825,928	5,205,952	.37 Mills
2005-06	11,613,884	4,543,929	.41 Mills
2004-05	11,662,765	5,068,083	.46 Mills
2003-04	9,775,652	5,206,808	.56 Mills
2002-03	9,100,507	5,279,878	.61 Mills
2001-02	8,642,058	5,224,045	.64 Mills
2000-01	8,045,258	5,397,924	.71 Mills
1999-00	7,351,078	5,403,070	.77 Mills

(A) Assessed Value is in Thousands.

(B) Millage rate calculated using 95% of the taxable assessed valuation.

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

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Source: District Records

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

<b>Fiscal Year</b>	<b>Population (A)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (A)</b>	<b>Median Age (A)</b>	<b>Unemployment Rate (B)</b>
2008-09	295,856	\$ 6,967,408,800	\$ 23,550	35.00	9.9%
2007-08	295,998	6,970,752,900	23,550	36.80	5.5%
2006-07	295,740	9,119,734,380	30,837	36.90	3.8%
2005-06	295,682	8,745,682,196	29,578	37.40	3.4%
2004-05	295,624	8,387,148,504	28,371	36.60	3.6%
2003-04	295,939	7,964,606,307	26,913	36.00	3.5%
2002-03	297,596	7,551,796,096	25,376	35.00	4.0%
2001-02	297,539	7,349,808,378	24,702	35.40	3.8%
2000-01	297,224	7,174,987,360	24,140	35.40	3.8%
1999-00	294,345	6,852,057,255	23,279	35.10	3.5%

Note: Governmental Expense was not calculated until fiscal year ending June 30, 2002 with the implementation of GASB Statement No. 34.

Sources:

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

(B) Unemployment Rates were obtained from Florida Agency for Workforce Innovation, Office of Workforce Information Services, Labor Market Statistics

(C) Student Enrollment was obtained from District Records

Student Enrollment (C)	Government-wide Governmental Activities Expenses	Cost per Student
40,264.34	\$ 378,854,685	\$ 9,409
41,077.67	398,777,831	9,708
42,025.33	396,835,468	9,443
42,590.86	371,154,107	8,714
42,994.68	347,090,419	8,073
43,054.84	317,892,430	7,383
42,854.79	310,621,547	7,248
43,314.34	303,953,487	7,017
43,507.73	Not Available	Not Available
43,408.75	Not Available	Not Available

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT AND NINE YEARS AGO  
(Unaudited)**

<b>Employer</b>	<b>Fiscal Year</b>					
	<b>2008-09 <sup>(1)</sup></b>			<b>1998-99 <sup>(1)</sup></b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Employment</b>
Local Government	15,790	1	7.748%	10,857	1	6.357%
Federal Government	7,403	2	3.633%	7,153	2	4.188%
State of Florida	5,970	3	2.930%	4,759	4	2.786%
Sacred Heart Health System	5,000	4	2.454%	2,364	5	1.384%
Baptist Health Care	3,163	5	1.552%	5,000	3	2.927%
Lakeview Center	2,000	6	0.981%	1,300	8	0.761%
Gulf Power Company	1,400	7	0.687%	1,523	6	0.892%
Solutia, Inc.	1,400	7	0.687%	1,500	7	0.878%
West Florida Hospital	1,300	8	0.638%	1,500	7	0.878%
University of West Florida	1,231	9	0.604%			
Navy Federal Credit Union	1,200	10	0.589%			
Medical Center Clinic				1,127	9	0.660%
International Paper Company				1,110	10	0.650%
<b>Totals</b>	<b>45,857</b>		<b>22.503%</b>	<b>38,193</b>		<b>22.361%</b>

<sup>(1)</sup> Source: Pensacola Chamber of Commerce  
(<http://www.pensacolachamber.com/economicdevelopment/workforce.html>)



