

SUPERINTENDENT'S ANNUAL FINANCIAL REPORT

(Unaudited)

For the Fiscal Year Ended
June 30, 2012

E. Wayne Gent
Superintendent of Schools

The School District of Palm Beach County, Florida

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

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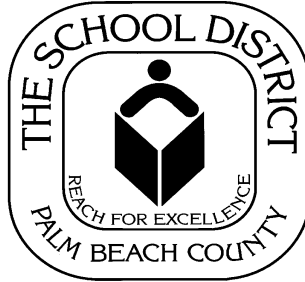
REPORT PREPARED BY:

Heather Knust, Director of Accounting

The School District of Palm Beach County, Florida

3300 Forest Hill Boulevard

West Palm Beach, Florida 33406



SUPERINTENDENT'S ANNUAL FINANCIAL REPORT

(Unaudited)

For the Fiscal Year Ended
June 30, 2012

September 5, 2012

The School District of Palm Beach County, Florida
West Palm Beach, Florida

**FLORIDA DEPARTMENT OF EDUCATION
SUPERINTENDENT'S ANNUAL FINANCIAL REPORT (ESE 145)
DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
For the Fiscal Year Ended June 30, 2012**

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The Superintendent's Annual Financial Report (ESE 145) for the fiscal year ended June 30, 2012, was submitted in accordance with Rule 6A-1.0071, F.A.C. (Section 1001.51(12)(b), F.S.). This report was approved by the school board on September 5, 2012.

District Superintendent's Signature

Date

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1

The School District of Palm Beach County, Florida's (the "District") discussion and analysis is designed to provide an objective and easy to read analysis of the District's financial activities for the fiscal year ended June 30, 2012, based on currently known facts, decisions or conditions. It is intended to provide a broad overview using a short-term and long-term analysis of the District's activities based on information presented in the financial report and fiscal policies that have been adopted by the seven elected members of the school board (the "Board"). Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget) and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the notes that are provided in addition to this MD&A.

FINANCIAL HIGHLIGHTS

- The net position of the District decreased \$79 million from \$2.165 billion to \$2.085 billion as expected. The District used foresight to set aside funds accumulated in fiscal year 2011 to cover the anticipated deficit in fiscal year 2012.
- The District's total long-term debt decreased by \$6.7 million or 0.3% primarily due debt repayments of \$61.4 million, refunding / defeased transactions (discussed in Note 10), offset by an increase in negative fair value of hedging derivative instruments of \$69.5 million.
- Total revenues decreased by \$208.7 million or 11.1%, from \$1.885 billion to \$1.676 billion when compared to the prior year.
 - General revenue accounted for \$1.2 billion, or 68.9%, of all revenues and decreased \$89.7 million or 7.2%. This decrease is primarily attributed to the reduction in funding from the Florida Education Finance Program (FEFP) revenue of \$24.6 million, decrease of \$50.6 million in sales tax due to discontinuation of half cent local sales tax in December 2010, a decrease in property taxes of \$17.6 million due to a continued decline in property values, and decrease in investment earnings of \$5.2 million attributed to reduced gain on SWAP sale of \$6.1 million partially offset by an increase in investment revenue recognized as a result of the change in fair value of investment derivative instruments of \$1.2 million; partially offset by a \$6.7 million transfer from the closure of the maintenance internal service fund.
 - Program specific revenue in the form of charges for services, grants and contributions accounted for \$520.8 million, or 31.1% of all revenues and decreased \$111.0 million or 18.6%. The decrease is primarily attributed to the reduction in American Recovery and Reinvestment Act (ARRA) program, Education Jobs Fund (Ed Jobs) of \$38.0 million and Public Education Capital Outlay of \$5.5 million.
- Total expenses decreased \$69.2 million from \$1.824 billion to \$1.755 billion. Expenses were offset by \$584.6 million in program specific charges for services, grants and contributions. General revenues, primarily property taxes and FEFP revenues and prior year set asides were adequate to provide for these programs.
 - Beginning July 1, 2011, employees were required to contribute 3% of their wages to the retirement plan. The shift in cost from employer to employee coupled with plan design changes reduced the District's retirement plan costs \$54.8 million from \$99.6 million in fiscal year 2011 to \$44.8 million in fiscal year 2012.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1

- The District complied with Classsize Reduction Amendment requirements passed by voters in November 2002, which established limits on the number of students in core courses. The cost to comply in fiscal year 2012 was \$29 million.
- The District continued the hold on non-instructional hiring and hiring all outside personnel on an interim basis. The majority of the District's costs are salary related representing approximately 80% of the total operating budget. The hiring hold enabled the District to reduce the cost and size of its workforce through attrition, rather than layoffs. Remaining employees have been redirected in some instances to meet student needs. The District also implemented energy saving programs, which resulted in a decrease in electricity costs even with an increase in total square footage and instituted a freeze on all non-essential purchases including travel.
- The District's governmental funds reported combined fund balances of \$604.6 million.
 - The General Fund (the primary operating fund), reflected on a current financial resources basis, ended the year with a fund balance of \$166.7 million. Of this amount, \$51.1 million is classified as unassigned that is available to cover unanticipated financial needs and includes the Board approved contingency, \$86.6 million is classified as assigned, \$23.3 million is classified as restricted and \$5.7 million is classified as nonspendable. During the current year, General Fund expenditures exceeded revenues (including other financing sources) by \$20.3 million.
 - Capital Project funds ended the year with a fund balance of \$306.0 million and is restricted or assigned to fund existing and future capital projects.
 - Debt Service funds ended the year with a fund balance of \$107.5 million and is restricted to cover debt service payments.
 - Special Revenue funds ended the year with a fund balance of \$24.6 million, of which \$20.4 million is restricted to child nutrition costs, \$2.9 million is nonspendable inventory, and \$1.3 million is committed to Education Network Program.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts – management's discussion and analysis (this section) and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations *in more detail* than the government-wide statements.
- The *governmental funds* statements tell how *basic* services like instruction and instructional support services were financed in the *short-term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the District operates *like businesses*, such as group health self insurance.
- *Fiduciary funds* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit A-1

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data.

Figure 1 Major Features of Government-Wide and Fund Financial Statements				
	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as instructional costs	Activities the District operates similar to private businesses: health internal service funds	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in fund net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus

Figure 1, above, summarizes the major features of the District’s financial statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the District’s assets and liabilities. All of the current year’s revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District’s *net position* and how they have changed. Net position – the difference between the District’s assets, deferred outflows and liabilities – is one way to measure the District’s financial health or position.

- Over time, increases or decreases in the District’s net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, the reader needs to consider additional non-financial factors such as changes in the District’s property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, all the District’s activities are reported as governmental activities.

- *Governmental activities* – All of the District’s basic services are included here, such as regular and special education, transportation, and administration. Property taxes and state formula aid finance most of the activities.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1

Fund Financial Statements

The fund financial statements provide more detailed information about the District's *funds*, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by State law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (like repaying its long-term debts) or to show that it is properly using certain revenues (like federal grants).

The District has three kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which generally focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, the District provides additional information with the governmental funds statements that explain the relationship (or differences) between them.
- *Proprietary funds* – Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements. There are two types of proprietary funds:
 - *Enterprise funds* account for goods and services provided to those outside the District, generally on a user-charge basis. Currently, the District has no enterprise funds.
 - *Internal service funds* report activities that provide supplies and services for the District's other programs and activities.
- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for assets that belong to others, such as the scholarship fund and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong.

The District excludes these activities from the government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Financial Statements – The notes provided, disclosures and additional information that are essential to a full understanding of the financial information presented in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report also provides certain required supplementary information, as well as combining and individual fund statements and schedules beginning Exhibit D-2, page 19.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's net position was \$2.1 billion at June 30, 2012. The largest portion of the District's net position, \$1.8 billion or 87.5%, reflect its investment in capital assets (i.e. land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1

spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position (\$334.9 million) represents resources that are subject to external restrictions on how they may be used.

Capital assets (net) decreased \$75.8 million or 2.0% compared to prior year and primarily reflects the impact of current year depreciation exceeding capital spending. See Note 7 of the Notes to the Financial Statements for more information on capital assets.

The analyses in Table 1, below, and Table 2 on page 6, focus on the summary of net position and summary of changes in net position for the District's governmental activities.