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

	Placed in Service <sup>(1)</sup>	Square Footage <sup>(2)</sup>	Portables	Full-Time Equivalent Enrollment Data		
				1999-00	2000-01	2001-02
<b>Elementary Schools/K-8</b>						
Allen Elementary	1956	69,685	7	759.02	765.10	734.94
Barrineau Park Elementary	1938	9,840	10	226.30	233.90	236.30
Bellview Elementary	1950	61,040	13	752.16	750.76	749.80
Beulah Elementary	1980	74,634	11	595.50	588.90	606.02
Bibbs Elementary	1962	57,876	2	339.20	365.43	325.92
Blue Angels Elementary	1999	110,540	4		722.82	739.34
Bratt Elementary	1980	53,642	3	377.19	377.60	347.78
Brentwood Elementary	1937	60,107	7	439.66	386.74	417.90
Byrneville Elementary	1940	310	9	188.56	168.64	171.98
Caro Elementary	1989	96,222	8	1,390.20	750.80	785.66
Carver/Century K-8	1958	61,793	1			
Century Elementary	1958	31,663	4	265.32	232.38	229.74
Cook Elementary	1997	114,396		619.20	618.04	702.01
Cordova Park Elementary	1962	76,577	11	567.00	534.24	546.98
Dixon Elementary	1954	45,495		349.00	373.80	331.50
Edgewater Elementary	1962	51,663	2	565.93	544.36	513.14
Ensley Elementary	1959	56,909	8	574.48	521.60	498.38
Ferry Pass Elementary	1957	77,426	11	610.50	646.20	603.70
Hallmark Elementary	1928	36,993	3	316.89	300.56	317.27
Holm Elementary	1999	85,111	3	636.17	639.15	624.78
Lincoln Park Elementary	1961	51,283	2	381.60	391.28	382.72
Lipscomb Elementary	1991	107,268	13	790.70	804.56	828.60
Longleaf Elementary	1975	73,012	3	767.60	718.61	680.70
McArthur Elementary	1975	76,520	11	607.04	621.94	623.40
Molino Elementary	1939	25,851		239.49	227.83	208.35
Molino Park Elementary	2002	110,955				
Montclair Elementary	1960	57,562		631.40	630.81	566.36
Myrtle Grove Elementary	1936	71,977	8	673.77	669.42	672.84
Navy Point Elementary	1954	71,064		626.04	564.14	510.06
Oakcrest Elementary	1956	63,236	12	559.61	621.93	596.12
Pensacola Beach Elementary	1977	10,310		123.90	132.32	127.20
Pine Meadow Elementary	1960	75,942	10	806.00	739.52	716.12
Pleasant Grove Elementary	1948	51,274	11	501.13	498.93	514.62
Scenic Heights Elementary	1960	72,531	10	863.20	853.10	778.02
Semmes Elementary	1955	60,009	1	636.64	557.36	501.56
Sherwood Elementary	1958	66,651	1	674.24	639.26	593.60
Suter Elementary	1921	36,786	7	270.94	258.07	262.48
Warrington Elementary	1947	60,684	7	559.76	487.00	468.68
Weis Elementary	1990	93,026		679.63	642.94	610.34
West Pensacola Elementary	1955	66,535	5	571.22	571.50	587.02
Yniestra Elementary	1938	39,600	8	352.02	333.58	325.64
<b>Total Elementary Schools</b>			<b>226</b>	<b>20,888.21</b>	<b>20,485.12</b>	<b>20,037.57</b>
<b>Middle Schools</b>						
Bailey Middle School	1993	167,607	12	1,397.78	1,382.59	1,449.74
Bellview Middle School	1961	128,472	9	1,008.46	1,064.76	1,109.03
Brentwood Middle School	1955	88,445	7	672.60	666.30	760.60
Brown Barge Middle School <sup>(4)</sup>	1955	88,445	1	510.82	502.30	494.62
Brownsville Middle School	1955	106,664		924.63	887.36	891.69
Carver Middle School	1935	54,870		164.63	178.52	180.50
Ferry Pass Middle School	1961	110,909	5	990.50	1,050.30	1,067.46
Ransom Middle School	1987	144,094	17	1,453.92	1,457.50	1,503.78
Ward Middle School	1945	76,655	2	212.50	229.90	239.20
Warrington Middle School	1953	112,790	6	782.90	774.18	774.39
Wedgewood Middle School	1964	85,650		739.50	726.90	733.10
Woodham Middle School	1964	215,596				
Workman Middle School	1962	115,126	10	801.10	870.80	869.66
<b>Total Middle Schools</b>			<b>69</b>	<b>9,659.34</b>	<b>9,791.41</b>	<b>10,073.77</b>



**Full-Time Equivalent Enrollment Data**

<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>	<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>
602.20	596.64	613.09	618.52	617.09	633.18	590.63
231.30						
740.52	745.70	699.93	685.92	743.83	762.67	722.02
608.54	611.20	667.95	734.86	700.59	724.57	767.96
437.44	417.42	398.04	399.58	382.90	344.17	336.40
754.14	755.22	853.07	868.08	827.43	815.10	860.56
353.41	358.58	364.18	396.63	386.22	394.02	393.28
477.96	463.05	492.61	587.61	530.61	450.24	413.87
851.44	926.80	891.01	887.40	879.56	864.49	908.50
365.74	348.40	374.45	335.40	264.63	203.75	213.65
711.23	693.42	648.74	555.05	591.80	588.18	608.90
526.49	514.85	574.30	642.20	625.75	673.04	658.14
491.35	429.00	395.52	383.38	360.03	350.82	350.87
496.36	451.65	469.49	436.56	363.17	374.90	348.21
588.39	607.96	617.92	653.90	673.44	646.94	619.81
300.54	271.53	278.05	263.86	239.50	241.43	225.34
626.67	644.60	623.70	614.43	556.81	550.19	534.63
401.90	403.16	387.02	331.53	334.74	279.94	247.52
809.40	837.98	860.09	849.01	871.98	950.12	1,018.97
669.94	665.02	633.21	680.08	769.00	802.02	746.02
590.64	619.68	668.64	719.04	712.59	719.12	714.42
220.48						
	448.20	470.12	485.88	459.84	463.95	431.27
491.30	459.12	469.17	425.22	296.56	321.92	473.91
665.76	669.00	652.99	633.39	640.92	679.32	651.69
506.13	493.12	456.96	406.44	393.96	384.27	331.85
484.68	492.27	454.23	471.65	430.76	447.43	426.31
717.76	719.78	724.56	752.94	796.95	780.37	797.83
558.52	574.92	562.84	602.22	620.28	658.23	645.02
742.40	740.80	756.14	787.13	743.78	694.10	779.99
403.62	395.48	382.78	330.71	310.06	286.23	266.07
552.22	543.74	515.51	529.47	530.79	524.10	518.14
265.58	273.78	306.31	315.75	354.70	381.17	367.55
513.07	493.38	470.16	471.28	442.65	392.79	369.93
630.85	626.12	573.82	555.32	516.72	548.52	533.02
558.40	564.06	511.51	476.21	481.45	461.44	455.00
328.29	327.24	310.55	332.13	404.08	281.97	235.79
<u>19,274.66</u>	<u>19,182.87</u>	<u>19,128.66</u>	<u>19,218.78</u>	<u>18,855.17</u>	<u>18,674.70</u>	<u>18,563.07</u>
1,476.97	1,618.06	1,649.50	1,566.28	1,528.66	1,504.05	1,488.20
1,152.21	1,179.70	1,169.18	1,106.20	1,134.80	1,192.10	1,099.50
817.80	878.90	885.04	869.20	818.79		
500.22	511.30	512.60	501.00	509.00	631.00	652.71
767.36	733.07	740.50	605.70	524.30		
1,014.20	1,003.91	977.70	899.70	899.43	880.80	894.56
1,487.80	1,435.80	1,473.10	1,447.88	1,403.11	1,365.31	1,325.81
333.60	407.50	392.05	383.50	443.00	458.50	461.49
815.30	838.30	796.06	721.50	617.20	892.00	854.80
723.60	713.30	663.90	541.00	555.60		
					1,012.60	928.50
906.62	905.81	898.10	827.90	788.13	850.02	866.11
<u>9,995.68</u>	<u>10,225.65</u>	<u>10,157.73</u>	<u>9,469.86</u>	<u>9,222.02</u>	<u>8,786.38</u>	<u>8,571.68</u>