Table 1

Summary of Net Position
Governmental Activities
(in thousands)

	June 30, 2012	June 30, 2011	Increase (Decrease)	Percentage Change
Current and other assets	\$ 818,029	\$ 881,317	\$ (63,288)	(7.2%)
Capital assets (net)	3,627,117	3,702,918	(75,801)	(2.0%)
Total assets	<u>4,445,146</u>	<u>4,584,235</u>	<u>(139,089)</u>	<u>(3.0%)</u>
Deferred Outflows of Resources	<u>138,619</u>	<u>69,139</u>	<u>69,480</u>	<u>100.5%</u>
Current and other liabilities	275,881	260,689	15,192	5.8%
Long-term liabilities	2,222,180	2,227,966	(5,786)	(0.3%)
Total liabilities	<u>2,498,061</u>	<u>2,488,655</u>	<u>9,406</u>	<u>0.4%</u>
Net position:				
Net investment in Capital Assets	1,825,814	1,840,467	(14,653)	(0.8%)
Restricted	334,923	390,082	(55,159)	(14.1%)
Unrestricted (deficit)	(75,033)	(65,830)	(9,203)	(14.0%)
Total net position	<u>\$ 2,085,704</u>	<u>\$ 2,164,719</u>	<u>\$ (79,015)</u>	<u>(3.7%)</u>

The results of this year's operations for the District as a whole are reported in the Statement of Activities. Table 2 on page 6, takes the information from that statement and rearranges them slightly so the reader can see the total revenues for the year compared to fiscal year 2011.

As reported in the Statement of Activities, the cost of all of the governmental activities this year was \$1.8 billion. Some costs were paid by those who benefited from the programs (\$47.0 million), or by other governments and organizations who subsidized certain programs with grants and contributions (\$461.4 million). The District paid for the remaining "public benefit" portion of the governmental activities with \$1.0 billion in property taxes, \$55.6 million in grants and contributions not restricted to specific programs, \$4.2 million in investment earnings, \$41.4 million in other general revenue, and \$6.7 million in transfers.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit A-1

Table 2

Summary of Changes in Net Position Governmental Activities (in thousands)				
	June 30, 2012	June 30, 2011	Increase (Decrease)	Percentage Change
Revenues:				
Program revenue:				
Charges for services	\$ 47,021	\$ 47,292	\$ (271)	(0.6%)
Operating grants and contributions	461,369	565,764	(104,395)	(18.5%)
Capital grants and contributions	12,401	26,711	(14,310)	(53.6%)
General revenue:				
Property taxes	1,047,289	1,064,847	(17,558)	(1.6%)
Local sales taxes	-	50,632	(50,632)	(100.0%)
Grants and contributions not restricted	55,622	77,277	(21,655)	(28.0%)
Investment earnings	4,196	9,439	(5,243)	(55.5%)
Other general revenue	41,377	42,729	(1,352)	(3.2%)
Transfers	6,713	-	6,713	100.0%
Total revenues	<u>1,675,988</u>	<u>1,884,691</u>	<u>(208,703)</u>	<u>(11.1%)</u>
Functions/Programs Expenses				
Instruction	910,896	934,817	(23,921)	(2.6%)
Instructional support services	157,679	180,478	(22,799)	(12.6%)
Board	4,806	4,776	30	0.6%
General administration	9,108	10,868	(1,760)	(16.2%)
School administration	89,247	96,845	(7,598)	(7.8%)
Facilities acquisition and construction	31,494	27,544	3,950	14.3%
Fiscal services	4,999	6,056	(1,057)	(17.5%)
Food services	66,675	64,757	1,918	3.0%
Central services	12,771	14,553	(1,782)	(12.2%)
Pupil transportation services	48,105	44,092	4,013	9.1%
Operation and maintenance of plant	186,293	195,981	(9,688)	(4.9%)
Administrative technology services	8,096	9,607	(1,511)	(15.7%)
Community services	30,861	30,262	599	2.0%
Interest on long-term debt	81,386	86,464	(5,078)	(5.9%)
Unallocated depreciation/amortization	112,587	117,146	(4,559)	(3.9%)
Total expenses	<u>1,755,003</u>	<u>1,824,246</u>	<u>(69,243)</u>	<u>(3.8%)</u>
Change in net position	<u>(79,015)</u>	<u>60,445</u>	<u>(139,460)</u>	<u>(230.7%)</u>
Net Position - beginning	<u>2,164,719</u>	<u>2,104,274</u>	<u>60,445</u>	<u>2.9%</u>
Net Position - ending	<u>\$ 2,085,704</u>	<u>\$ 2,164,719</u>	<u>\$ (79,015)</u>	<u>(3.7%)</u>

Operating grants and contributions decreased \$104.4 million or 18.5%, which is primarily attributed to the ending of ARRA and Education Jobs funds.

Capital grants and contributions decreased \$14.3 million and 53.6% primarily due to no PECO funds received in fiscal year 2012 compared to \$5.5 million in fiscal year 2011, and a decrease in FEMA revenue of \$8.6 million.

Property taxes decreased \$17.6 million or 1.6%, which is primarily attributed to the decrease of property values partially offset by an increase in the maximum property tax levy from 8.154 to 8.180.

Local Sales Taxes decreased by \$50.6 million or 100% as the half cent sales tax program ended in December 2010.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

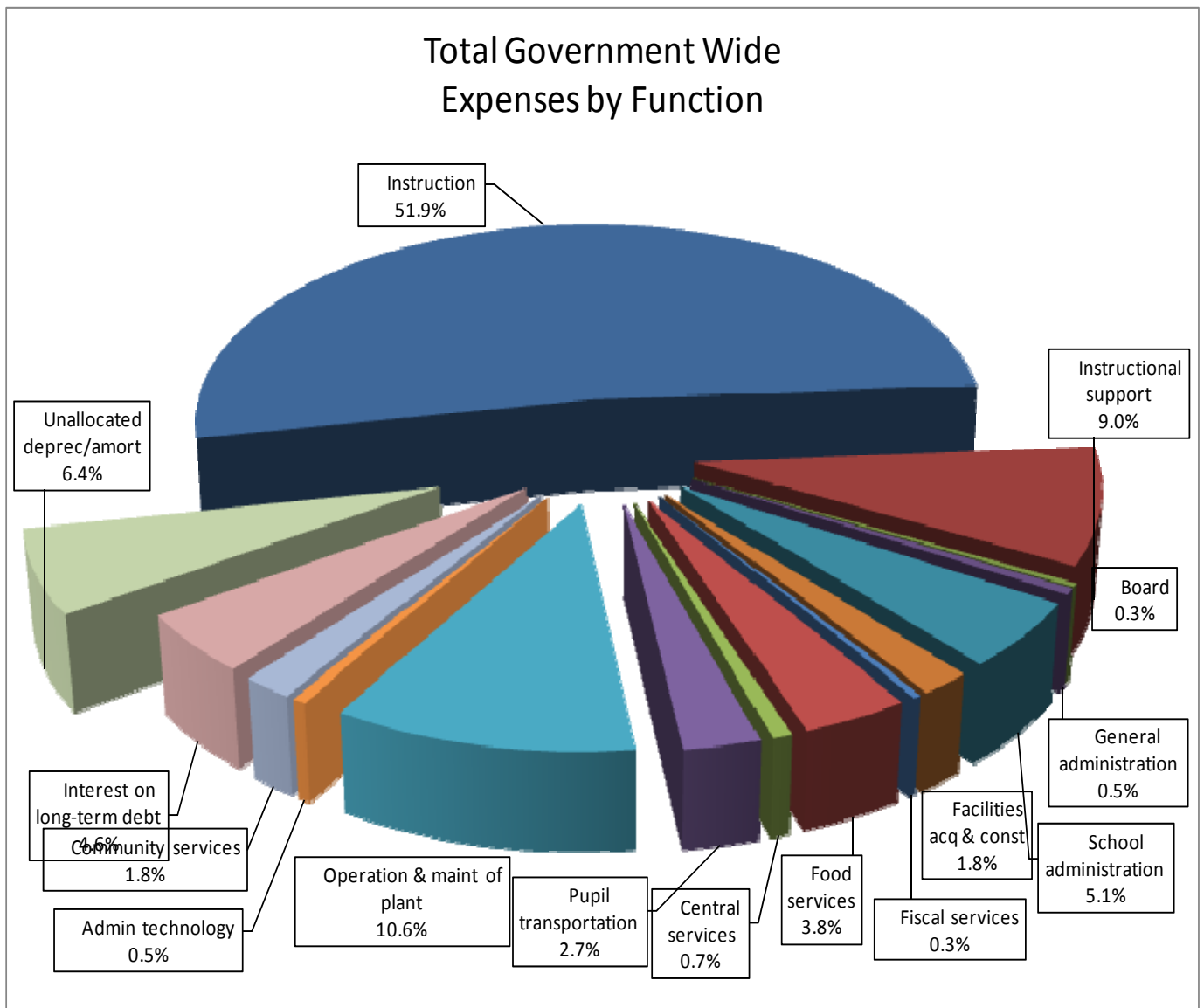
Exhibit A-1

Grants and contributions not restricted decreased \$21.7 million or 28.0%, which is primarily related to a decrease in FEFP revenue.

Investment earnings decreased \$5.2 million and 55.5% and is primarily attributed to reduced gain on sale of SWAP of \$6.1 million, and a \$0.4 million decrease in investment revenue resulting from lower interest rates, partially offset by an increase in investment revenue recognized as a result of the change in fair value of investment derivative instruments of \$1.3 million.