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

	Placed in Service <sup>(1)</sup>	Square Footage <sup>(2)</sup>	Portables	Full-Time Equivalent Enrollment Data		
				1999-00	2000-01	2001-02
<b>High Schools</b>						
Escambia High School	1958	229,995	9	1,917.10	1,897.37	1,852.73
West Florida High School of Advanced Technology	1967	338,380	6	80.30	66.83	383.89
Northview High School	1993	135,153		456.70	470.50	437.74
Pensacola High School	1949	262,729	6	1,690.70	1,692.59	1,625.34
Pine Forest High School	1974	220,462	15	1,629.44	1,611.04	1,663.99
Tate Senior High School	1950	284,413	2	2,169.54	2,177.18	2,074.75
Washington High School	1976	238,682	5	1,800.70	1,767.12	1,741.43
Woodham High School	1962	115,126	10	1,507.72	1,473.79	1,426.34
<b>Total High Schools</b>			<b>53</b>	<b>11,252.20</b>	<b>11,156.42</b>	<b>11,206.21</b>
<b>Special Centers</b>						
Judy Andrews Pre-K Center	1965	20,458		27.88	27.96	26.86
Clubbs Alternative Middle School	1938	32,064	2		174.50	142.50
Dixon Educational Center <sup>(5)</sup>	1954	45,495		261.12	252.86	110.97
E-Seal Center	1992	40,127	5	129.09	136.96	114.27
Sid Nelson Community Learning	1956	56,836		24.11	25.53	134.47
McMillian Learning Center	1961	40,659	7	23.88	25.48	25.93
Program for Academically Talented Students (PATS)	1921	23,629	1	212.30	199.20	
Petree Center	1962	15,512	5	41.67	36.60	38.28
George Stone Technical Center <sup>(3)</sup>	1967	219,913	6			
Escambia Westgate Center	1979	96,305	5	189.50	195.00	194.50
OASIS High School Preparatory Academy	1965		4			
<b>Total Special Centers</b>			<b>35</b>	<b>909.55</b>	<b>1,074.09</b>	<b>787.78</b>
<b>Other Programs</b>						
District Administered Programs	n/a	n/a	n/a	72.47	76.71	94.82
Escambia County Jail	n/a	n/a	n/a	1.50	0.17	0.80
Escambia Juvenile Justice Center	n/a	n/a	n/a	33.48	73.51	59.50
Hospital & Homebound	n/a	n/a	n/a	25.57	23.54	20.81
Drug and Alcohol Residential Treatment Center (DAART)	n/a	n/a	n/a	18.00	16.50	14.50
Lakeview Center	n/a	n/a	n/a	47.50	46.50	46.50
Pensacola Boys Base	n/a	n/a	n/a	17.01	30.00	29.50
Escambia Bay Marine	n/a	n/a	n/a	28.77	61.50	75.00
Outward Bound	n/a	n/a	n/a	17.75	30.00	25.50
PACE Center for Girls	n/a	n/a	n/a	23.72	45.50	45.50
McKay Scholarships	n/a	n/a	n/a			
Opportunity Scholarships	n/a	n/a	n/a	54.48	85.34	141.74
<b>Total Other Programs</b>				<b>340.25</b>	<b>489.27</b>	<b>554.17</b>
<b>Charter Schools</b>						
Beulah Academy of Science	n/a	n/a	n/a	123.53	141.42	159.50
Byrneville Elementary Charter School	n/a	n/a	n/a			
Capstone Academy	n/a	n/a	n/a			
Escambia Charter School	n/a	n/a	n/a	141.17	144.50	162.00
Dr. Ruby J. Gainer School for Reaching Your Dream	n/a	n/a	n/a		126.00	82.92
Gulf Coast Charter School	n/a	n/a	n/a	94.50	99.50	106.92
Jacqueline Harris Preparatory Academy	n/a	n/a	n/a			143.50
Life Skills Center	n/a	n/a	n/a			
Pensacola Beach Elementary Charter School	n/a	n/a	n/a			
<b>Total Charter Schools</b>				<b>359.20</b>	<b>511.42</b>	<b>654.84</b>
<b>Total District</b>				<b>43,408.75</b>	<b>43,507.73</b>	<b>43,314.34</b>

<sup>(1)</sup> Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodeling.

<sup>(2)</sup> Square footage is current, but does not include portables.

<sup>(3)</sup> The George Stone Center houses adult programs which do not generate Full Time Enrollment (FTE).

<sup>(4)</sup> Brown-Barge moved to the former Brentwood Middle facility in 2007-08.

<sup>(5)</sup> Dixon Educational Center moved to the former Judy Andrews facility in 2006-07 and the name was changed to Judy Andrews Center.