Transfers increased \$6.7 million or 100%, which is due to the District closing the Maintenance Internal Service Fund and consolidating the activity within the General Fund in fiscal year 2012. The District elected to close its Maintenance Internal Service Fund on July 1, 2011.

The pie chart below represents total expenditures from Governmental Funds classified by function.



THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As of June 30, 2012 the District's governmental funds reported a combined fund balance of \$604.6 million, which is a decrease of \$95.4 million or 13.6% over the prior year.

The General Fund, which is the chief operating fund of the District and is always considered a major fund, had a decrease in fund balance of \$20.3 million from \$186.9 million to \$166.7 million. This decrease is mainly related to a decrease in FEFP revenue. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$51.1 million.

The COPS Debt Service Fund, another major fund, reported an ending fund balance of \$106.4 million which is an increase of \$2.4 million or 2.3% when compared with prior year. The increase is related to debt service payments the District will need to make in fiscal year 2013.

In the Capital Improvement Fund, another major fund, revenue decreased by \$5.4 million to \$200.9 million from \$206.3 million in fiscal year 2011. The decrease is primarily due to a decrease in ad valorem tax revenue received of \$5.1 million as well as decrease in interest income of \$0.2 million. Ending fund balance decreased by \$52.8 million related to the timing of revenue and capital outlay spending.

Other Capital Projects Fund, another major fund, reported an ending fund balance of \$166.8 million which is a decrease of \$14.3 million or 7.9% under prior year. This is largely due to the ending of half cent sales tax revenue of \$50.6 million offset by reduced capital outlay.

ARRA Economic Stimulus Capital Projects, another major fund, reported an ending fund balance of \$56.1 million which is a decrease of \$9.1 million or 13.9% under prior year. The decrease is largely due to capital outlay spending of \$9.2 million and no COPS issuance in the current year

Other Governmental Funds, which represent a summarization of all the other governmental funds, ended the year with total fund balance of \$31.7 million, a decrease of \$1.2 million or 3.1%. The decrease is primarily due to COBI Capital Project spending of \$1.5 million with no revenue for current year.

General Fund Budgetary Highlights

During the year, appropriations increased \$16.1 million from original budget to final budget. The increase in appropriations is primarily attributed to unanticipated revenue received of \$23.6 million offset by a set aside of \$6.7 million to cover potential budget shortfall in fiscal year 2014. Total revenue and other resources increased by \$23.6 million, comprised of the following: \$6.2 million district school tax revenues for prior year tax collections, \$1.9 million profit from an interest rate swap sale executed in June 2012, additional miscellaneous local revenue of \$4.8 million, loss recoveries of \$3.4 million, and a \$6.7 million transfer in from the Internal Service Fund, with the transfer of the maintenance budget to the General Fund.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As shown in Table 3 on page 9, at June 30, 2012, the District had \$3.6 billion invested in a broad range of capital assets, including land, construction in progress, improvements other than buildings, buildings and fixed equipment, furniture, fixtures and equipment, motor vehicles, audio visual materials and computer software. This amount represents a net decrease (including additions, deletions and depreciation) of \$73.8 million from last year. The decrease is primarily due to depreciation expense of \$109.8 million exceeding capital spending of \$38.3 million. Capital spending in the current year reflects the completion of several covered walkways for various schools and two (2) buildings additions which were completed in fiscal year 2012. See Note 7 of the Notes to the Financial Statements for more information on capital assets.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit A-1

Major capital asset additions included the completion for the following schools:

- Crestwood Middle Addition
- Pahokee Middle / Senior High School

There were no modernization projects completed in fiscal year 2012.

The District's successful building program is winding down, as the proceeds of the referendum sales tax end and capital millage proceeds decline. Between fiscal year 2001 and fiscal year 2012, forty-one (41) new schools were built and fifty-three (53) others were replaced or totally renovated. Crestwood Middle Addition final work completed in August 2011, Pahokee High Stadium was placed in service in December 2011, and the District is currently in the process of planning the replacement for three (3) additional schools in its continuing effort to provide state-of-the-art facilities for all of its students. Future school renovations and replacements will be scheduled based upon the availability of funding.

Table 3

Capital Assets at Year End Governmental Activities (in thousands)			
	June 30, 2012	June 30, 2011	Increase (Decrease)
Land	341,461	\$ 342,020	\$ (559)
Construction in progress	16,281	35,316	(19,035)
Improvements other than buildings	53,665	51,952	1,713
Buildings and fixed equipment	4,055,510	4,026,961	28,549
Furniture, fixtures and equipment	130,127	163,690	(33,563)
Motor vehicles	97,526	98,270	(744)
Audio visual materials and computer	61,785	56,004	5,781
Less: accumulated depreciation	(1,129,238)	(1,073,267)	(55,971)
Total capital assets, net	<u>\$ 3,627,117</u>	<u>\$ 3,700,946</u>	<u>\$ (73,829)</u>

Long-term Debt

As shown in Table 4, on page 10, at the end of this year, the District had \$2.02 billion in debt outstanding which is comparable to \$2.02 billion last year. The key factors contributing to no change in outstanding debt is due to the hedging derivative instruments and the issuance of additional debt is slightly lower than debt repayments. See Notes 10 and 11 of the Notes to the Financial Statements for more information on long-term liabilities and derivatives.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Exhibit A-1

Table 4

Long-term Debt Outstanding at Year End Governmental Activities (in thousands)			
	June 30, 2012	June 30, 2011	Increase (Decrease)
Capital outlay bond issues	\$ 30,650	\$ 37,215	\$ (6,565)
Certificates of participation	1,832,003	1,895,708	(63,705)
Borrowing-Swap Upfront Payment	8,522	8,496	26
Derivative Instruments - Hedging	138,619	69,139	69,480
Plus: issuance premiums	35,339	34,084	1,255
Less: deferred amounts	(33,315)	(26,139)	(7,176)
Total	<u>\$ 2,011,818</u>	<u>\$ 2,018,503</u>	<u>\$ (6,685)</u>

The District's certificates of participation are rated A1 by Moody's Investors Service, and AA- by Standard and Poor's Corporation, and A+ by Fitch Ratings Services.

The District is subject to State laws that limit the amount of State Board of Education Capital Outlay Bond Issues outstanding to 10% of the non-exempt assessed valuation. At June 30, 2012, the statutory limit for the District was approximately \$13.2 billion, providing additional debt capacity of approximately \$13.2 billion.

State Statute requires that no more that 75% of the capital millage levy be used for COP debt service. The District's debt policy limits the issuance of COPS by stating that the debt service could not exceed half of the capital millage levy. In fiscal year 2009, when the capital millage levy was reduced to 1.75 mils, the Debt Policy was amended to allow debt service to be up to 1 mil but should be within 50% of the capital millage levy within five years. Based on the reduction of the capital millage levy and declining property values, the District's capacity to issue new COPS debt has been dramatically reduced.

Other long-term obligations include liability for compensated absences, estimated claims liability, and post employment benefits.

FACTORS BEARING ON THE DISTRICT'S FUTURE

Florida Education Finance Program funding for fiscal year 2013 is based on a statewide projected 30,874 increase in enrollment, as projected at the February enrollment estimating conference. There is current speculation the projection may be low. If actual statewide enrollment is higher than projected, then all districts can expect a prorated holdback to available state funds, which will reduce the funding per student and cause a reduction in total funding.

Many other factors are in play which will affect the fiscal year 2013 and fiscal year 2014 budgets. State revenues provide 55% of the Florida Education Finance Program funding, the district's main source of funding for operations. The August 9, 2012 State of Florida General Revenue Estimating Conference reported that 2011-12 actual revenues exceeded estimates by \$407 million; however, much of the increase was derived from one-time sources. As a result, the revenue estimate of \$24.6 billion for 2012-13 is only moderately improved from prior estimates and reflects a 4.3% increase over 2011-12 collections. The revenue forecast for 2013-14 is \$25.9 billion, or 5.0% over the 2012-13 estimate. Both the Governor and the Legislature utilize Revenue Estimating Conference projections to develop their state budget proposals each year. Current revenue estimates indicate an improved outlook for K-12 education funding.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Exhibit A-1

Statewide, local property tax revenues account for 45% of the Florida Education Finance Program funding. Property valuations in Palm Beach County and in other counties appear to have bottomed out, rising slightly this year, and may begin producing additional revenues that will ease the funding constraints experienced by K-12 Education for the past five years.

While the current economic recovery holds promise for improved funding for K-12 education in Florida, there are economic risks which could undermine the improved revenue estimates. Globally, instability in the Eurozone may undermine world credit markets, adversely affecting the current economic recovery. Within the United States, the Congressional Budget Office has recently issued a warning that the country will experience another recession in 2013 if the Bush-era tax rates are allowed to expire and automatic spending cuts are implemented. Additionally, a proposed transfer of Medicaid financial responsibility to states holds the potential to negatively impact state appropriations and reduce funding available for K-12 education.