Source: District Records

**Full-Time Equivalent Enrollment Data**

<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>	<b>2007-08</b>	<b>2008-09</b>
1,652.24	1,670.17	1,691.66	1,683.69	1,743.04	1,920.58	1,895.15
661.83	955.95	1,224.82	1,244.51	1,245.00	1,284.46	1,300.88
496.53	505.83	520.98	545.97	558.33	551.61	546.10
1,712.09	1,621.61	1,547.76	1,509.07	1,404.95	1,483.93	1,532.93
1,564.42	1,515.58	1,478.21	1,498.28	1,520.34	1,958.50	1,833.24
1,989.36	1,927.44	1,936.94	1,945.50	2,071.28	1,967.59	1,909.05
1,678.79	1,664.46	1,580.41	1,589.02	1,659.19	1,875.50	1,691.68
1,368.34	1,306.92	1,289.25	1,323.76	1,229.01		
<u>11,123.60</u>	<u>11,167.96</u>	<u>11,270.03</u>	<u>11,339.80</u>	<u>11,431.14</u>	<u>11,042.17</u>	<u>10,709.03</u>
				42.50	47.50	44.00
173.50	173.00	177.00	156.00	122.00	146.50	148.50
184.00	190.00	180.50	166.50			
118.50	119.00	125.76	99.50	97.55	85.59	83.97
136.24	133.46	108.37	129.15	107.35	122.10	143.75
28.71	46.50	68.37	58.35	59.52	61.74	65.49
197.70	197.48	206.13	223.50	223.64	221.16	218.64
			72.00	72.00	72.00	72.00
<u>838.65</u>	<u>859.44</u>	<u>866.13</u>	<u>905.00</u>	<u>724.56</u>	<u>756.59</u>	<u>776.35</u>
133.22	154.53	147.89	165.07	151.92	153.18	147.00
0.63	0.57	0.75	0.72	0.93	1.23	1.35
73.00	92.00	79.50	77.50	103.49	96.33	70.00
22.25	20.97	17.11	16.19	18.22	16.24	14.13
15.00	15.50	14.50	13.50	17.00	17.50	16.00
53.50	47.50	46.50	43.50	40.50	41.50	40.00
27.50	28.50	27.50	29.50	38.11	37.02	26.02
76.50	77.00	74.50	75.50	75.98	68.30	72.00
32.50	31.00	22.50	30.50	33.72		
42.50	45.00	44.00	47.50	61.30	63.30	51.00
	180.50	191.50	191.50	130.50	144.00	163.00
188.50	34.50	28.00	12.50			5.33
<u>665.10</u>	<u>727.57</u>	<u>694.25</u>	<u>703.48</u>	<u>671.67</u>	<u>638.60</u>	<u>605.83</u>
161.20	165.80	188.40	216.30	225.50	239.20	261.70
165.80	170.60	165.28	172.00	159.30	162.70	166.80
		4.00	5.44	10.00	13.50	18.82
145.50	137.65	110.50	120.00	108.50	121.50	130.50
102.00	127.00	134.00	117.00	118.51	109.88	113.50
96.50						
160.20	156.80	158.50	192.50	179.50	194.30	203.30
				204.01	213.29	
<u>125.90</u>	<u>133.50</u>	<u>117.20</u>	<u>130.70</u>	<u>115.45</u>	<u>124.86</u>	<u>143.76</u>
<u>957.10</u>	<u>891.35</u>	<u>877.88</u>	<u>953.94</u>	<u>1,120.77</u>	<u>1,179.23</u>	<u>1,038.38</u>
<u>42,854.79</u>	<u>43,054.84</u>	<u>42,994.68</u>	<u>42,590.86</u>	<u>42,025.33</u>	<u>41,077.67</u>	<u>40,264.34</u>

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

<u>Fiscal Year</u>	<u>(A) Instructional</u>	<u>(B) Administrative</u>	<u>(C) Support Services</u>	<u>Total</u>	<u>Ratio of Students (FTE) to Instructional Personnel</u>	<u>Ratio of Instructional Personnel to Administrators</u>
2008-09	3,371	145	2,022	5,538	11.59	23.25
2007-08	3,442	150	2,084	5,676	11.93	22.95
2006-07	3,421	152	2,192	5,765	12.28	22.51
2005-06	3,371	152	2,145	5,668	12.63	22.18
2004-05	3,301	148	2,128	5,577	13.02	22.30
2003-04	3,074	148	2,083	5,305	14.01	20.77
2002-03	3,050	164	2,102	5,316	14.05	18.60
2001-02	3,038	157	2,242	5,437	14.26	19.35
2000-01	3,097	166	2,328	5,591	14.05	18.66
1999-00	3,031	166	2,232	5,429	14.32	18.26

- (A) Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists  
Other Professional Instructional Staff
- (B) Principals, Assistant Principals, Superintendent, Assistant Superintendent, Executive Directors  
Directors, Managers, Coordinators
- (C) Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, Etc.

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Source: District Records

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
TEACHERS' SALARIES  
LAST TEN FISCAL YEARS  
(Unaudited)**

<b>Fiscal Year</b>	<b>Minimum Range 10-Month Salary (a)</b>	<b>Maximum Range 10-Month Salary (a)</b>	<b>Average Teacher Salary</b>
2008-09	\$32,000 - \$35,600	\$51,000 - \$54,600	\$41,430
2007-08	32,000 - 35,600	51,000 - 54,600	41,551
2006-07	29,105 - 32,705	48,197 - 51,797	39,075
2005-06	27,878 - 31,478	46,631 - 50,231	37,402
2004-05	27,252 - 30,852	45,639 - 49,239	36,407
2003-04	26,626 - 30,226	44,647 - 48,247	34,286
2002-03	26,000 - 29,600	43,655 - 47,255	34,821
2001-02	25,300 - 28,900	41,976 - 45,576	33,849
2000-01	23,400 - 27,000	41,976 - 45,576	31,261
1999-00	23,000 - 26,600	41,976 - 45,576	31,682

(a) Minimum and maximum salary ranges are based on the educational level of the employee. The starting amount represents a bachelor's degree and the ending amount represents an in-field doctorate degree. Employees may earn additional pay for the following degree levels: in-field masters (\$2,500); out-of-field masters (\$1,700); in-field specialist (\$3,100); out-of-field specialist (\$2,600); in-field doctorate (\$3,600); out-of-field doctorate (\$3,300). Employees may also receive additional compensation for working 11 or 12 months.

Source: Minimum & Maximum Salaries - District Records; Average Teacher Salaries - Florida Department of Education.

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

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2000</b>	<b>June 30, 2001</b>	<b>June 30, 2002</b>	<b>June 30, 2003</b>
Days Meals were Served	180	180	180	180
Average Number of Free and Reduced Meals Served Daily	30,610	30,154	29,827	28,966
Number of Free and Reduced Meals Served	5,509,862	5,427,776	5,368,914	5,213,909
Average Daily Subsidy Received	\$ 57,264	\$ 57,082	\$ 58,513	\$ 58,143
Total Subsidy Received	\$ 10,307,517	\$ 10,274,705	\$ 10,532,370	\$ 10,465,651
Average Number of Meals Served Daily	38,301	37,618	36,739	35,669
Number of Meals Served	6,894,155	6,771,246	6,613,028	6,420,385
Average Daily Revenues	\$ 89,344	\$ 90,119	\$ 92,837	\$ 91,309
Total Revenues	\$ 16,081,860	\$ 16,221,482	\$ 16,710,683	\$ 16,435,701
Average Daily Costs	\$ 87,737	\$ 96,238	\$ 89,390	\$ 87,699
Total Costs	\$ 15,792,684	\$ 17,322,894	\$ 16,090,122	\$ 15,785,781

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Source: District Records

<b>Fiscal Year Ending</b>					
<b>June 30, 2004</b>	<b>June 30, 2005</b>	<b>June 30, 2006</b>	<b>June 30, 2007</b>	<b>June 30, 2008</b>	<b>June 30, 2009</b>
180	170	179	180	180	180
28,851	29,909	28,330	27,886	26,440	27,681
5,193,132	5,084,549	5,071,159	5,019,529	4,759,284	4,982,623
\$ 59,145	\$ 63,293	\$ 61,462	\$ 62,312	\$ 65,436	\$ 71,958
\$ 10,646,061	\$ 10,759,800	\$ 11,001,688	\$ 11,216,190	\$ 11,778,397	\$ 12,952,440
35,685	36,602	35,871	35,695	33,365	33,766
6,423,242	6,222,411	6,420,924	6,425,066	6,005,633	6,077,927
\$ 93,767	\$ 100,072	\$ 100,536	\$ 102,799	\$ 98,927	\$ 104,226
\$ 16,878,128	\$ 17,012,218	\$ 17,995,872	\$ 18,503,864	\$ 17,806,948	\$ 18,760,744
\$ 92,371	\$ 99,798	\$ 100,429	\$ 102,150	\$ 103,911	\$ 99,617
\$ 16,626,822	\$ 16,965,688	\$ 17,976,729	\$ 18,387,009	\$ 18,704,011	\$ 17,931,037