And finally, the potential financial impact of the Florida Retirement System lawsuit looms in the near future, with a court date set for September 2012. The possibility of a Florida Supreme Court ruling in favor of the Florida Education Association (FEA) and employees requires that the district develop contingency plans to deal with a potential increase in expenditures, particularly if school districts are required to reimburse employees for prior contributions which have already been transmitted to the retirement fund.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

Michael J. Burke, Chief Operating Officer
The School District of Palm Beach County, Florida
3328 Forest Hill Boulevard, Suite C-316
West Palm Beach, FL 33406

Visit our website at:

<http://www.palmbeachschools.org/>

View an electronic copy of our SAFR at:

<http://www.palmbeachschools.org/accounting/>

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF NET POSITION
June 30, 2012

ASSETS	Account Number	Primary Government			Component Units
		Governmental Activities	Business-type Activities	Total	Total Nonmajor Component Units
Cash and Cash Equivalents	1110	501,882,246.77		501,882,246.77	0.00
Investments	1160	233,615,655.21		233,615,655.21	0.00
Taxes Receivable, Net	1120	444,852.09		444,852.09	0.00
Accounts Receivable, Net	1130	27,976,389.69		27,976,389.69	0.00
Interest Receivable	1170	1,161,300.13		1,161,300.13	0.00
Due from Reinsurer	1180	6,204.38		6,204.38	0.00
Deposits Receivable	1210	25,750.80		25,750.80	0.00
Due from Other Agencies	1220	25,469,380.59		25,469,380.59	0.00
Inventory	1150	8,524,867.60		8,524,867.60	0.00
Prepaid Items	1230	3,985,611.34		3,985,611.34	0.00
Restricted Assets:					
Cash with Fiscal Agent	1114	3,114,929.48		3,114,929.48	0.00
Deferred Charges:					
Issuance Costs		11,819,595.21		11,819,595.21	0.00
Noncurrent Assets:					
Other Post-employment Benefits Obligation (asset)	1410	0.00		0.00	0.00
Capital Assets:					
Land	1310	341,462,452.78		341,462,452.78	0.00
Land Improvements - Nondepreciable	1315			0.00	0.00
Construction in Progress	1360	16,280,934.42		16,280,934.42	0.00
Improvements Other Than Buildings	1320	53,665,408.81		53,665,408.81	0.00
Less Accumulated Depreciation	1329	(16,667,135.22)		(16,667,135.22)	0.00
Buildings and Fixed Equipment	1330	4,055,510,111.44		4,055,510,111.44	0.00
Less Accumulated Depreciation	1339	(895,811,302.19)		(895,811,302.19)	0.00
Furniture, Fixtures and Equipment	1340	130,126,845.13		130,126,845.13	0.00
Less Accumulated Depreciation	1349	(96,559,994.99)		(96,559,994.99)	0.00
Motor Vehicles	1350	97,526,081.13		97,526,081.13	0.00
Less Accumulated Depreciation	1359	(67,902,367.04)		(67,902,367.04)	0.00
Audio Visual Materials	1381	5,609,799.11		5,609,799.11	0.00
Less Accumulated Depreciation	1388	(5,605,473.32)		(5,605,473.32)	0.00
Computer Software	1382	56,174,847.27		56,174,847.27	0.00
Less Accumulated Amortization	1389	(46,691,458.29)		(46,691,458.29)	0.00
Total Capital Assets net of Accum. Depreciation		3,627,118,749.04	0.00	3,627,118,749.04	0.00
Total Assets		4,445,145,532.33	0.00	4,445,145,532.33	0.00
DEFERRED OUTFLOW OF RESOURCES					
Accum Depr in Fair Value Hedging Derivatives		138,619,069.00	0.00	138,619,069.00	0.00
Total Deferred Outflow of Resources		138,619,069.00	0.00	138,619,069.00	0.00
LIABILITIES AND NET POSITION					
LIABILITIES					
Salaries and Wages Payable	2110	92,992,105.11		92,992,105.11	0.00
Payroll Deductions and Withholdings	2170	5,307,179.95		5,307,179.95	0.00
Accounts Payable	2120	31,101,819.99		31,101,819.99	0.00
Construction Contracts Payable	2140	950,271.61		950,271.61	0.00
Construction Contracts Retainage Payable	2150	3,278,576.21		3,278,576.21	0.00
Due to Fiscal Agent	2240	164,072.67		164,072.67	0.00
Accrued Interest Payable	2210	41,380,346.42		41,380,346.42	0.00
Deposits Payable	2220	142,466.99		142,466.99	0.00
Sales Tax Payable	2260	25,147.35		25,147.35	0.00
Deferred Revenue	2410	1,407,876.08		1,407,876.08	0.00
Noncurrent Liabilities:					
Portion Due Within One Year:					
Bonds Payable	2320	4,280,000.00		4,280,000.00	0.00
Liability for Compensated Absences	2330	14,414,568.46		14,414,568.46	0.00
Certificates of Participation Payable	2340	56,535,000.00		56,535,000.00	0.00
Estimated Liability for Long-Term Claims	2350	23,900,000.00		23,900,000.00	0.00
Portion Due After One Year:					
Bonds Payable	2320	28,252,024.82		28,252,024.82	0.00
Liability for Compensated Absences	2330	163,638,132.76		163,638,132.76	0.00
Certificates of Participation Payable	2340	1,775,610,163.46		1,775,610,163.46	0.00
Borrowing-SWAP Upfront Payment	2340	8,522,112.00		8,522,112.00	0.00
Derivative Instrument - Hedging	2340	138,619,069.00		138,619,069.00	0.00
Derivative Instrument - Investment Liab	2340	60,333.00		60,333.00	0.00
Estimated Liability for Long-Term Claims	2350	28,778,000.00		28,778,000.00	0.00
Other Post-employment Benefits Obligation	2360	78,701,000.00		78,701,000.00	0.00
Total Liabilities		2,498,060,265.88	0.00	2,498,060,265.88	0.00
NET POSITION					
Invested in Capital Assets, Net of Related Debt	2770	1,825,813,559.64		1,825,813,559.64	0.00
Restricted For:					
Categorical Carryover Programs	2780	3,063,172.97		3,063,172.97	0.00
Food Service	2780	23,307,181.67		23,307,181.67	0.00
Debt Service	2780	66,152,001.49		66,152,001.49	0.00
Capital Projects	2780	219,271,890.59		219,271,890.59	0.00
Other Purposes	2780	23,129,353.73		23,129,353.73	0.00
Unrestricted	2790	(75,032,824.64)		(75,032,824.64)	0.00
Total Net Position		2,085,704,335.45	0.00	2,085,704,335.45	0.00
Total Liabilities and Net Position		4,583,764,601.33	0.00	4,583,764,601.33	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2012

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
						Governmental Activities	Business-type Activities	Total	
<i>Governmental Activities:</i>									
Instruction	5000	910,895,475.68	2,577,025.62	299,984,496.68	2,745,498.50	(605,588,454.88)		(605,588,454.88)	
Pupil Personnel Services	6100	50,840,023.49		13,844,904.94		(36,995,118.55)		(36,995,118.55)	
Instructional Media Services	6200	18,175,279.67		800,538.81		(17,374,740.86)		(17,374,740.86)	
Instruction and Curriculum Development Services	6300	48,036,251.90		17,287,970.31		(30,748,281.59)		(30,748,281.59)	
Instructional Staff Training Services	6400	35,706,169.82		30,216,267.47		(5,489,902.35)		(5,489,902.35)	
Instructional-Related Technology	6500	4,920,837.79		555,546.72		(4,365,291.07)		(4,365,291.07)	
Board	7100	4,805,834.62		0.00		(4,805,834.62)		(4,805,834.62)	
General Administration	7200	9,108,475.42		2,941,517.65		(6,166,957.77)		(6,166,957.77)	
School Administration	7300	89,247,024.27		6,221,019.57		(83,026,004.70)		(83,026,004.70)	
Facilities Acquisition and Construction	7400	31,493,877.58		0.00	4,022,602.18	(27,471,275.40)		(27,471,275.40)	
Fiscal Services	7500	4,999,217.57		2,399,215.18		(2,600,002.39)		(2,600,002.39)	
Food Services	7600	66,674,981.96	16,583,093.72	52,230,777.14		2,138,888.90		2,138,888.90	
Central Services	7700	12,771,174.88		456,363.70		(12,314,811.18)		(12,314,811.18)	
Pupil Transportation	7800	48,104,627.56	3,512,348.46	26,770,977.85		(17,821,301.25)		(17,821,301.25)	
Operation of Plant	7900	123,042,930.07		4,466,148.83		(118,576,781.24)		(118,576,781.24)	
Maintenance of Plant	8100	63,250,145.99		0.00		(63,250,145.99)		(63,250,145.99)	
Administrative Technology Services	8200	8,096,208.84		0.00		(8,096,208.84)		(8,096,208.84)	
Community Services	9100	30,861,311.04	24,348,841.95	3,193,732.49		(3,318,736.60)		(3,318,736.60)	
Interest on Long-term Debt	9200	81,386,477.15		0.00	5,632,568.66	(75,753,908.49)		(75,753,908.49)	
Unallocated Depreciation/Amortization Expense*		112,586,610.86				(112,586,610.86)		(112,586,610.86)	
Total Governmental Activities		1,755,002,936.16	47,021,309.75	461,369,477.34	12,400,669.34	(1,234,211,479.73)		(1,234,211,479.73)	

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes	
Property Taxes, Levied for Debt Service	
Property Taxes, Levied for Capital Projects	
Local Sales Taxes	
Grants and Contributions Not Restricted to Specific Programs	
Investment Earnings	
Miscellaneous	
Special Items	
Extraordinary Items	
Transfers	
Total General Revenues, Special Items, Extraordinary Items, and Transfers	
Change in Net Position	
Net Position - July 1, 2011	
Net Position - June 30, 2012	

846,737,916.55		846,737,916.55	0.00
0.00		0.00	0.00
200,550,855.17		200,550,855.17	0.00
0.00		0.00	0.00
55,622,369.35		55,622,369.35	0.00
4,195,418.17		4,195,418.17	0.00
41,377,197.62		41,377,197.62	0.00
0.00		0.00	0.00
0.00		0.00	0.00
6,712,949.42		6,712,949.42	0.00
1,155,196,706.28	0.00	1,155,196,706.28	0.00
(79,014,773.45)	0.00	(79,014,773.45)	0.00
2,164,719,108.90		2,164,719,108.90	0.00
2,085,704,335.45	0.00	2,085,704,335.45	0.00

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

The accompanying notes to financial statements are an integral part of this statement.
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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2012

	Account Number	General 100	Federal Economic Stimulus Programs 430	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Capital Improvement Section 1011.71(2) F.S. 370	Other Capital Projects 390	ARRA Economic Stimulus Capital Projects 399	Other Governmental Funds	Total Governmental Funds
ASSETS										
Cash and Cash Equivalents	1110	240,712,867.09	1,354,247.92	0.00	0.00	76,394,019.41	106,589,515.74	263,392.13	28,598,923.41	453,912,965.70
Investments	1160	0.00	0.00	106,204,479.52	695,601.88	0.00	65,789,181.17	60,134,257.84	792,134.80	233,615,655.21
Taxes Receivable, Net	1120	22,641,038.66	0.00	0.00	0.00	5,335,351.03	0.00	0.00	0.00	27,976,389.69
Accounts Receivable, Net	1130	1,161,300.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,161,300.13
Interest Receivable	1170	0.00	0.00	6,204.38	0.00	0.00	0.00	0.00	0.00	6,204.38
Due from Reinsurer	1180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,750.80	25,750.80
<i>Due From Other Funds:</i>										
Budgetary Funds	1141	1,500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500,000.00
Internal Funds	1142	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	5,164,548.08	0.00	0.00	0.00	0.00	4,100,000.00	0.00	15,001,316.82	24,265,864.90
Inventory	1150	5,658,057.21	0.00	0.00	0.00	0.00	0.00	0.00	2,866,810.39	8,524,867.60
Prepaid Items	1230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	62,293.34	62,293.34
<i>Restricted Assets</i>										
Cash with Fiscal/Service Agent	1114	1,547,929.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,547,929.48
Total Assets		278,385,740.65	1,354,247.92	106,210,683.90	695,601.88	81,729,370.44	176,478,696.91	60,397,649.97	47,347,229.56	752,599,221.23
LIABILITIES AND FUND BALANCES										
LIABILITIES										
Salaries, Benefits and Payroll Taxes Payable	2110	84,628,240.90	1,335,518.07	0.00	0.00	0.00	162,270.13	0.00	7,922,020.32	94,048,049.42
Payroll Deductions and Withholdings	2170	11,549,115.97	0.00	0.00	0.00	0.00	67,480.01	0.00	413,880.42	12,030,476.40
Accounts Payable	2120	13,010,643.08	18,729.85	2,000.00	0.00	4,163,147.81	2,682,232.55	3,354,500.02	4,783,475.99	28,014,729.30
Judgments Payable	2130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00	0.00	0.00	385,622.22	564,649.39	0.00	0.00	950,271.61
Construction Contracts Payable-Retained Percentage	2150	0.00	0.00	0.00	0.00	727,924.18	2,066,470.76	407,866.82	76,314.45	3,278,576.21
Due to Fiscal Agent	2240	0.00	0.00	164,072.67	0.00	0.00	0.00	0.00	0.00	164,072.67
Sales Tax Payable	2260	25,147.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,147.35
Accrued Interest Payable	2210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits Payable	2220	142,466.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	142,466.99
<i>Due to Other Funds:</i>										
Budgetary Funds	2161	0.00	0.00	0.00	0.00	0.00	0.00	500,000.00	1,000,000.00	1,500,000.00
Internal Funds	2162	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Deferred Revenue:</i>										
Unearned Revenue	2410	2,363,293.91	0.00	0.00	0.00	0.00	4,100,000.00	0.00	1,407,876.08	7,871,169.99
Unavailable Revenue	2410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities		111,718,908.20	1,354,247.92	166,072.67	0.00	5,276,694.21	9,643,102.84	4,262,366.84	15,603,567.26	148,024,959.94
FUND BALANCES										
<i>Nonspendable:</i>										
Inventory	2711	5,658,057.21	0.00	0.00	0.00	0.00	0.00	0.00	2,866,810.39	8,524,867.60
<i>Total Nonspendable Fund Balance</i>	2710	5,658,057.21	0.00	0.00	0.00	0.00	0.00	0.00	2,866,810.39	8,524,867.60
<i>Restricted for:</i>										
State Required Carryover Programs	2723	3,063,172.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,063,172.97
Debt Service	2725	0.00	0.00	106,044,611.23	695,601.88	0.00	0.00	0.00	792,134.80	107,532,347.91
Capital Projects	2726	0.00	0.00	0.00	0.00	76,452,676.23	118,079,717.14	56,135,283.13	6,354,304.50	257,021,981.00
Restricted for Other Purposes (see footnote)	2729	20,272,312.40	0.00	0.00	0.00	0.00	0.00	0.00	20,440,371.28	40,712,683.68
<i>Total Restricted Fund Balance</i>	2720	23,335,485.37	0.00	106,044,611.23	695,601.88	76,452,676.23	118,079,717.14	56,135,283.13	27,586,810.58	408,330,185.56
<i>Committed to:</i>										
Economic Stabilization	2731	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Committed for	2739	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,290,041.33	1,290,041.33
<i>Total Committed Fund Balance</i>	2730	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,290,041.33	1,290,041.33
<i>Assigned to:</i>										
Capital Projects	2743	220,409.47	0.00	0.00	0.00	0.00	48,755,876.93	0.00	0.00	48,976,286.40
Assigned for Other Purposes (see footnote)	2749	14,948,158.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,948,158.42
Assigned for Next Year Budget Shortfall	2749	71,391,772.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	71,391,772.56
<i>Total Assigned Fund Balance</i>	2740	86,560,340.45	0.00	0.00	0.00	0.00	48,755,876.93	0.00	0.00	135,316,217.38
<i>Total Unassigned Fund Balance</i>	2750	51,112,949.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	51,112,949.42
Total Fund Balances	2700	166,666,832.45	0.00	106,044,611.23	695,601.88	76,452,676.23	166,835,594.07	56,135,283.13	31,743,662.30	604,574,261.29
Total Liabilities and Fund Balances		278,385,740.65	1,354,247.92	106,210,683.90	695,601.88	81,729,370.44	176,478,696.91	60,397,649.97	47,347,229.56	752,599,221.23

The accompanying notes to financial statements are an integral part of this statement.
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**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
For the Fiscal Year Ended June 30, 2012**

Total Fund Balances - Governmental Funds		604,574,261.29
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.		
Cost of the Assets	4,756,356,480.09	
Accumulated Depreciation	<u>(1,129,237,731.05)</u>	
Total capital assets, net of depreciation		3,627,118,749.04
Debt issuance charges are reported as expenditures in the governmental funds when first incurred, however, they are included as deferred charges in the governmental activities in the statement of net position.		
		11,819,595.21
Deferred outflow of resources are reported at the fair values of corresponding hedging derivative instruments in the statement of net position.		
		(138,619,069.00)
Derivative instruments - investment assets reported on the statement of net position.		
		444,852.09
Expenditures for insurance extending over more than one accounting period not allocated between or among accounting periods, but accounted for as expenditures of the period of acquisition in the funds.		
		3,923,318.00
An internal service fund is used by management to charge the costs of health premiums to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Assets	50,739,796.76	
Liabilities (includes OPEB, compensated absences, and long term claims)	<u>(15,282,189.33)</u>	
Net position		35,457,607.43
Revenues that have been deferred or unearned in the governmental funds but are recognized as revenue in the governmental-wide financial statements.		
		6,463,293.91
Revenues that are due back to DOE for prior year audits which have not been recorded in the governmental funds but are a liability in the government wide financial statements.		
		(1,402,009.00)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities (net of discounts / premiums and deferred amounts on refundings) at year-end consist of:		
Bonds Payable	32,532,024.82	
Certificates of Participation	1,832,145,163.46	
Borrowing-SWAP Upfront Payment	8,522,112.00	
Hedging Derivative Instruments	(138,619,069.00)	
Derivative Instrument	60,333.00	
Compensated Absences	170,124,352.82	
Long-term Claims	39,278,000.00	
Other Post Employment Benefits	78,653,000.00	
Accrued Interest on Long-term Debt	<u>41,380,346.42</u>	
		<u>(2,064,076,263.52)</u>
Total Net Position - Governmental Activities		<u><u>2,085,704,335.45</u></u>