**DISTRICT SCHOOL BOARD OF ESCAMBA COUNTY, FLORIDA**  
**SCHEDULE OF INSURANCE IN FORCE**  
**AS OF JUNE 30, 2009**  
(Unaudited)

Coverage Type	Name of Company	Policy Number	Coverage	
			From	To
Primary Property	Lexington Insurance Company	9702958	07/01/08	06/30/09
Excess Property	Landmark American Insurance Company	LHD358492	07/01/08	06/30/09
Excess Property	Columbia Casualty Insurance Company	RMP2091209819	07/01/08	06/30/09
Excess Property	Westchester Surplus Lines Insurance Company	D35891882-006	07/01/08	06/30/09
Boiler & Machinery	Travelers Property and Casualty Company	BM-216083C758	07/01/08	06/30/09
Crime Bond	Travelers Property and Casualty Company	103183657	07/01/08	06/30/09
General Liability	Mt. Hawley Insurance Company	MGL0155041	05/22/09	04/30/10
Excess Liability	Mt. Hawley Insurance Company	MXL0365948	05/22/09	04/30/10
Storage Tank	Zurich Insurance Company	USA5865285	01/31/09	12/31/10
Public Official Bonds	Fidelity & Deposit Company	POB8783327	11/20/08	11/20/09
Public Official Bonds	Fidelity & Deposit Company	POB890042	11/20/08	11/20/09
Public Official Bonds	Fidelity & Deposit Company	POB8783263	11/18/09	11/19/12
Public Official Bonds	Fidelity & Deposit Company	POB8900439	11/18/08	11/18/10
Public Official Bonds	Fidelity & Deposit Company	POB8900440	11/18/08	11/19/12
Public Official Bonds	Fidelity & Deposit Company	POB8900441	11/18/08	11/19/12
Out-of-State Vehicles	Fisher Brown Insurance Company	74APB018735	02/03/09	02/02/10
Catastrophic Student Accident	National Union Fire Insurance Company	AIC00153180	08/01/09	07/31/10
Interschool & Athletic Activities	United Health Care	2009600086	08/01/09	07/31/10

Source: District Records



Coverage Type	Limit of Coverage	Annual Premium
All Risks of Direct Physical Loss or damage including flood and earthquake	\$15,000,000 Primary per occurrence	\$2,020,004
Excess Insurance	\$5,000,000p/o\$15,000,000xsPrimary\$15,000,000	252,504
Excess Insurance	\$5,000,000p/o\$15,000,000xsPrimary\$15,000,000	252,504
Excess Insurance	\$5,000,000p/o\$15,000,000xsPrimary\$15,000,000	252,504
Boiler & Machinery	\$100,000,000 Equipment Breakdown Limit	15,188
Crime Bond	\$25,000 per Loss - Employee Dishonesty \$25,000 on Premises \$25,000 Messenger - Money & Securities	4,988
General Liability	\$2,000,000 General Aggregate \$1,000,000 Products-Completed Operation Agg. \$1,000,000 Personal & Advertising \$1,000,000 Each Occurrence \$50,000 Fire Damage \$5,000 Medical Expense	10,100
Excess Liability	\$5,000,000 Each Occurrence/Aggregate \$5,000,000 General Aggregate (other than products/complete operations) \$5,000,000 Products/Completed operations aggregate	8,080
Liability	\$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	14,109
Chairman Public Official Bond	Board Members Coverage \$12,000	101
Vice Chairman Public Official Bond	Board Members Coverage \$12,000	101
District #4	Board Members Coverage \$12,000	359
District #3	Board Members Coverage \$12,000	188
District #5	Board Members Coverage \$12,000	359
Superintendent	Board Members Coverage \$12,000	359
Vehicles that travel across state line	\$500,000 Bodily Injury each person \$500,000 Bodily Injury each accident \$100,000 Property Damage each accident	10,781
Covers liability relating to interscholastic activities	\$5,000,000 Accident Medical Expense Benefit	10,876
Accidental Student Athletic Insurance Policy	\$25,000	55,820



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# OTHER REPORTS





**Independent Auditors' Report on Internal Control over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

The Honorable Members of the School Board  
District School Board of Escambia County, Florida  
Pensacola, Florida

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Escambia County, Florida (the "District") as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 22, 2009. We did not audit the financial statements of the aggregate discretely presented component units; those financial statements were audited by other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the District School Board, management, applicable federal and state agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Cherry, Bekant & Holland, L.L.P.*

Orlando, Florida  
December 22, 2009