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	General 100	Federal Economic Stimulus Programs 430	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Capital Improvement Section 1011.71(2) F.S. 370	Other Capital Projects 390	ARRA Economic Stimulus Capital Projects 399	Other Governmental Funds	Total Governmental Funds
REVENUES										
Federal Direct	3100	819,714.86	0.00	0.00	3,511,813.50	0.00	0.00	0.00	6,647,027.83	10,978,556.19
Federal Through State and Local	3200	5,714,118.99	8,626,624.73	0.00	0.00	0.00	2,901,199.48	0.00	158,430,988.50	175,672,931.70
State Sources	3300	332,062,294.20	0.00	0.00	0.00	0.00	2,745,498.50	0.00	8,219,633.96	343,027,426.66
<i>Local Sources:</i>										
Property Taxes Levied for Operational Purposes	3411	846,737,916.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	846,737,916.55
Property Taxes Levied for Debt Service	3412	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00	0.00	0.00	200,550,855.17	0.00	0.00	0.00	200,550,855.17
Local Sales Taxes	3418	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Charges for Service - Food Service	345X	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,583,093.72	16,583,093.72
Impact Fees	3496	13,975.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,975.00
Other Local Revenue		59,207,572.04	0.00	146,186.92	0.00	329,987.52	5,237,416.08	123,921.31	4,707,455.04	69,752,538.91
Total Local Sources	3400	905,959,463.59	0.00	146,186.92	0.00	200,880,842.69	5,237,416.08	123,921.31	21,290,548.76	1,133,638,379.35
Total Revenues		1,244,555,591.64	8,626,624.73	146,186.92	3,511,813.50	200,880,842.69	10,884,114.06	123,921.31	194,588,199.05	1,663,317,293.90
EXPENDITURES										
<i>Current:</i>										
Instruction	5000	860,220,268.14	6,750,247.12	0.00	0.00	0.00	0.00	0.00	57,149,620.42	924,120,135.68
Pupil Personnel Services	6100	38,029,354.72	308,789.67	0.00	0.00	0.00	0.00	0.00	13,235,593.82	51,573,738.21
Instructional Media Services	6200	18,353,010.74	0.00	0.00	0.00	0.00	0.00	0.00	32,252.44	18,385,263.18
Instruction and Curriculum Development Services	6300	31,622,004.85	640,195.26	0.00	0.00	0.00	0.00	0.00	16,170,584.50	48,432,784.61
Instructional Staff Training Services	6400	12,039,719.41	464,398.42	0.00	0.00	0.00	0.00	0.00	24,415,488.32	36,919,606.15
Instructional-Related Technology	6500	5,255,186.60	0.00	0.00	0.00	0.00	0.00	0.00	172,518.90	5,427,705.50
Board	7100	4,783,799.77	0.00	0.00	0.00	0.00	0.00	0.00	39,012.09	4,822,811.86
General Administration	7200	5,770,035.90	179,286.62	0.00	0.00	0.00	0.00	0.00	2,762,231.03	8,711,553.55
School Administration	7300	90,412,649.69	173,007.25	0.00	0.00	0.00	0.00	0.00	32,402.65	90,618,059.59
Facilities Acquisition and Construction	7410	1,061,942.91	0.00	0.00	0.00	20,213.46	0.00	0.00	0.00	1,082,156.37
Fiscal Services	7500	5,282,817.95	0.00	0.00	0.00	0.00	0.00	0.00	5,819.45	5,288,637.40
Food Services	7600	39,392.73	0.00	0.00	0.00	0.00	0.00	0.00	66,700,927.23	66,740,319.96
Central Services	7700	12,370,807.05	0.00	0.00	0.00	0.00	0.00	0.00	470,091.21	12,840,898.26
Pupil Transportation Services	7800	45,867,815.05	0.00	0.00	0.00	0.00	0.00	0.00	2,569,805.53	48,437,620.58
Operation of Plant	7900	124,144,292.62	0.00	0.00	0.00	0.00	0.00	0.00	268,689.63	124,412,982.25
Maintenance of Plant	8100	59,047,756.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	59,047,756.74
Administrative Technology Services	8200	8,238,788.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,238,788.01
Community Services	9100	30,800,876.41	0.00	0.00	0.00	0.00	0.00	0.00	239,815.16	31,040,691.57
<i>Debt Service: (Function 9200)</i>										
Retirement of Principal	710	0.00	0.00	57,330,000.00	0.00	0.00	0.00	0.00	4,075,000.00	61,405,000.00
Interest	720	48,874.88	0.00	79,371,033.22	3,653,910.00	0.00	0.00	0.00	1,646,670.00	84,720,488.10
Dues, Fees and Issuance Costs	730	0.00	0.00	2,032,459.57	6,385.00	0.00	0.00	0.00	22,626.39	2,061,470.96
Miscellaneous Expenditures	790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>										
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	0.00	31,474,218.50	22,501,340.59	9,199,907.69	1,616,418.80	64,791,885.58
Other Capital Outlay	9300	625,450.05	110,700.39	0.00	0.00	0.00	0.00	0.00	3,048,773.07	3,784,923.51
Total Expenditures		1,354,014,844.22	8,626,624.73	138,733,492.79	3,660,295.00	31,494,431.96	22,501,340.59	9,199,907.69	194,674,340.64	1,762,905,277.62
Excess (Deficiency) of Revenues Over (Under) Expenditures		(109,459,252.58)	0.00	(138,587,305.87)	(148,481.50)	169,386,410.73	(11,617,226.53)	(9,075,986.38)	(86,141.59)	(99,587,983.72)
OTHER FINANCING SOURCES (USES)										
Refunding Bonds Issued	3715	0.00	0.00	289,485,000.00	0.00	0.00	0.00	0.00	5,820,000.00	295,305,000.00
Premium on Refunding Bonds	3792	0.00	0.00	9,793,896.40	0.00	0.00	0.00	0.00	745,052.60	10,538,949.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00	0.00	0.00	1,910.00	0.00	0.00	1,910.00
Loss Recoveries	3740	3,428,867.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,428,867.69
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	(305,232,363.99)	0.00	0.00	0.00	0.00	(6,548,062.05)	(311,780,426.04)
Transfers In	3600	85,785,347.27	0.00	146,917,518.17	102,700.53	0.00	25,939.10	0.00	0.00	232,831,505.07
Transfers Out	9700	(25,939.10)	0.00	0.00	0.00	(222,228,070.03)	(2,745,498.50)	0.00	(1,119,048.02)	(226,118,555.65)
Total Other Financing Sources (Uses)		89,188,275.86	0.00	140,964,050.58	102,700.53	(222,228,070.03)	(2,717,649.40)	0.00	(1,102,057.47)	4,207,250.07
Net Change in Fund Balances		(20,270,976.72)	0.00	2,376,744.71	(45,780.97)	(52,841,659.30)	(14,334,875.93)	(9,075,986.38)	(1,188,199.06)	(95,380,733.65)
Fund Balances, July 1, 2011	2800	186,937,809.17	0.00	103,667,866.52	741,382.85	129,294,335.53	181,170,470.00	65,211,269.51	32,931,861.36	699,954,994.94
Adjustment to Fund Balances	2891	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	166,666,832.45	0.00	106,044,611.23	695,601.88	76,452,676.23	166,835,594.07	56,135,283.13	31,743,662.30	604,574,261.29

The accompanying notes to financial statements are an integral part of this statement.
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**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2012**

Net Change in Fund Balances - Governmental Funds (95,380,733.65)

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

Capital outlays are reported in 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 depreciation expense (\$109,870,464.78) in excess of capitalized capital outlay (\$38,335,969.88) in the current period. (71,534,494.90)

Governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Issuance Cost Amortization	(2,716,146.08)	
Issuance Cost on Current Year Refunding	1,694,012.51	
Premium / Discount and Deferred Refunding Amortization	6,761,454.91	
Premium on Current Year Issuance	<u>(10,538,949.00)</u>	(4,799,627.66)

Investment revenue related to derivative instruments reported in the statement of activities that are not reported as revenue in the governmental funds. 460,140.09

Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 6,463,293.91

Revenues reported in the governmental funds that were reported as revenue in the statement of activities in the prior year under full accrual. (4,019,866.53)

Prior year revenue reduction reported in the government wide financial statements under full accrual related to DOE audit adjustment that was reported in the governmental funds in the current year 1,552,012.00

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 61,405,000.00

COPs refunding proceeds provided current financial resources to governmental funds. COPs refunding payments are expenditures in the governmental funds. The amount by which the refunding payment (\$305,232,363.99) exceeded refunding proceeds (\$289,485,000) in the current period. 15,747,363.99

Bond refunding proceeds provided current financial resources to governmental funds. Bond refunding payments are expenditures in the governmental funds. The amount by which the refunding payment (\$6,548,062.05) exceeded refunding proceeds (\$5,820,000) in the current period. 728,062.05

The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position. (2,292,222.30)

Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds:

Prepaid Insurance	(262,950.00)	
Compensated Absences	(5,464,837.11)	
Long-term claims payable	4,636,000.00	
Other post employment benefits	(9,364,000.00)	
Accrued interest on long-term debt	<u>(3,059,985.51)</u>	(13,515,772.62)

An internal service fund is used by management to charge the cost of maintenance activities and health premiums to individual funds. The net income of internal service fund is reported with governmental activities. 26,172,072.17

Change in net position of governmental activities (79,014,773.45)

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2012

	Account Number	Business-type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
		Self Insurance Consortium 911	Self Insurance Consortium 912	Self Insurance Consortium 913	Self Insurance Consortium 914	Other Enterprise Funds		
ASSETS								
<i>Current Assets:</i>								
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00	0.00	0.00	47,969,281.07
Investments	1160	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Reinsurer	1180	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00	0.00	0.00	1,203,515.69
Inventory	1150	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets		0.00	0.00	0.00	0.00	0.00	0.00	49,172,796.76
<i>Noncurrent Assets:</i>								
Restricted Cash and Cash Equivalents		0.00	0.00	0.00	0.00	0.00	0.00	1,567,000.00
Other Post-employment Benefits Obligation (asset)	1410	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Assets:</i>								
Land	1310	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Land Improvements - Nondepreciable	1315	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Construction in Progress	1360	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furniture, Fixtures and Equipment	1340	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	1349	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Computer Software	1382	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Amortization	1389	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Capital Assets net of Accum. Dep'n		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Noncurrent Assets		0.00	0.00	0.00	0.00	0.00	0.00	1,567,000.00
Total Assets		0.00	0.00	0.00	0.00	0.00	0.00	50,739,796.76
LIABILITIES								
<i>Current Liabilities:</i>								
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00	0.00	0.00	24,089.27
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00	0.00	0.00	4,716.55
Accounts Payable	2120	0.00	0.00	0.00	0.00	0.00	0.00	1,685,081.69
Estimated Unpaid Claims	2271	0.00	0.00	0.00	0.00	0.00	0.00	13,400,000.00
Liability for Compensated Absences	2330	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities		0.00	0.00	0.00	0.00	0.00	0.00	15,113,887.51
<i>Noncurrent Liabilities:</i>								
Liabilities Payable from Restricted Assets:								
Deposits Payable	2220	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Other Noncurrent Liabilities:</i>								
Obligations Under Capital Leases	2315	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00	0.00	0.00	0.00	0.00	120,301.82
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	0.00	0.00	0.00	0.00	0.00	0.00	48,000.00
Total Noncurrent Liabilities		0.00	0.00	0.00	0.00	0.00	0.00	168,301.82
Total Liabilities		0.00	0.00	0.00	0.00	0.00	0.00	15,282,189.33
NET ASSETS								
Invested in Capital Assets, Net of Related Debt	2770	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restricted for	2780	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted	2790	0.00	0.00	0.00	0.00	0.00	0.00	35,457,607.43
Total Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	35,457,607.43
Total Liabilities and Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	50,739,796.76

The accompanying notes to financial statements are an integral part of this statement.
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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Business-type Activities - Enterprise Funds					Totals	Governmental Activities - Internal Service Funds
		Self Insurance Consortium 911	Self Insurance Consortium 912	Self Insurance Consortium 913	Self Insurance Consortium 914	Other Enterprise Funds		
OPERATING REVENUES								
Charges for Services	3481	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Charges for Sales	3482	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Premium Revenue	3484	0.00	0.00	0.00	0.00	0.00	0.00	193,128,603.90
Other Operating Revenues	3489	0.00	0.00	0.00	0.00	0.00	0.00	5,963,371.89
Total Operating Revenues		0.00	0.00	0.00	0.00	0.00	0.00	199,091,975.79
OPERATING EXPENSES								
Salaries	100	0.00	0.00	0.00	0.00	0.00	0.00	595,236.09
Employee Benefits	200	0.00	0.00	0.00	0.00	0.00	0.00	162,056.49
Purchased Services	300	0.00	0.00	0.00	0.00	0.00	0.00	367,902.25
Energy Services	400	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and Supplies	500	0.00	0.00	0.00	0.00	0.00	0.00	7,487.38
Capital Outlay	600	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Expenses	700	0.00	0.00	0.00	0.00	0.00	0.00	171,741,506.88
Depreciation	780	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Expenses		0.00	0.00	0.00	0.00	0.00	0.00	172,874,189.09
Operating Income (Loss)		0.00	0.00	0.00	0.00	0.00	0.00	26,217,786.70
NONOPERATING REVENUES (EXPENSES)								
Interest Revenue	3430	0.00	0.00	0.00	0.00	0.00	0.00	23,264.42
Gifts, Grants and Bequests	3440	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Local Sources	3495	0.00	0.00	0.00	0.00	0.00	0.00	6,643,970.47
Loss Recoveries	3740	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Disposition of Assets	3780	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Expense	720	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Expense	790	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loss on Disposition of Assets	810	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Nonoperating Revenues (Expenses)		0.00	0.00	0.00	0.00	0.00	0.00	6,667,234.89
Income (Loss) Before Operating Transfers		0.00	0.00	0.00	0.00	0.00	0.00	32,885,021.59
Transfers In	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	0.00	(6,712,949.42)
SPECIAL ITEMS								
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS								
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change In Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	26,172,072.17
Net Assets - July 1, 2011	2880	0.00	0.00	0.00	0.00	0.00	0.00	9,285,535.26
Adjustment to Net Assets	2896	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets - June 30, 2012	2780	0.00	0.00	0.00	0.00	0.00	0.00	35,457,607.43

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

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2012

	Business-type Activities - Enterprise Funds						Governmental Activities - Internal Service Funds
	Self Insurance Consortium 911	Self Insurance Consortium 912	Self Insurance Consortium 913	Self Insurance Consortium 914	Other Enterprise Funds	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers and users	0.00	0.00	0.00	0.00	0.00	0.00	193,128,603.90
Receipts from interfund services provided	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payments to suppliers	0.00	0.00	0.00	0.00	0.00	0.00	(171,791,552.71)
Payments to employees	0.00	0.00	0.00	0.00	0.00	0.00	(2,004,678.72)
Payments for interfund services used	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other receipts (payments)	0.00	0.00	0.00	0.00	0.00	0.00	6,056,122.09
Net cash provided (used) by operating activities	0.00	0.00	0.00	0.00	0.00	0.00	25,388,494.56
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Subsidies from operating grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers from other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers to other funds	0.00	0.00	0.00	0.00	0.00	0.00	(6,712,949.42)
Net cash provided (used) by noncapital financing activities	0.00	0.00	0.00	0.00	0.00	0.00	(6,712,949.42)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Proceeds from capital debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Principal paid on capital debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest paid on capital debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by capital and related financing activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from sales and maturities of investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and dividends received	0.00	0.00	0.00	0.00	0.00	0.00	23,264.42
Purchase of investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by investing activities	0.00	0.00	0.00	0.00	0.00	0.00	23,264.42
Net increase (decrease) in cash and cash equivalents	0.00	0.00	0.00	0.00	0.00	0.00	18,698,809.56
Cash and cash equivalents - July 1, 2011	0.00	0.00	0.00	0.00	0.00	0.00	30,837,471.51
Cash and cash equivalents - June 30, 2012	0.00	0.00	0.00	0.00	0.00	0.00	49,536,281.07
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	0.00	0.00	0.00	0.00	0.00	0.00	26,217,786.70
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</i>							
Depreciation/Amortization expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commodities used from USDA program	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Change in assets and liabilities:</i>							
(Increase) decrease in accounts receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in interest receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in due from reinsurer	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in deposits receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in due from other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in due from other agencies	0.00	0.00	0.00	0.00	0.00	0.00	92,750.20
(Increase) decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in prepaid items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in salaries and benefits payable	0.00	0.00	0.00	0.00	0.00	0.00	(1,010,497.41)
Increase (decrease) in payroll tax liabilities	0.00	0.00	0.00	0.00	0.00	0.00	(261,567.36)
Increase (decrease) in accounts payable	0.00	0.00	0.00	0.00	0.00	0.00	325,343.80
Increase (decrease) in due to other agencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in deferred revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in estimated unpaid claims	0.00	0.00	0.00	0.00	0.00	0.00	24,678.63
Increase (decrease) in estimated liability for claims adjustment expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total adjustments	0.00	0.00	0.00	0.00	0.00	0.00	(829,292.14)
Net cash provided (used) by operating activities	0.00	0.00	0.00	0.00	0.00	0.00	25,388,494.56
Noncash investing, capital, and financing activities:							
Borrowing under capital lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contributions of capital assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of equipment on account	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital asset trade-ins	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Increase/(Decrease) in the fair value of investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commodities received through USDA program	0.00	0.00	0.00	0.00	0.00	0.00	0.00

The accompanying notes to financial statements are an integral part of this statement.
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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2012

	Account Number	Total Investment Trust Funds 84X	Total Private-Purpose Trust Funds 85X	Total Pension Trust Funds 87X	Total Agency Funds 89X
ASSETS					
Cash and Cash Equivalents	1110	0.00	447,996.66	0.00	16,331,327.86
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	1,264,921.66
Interest Receivable	1170	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00
Inventory	1150				0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		0.00	447,996.66	0.00	17,596,249.52
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	276,842.40
Due to Other Agencies	2230	0.00	0.00	0.00	
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	0.00	0.00	0.00	17,319,407.12
Total Liabilities		0.00	0.00	0.00	17,596,249.52
NET ASSETS					
Assets Held in Trust for Pension Benefits		0.00	0.00	0.00	
Assets Held in Trust for Scholarships and Other Purposes		0.00	447,996.66	0.00	
Total Net Assets		0.00	447,996.66	0.00	

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

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**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS**

For the Fiscal Year Ended June 30, 2012

	Account Number	Total Investment Trust Funds 84X	Total Private-Purpose Trust Funds 85X	Total Pension Trust Funds 87X
ADDITIONS				
<i>Contributions:</i>				
Employer		0.00	0.00	0.00
Plan Members		0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	43,670.87	0.00
<i>Investment Earnings:</i>				
Interest	3431	0.00	2,150.25	0.00
Gain on Sale of Investments	3432	0.00	0.00	0.00
Net Increase (Decrease) in the Fair Value of Investments	3433	0.00	0.00	0.00
Total Investment Earnings		0.00	2,150.25	0.00
Less Investment Expense		0.00	0.00	0.00
Net Investment Earnings		0.00	2,150.25	0.00
Total Additions		0.00	45,821.12	0.00
DEDUCTIONS				
Salaries	100	0.00	0.00	0.00
Employee Benefits	200	0.00	0.00	0.00
Purchased Services	300	0.00	0.00	0.00
Other Expenses	700	0.00	63,303.51	0.00
Refunds of Contributions		0.00	0.00	0.00
Administrative Expenses		0.00	0.00	0.00
Total Deductions		0.00	63,303.51	0.00
Change In Net Assets		0.00	(17,482.39)	0.00
Net Assets - July 1, 2011	2885	0.00	465,479.05	0.00
Net Assets - June 30, 2012	2785	0.00	447,996.66	0.00

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

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF NET ASSETS
MAJOR AND NONMAJOR COMPONENT UNITS
June 30, 2012

	Account Number	Major Component Unit Name	Major Component Unit Name	Total Nonmajor Component Units	Total Component Units
ASSETS					
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00
Investments	1160	0.00	0.00	0.00	0.00
Taxes Receivable, Net	1120	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00
Due from Reinsurer	1180	0.00	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Internal Balances		0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00	0.00
<i>Restricted Assets:</i>					
Cash with Fiscal Agent	1114	0.00	0.00	0.00	0.00
<i>Deferred Charges:</i>					
Issuance Costs		0.00	0.00	0.00	0.00
<i>Noncurrent assets:</i>					
Other Post-employment Benefits Obligation (asset)	1410	0.00	0.00	0.00	0.00
<i>Capital Assets:</i>					
Land	1310	0.00	0.00	0.00	0.00
Land Improvements - Nondepreciable	1315	0.00	0.00	0.00	0.00
Construction in Progress	1360	0.00	0.00	0.00	0.00
Improvements Other Than Buildings	1320	0.00	0.00	0.00	0.00
Less Accumulated Depreciation	1329	0.00	0.00	0.00	0.00
Buildings and Fixed Equipment	1330	0.00	0.00	0.00	0.00
Less Accumulated Depreciation	1339	0.00	0.00	0.00	0.00
Furniture, Fixtures and Equipment	1340	0.00	0.00	0.00	0.00
Less Accumulated Depreciation	1349	0.00	0.00	0.00	0.00
Motor Vehicles	1350	0.00	0.00	0.00	0.00
Less Accumulated Depreciation	1359	0.00	0.00	0.00	0.00
Property Under Capital Leases	1370	0.00	0.00	0.00	0.00
Less Accumulated Depreciation	1379	0.00	0.00	0.00	0.00
Audio Visual Materials	1381	0.00	0.00	0.00	0.00
Less Accumulated Depreciation	1388	0.00	0.00	0.00	0.00
Computer Software	1382	0.00	0.00	0.00	0.00
Less Accumulated Amortization	1389	0.00	0.00	0.00	0.00
Total Capital Assets net of Accum. Dep'n		0.00	0.00	0.00	0.00
Total Assets		0.00	0.00	0.00	0.00
LIABILITIES AND NET ASSETS					
LIABILITIES					
Salaries and Wages Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00
Judgments Payable	2130	0.00	0.00	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00	0.00	0.00
Construction Contracts Retainage Payable	2150	0.00	0.00	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00	0.00
Deposits Payable	2220	0.00	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00	0.00
Sales Tax Payable	2260	0.00	0.00	0.00	0.00
Deferred Revenue	2410	0.00	0.00	0.00	0.00
Estimated Unpaid Claims	2271	0.00	0.00	0.00	0.00
Estimated Liability for Claims Adjustment	2272	0.00	0.00	0.00	0.00
Estimated Liability for Arbitrage Rebate	2280	0.00	0.00	0.00	0.00
<i>Noncurrent Liabilities:</i>					
<i>Portion Due Within One Year:</i>					
Section 1011.13, F.S., Notes Payable	2250	0.00	0.00	0.00	0.00
Notes Payable	2310	0.00	0.00	0.00	0.00
Obligations Under Capital Leases	2315	0.00	0.00	0.00	0.00
Bonds Payable	2320	0.00	0.00	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00	0.00	0.00
Certificates of Participation Payable	2340	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	0.00	0.00	0.00	0.00
Estimated PECO Advance Payable	2370	0.00	0.00	0.00	0.00
Estimated Liability for Arbitrage Rebate	2280	0.00	0.00	0.00	0.00
<i>Portion Due After One Year:</i>					
Notes Payable	2310	0.00	0.00	0.00	0.00
Obligations Under Capital Leases	2315	0.00	0.00	0.00	0.00
Bonds Payable	2320	0.00	0.00	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00	0.00	0.00
Certificates of Participation Payable	2340	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	0.00	0.00	0.00	0.00
Estimated PECO Advance Payable	2370	0.00	0.00	0.00	0.00
Estimated Liability for Arbitrage Rebate	2280	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	2770	0.00	0.00	0.00	0.00
<i>Restricted For:</i>					
Categorical Carryover Programs	2780	0.00	0.00	0.00	0.00
Food Service	2780	0.00	0.00	0.00	0.00
Debt Service	2780	0.00	0.00	0.00	0.00
Capital Projects	2780	0.00	0.00	0.00	0.00
Other Purposes	2780	0.00	0.00	0.00	0.00
Unrestricted	2790	0.00	0.00	0.00	0.00
Total Net Assets		0.00	0.00	0.00	0.00
Total Liabilities and Net Assets		0.00	0.00	0.00	0.00

The accompanying notes to financial statements are an integral part of this statement.
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**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF ACTIVITIES
MAJOR AND NONMAJOR COMPONENT UNITS**

**Major Component Unit Name
For the Fiscal Year Ended June 30, 2012**

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Unit Activities
<i>Component Unit Activities:</i>						
Instruction	5000	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7400	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00
Interest on Long-term Debt	9200	0.00	0.00	0.00	0.00	0.00
Unallocated Depreciation/Amortization Expense*		0.00				0.00
Total Component Unit Activities		0.00	0.00	0.00	0.00	0.00

General Revenues:

Taxes:

- Property Taxes, Levied for Operational Purposes
- Property Taxes, Levied for Debt Service
- Property Taxes, Levied for Capital Projects
- Local Sales Taxes
- Grants and Contributions Not Restricted to Specific Programs
- Investment Earnings
- Miscellaneous
- Special Items
- Extraordinary Items
- Transfers

Total General Revenues, Special Items, Extraordinary Items, and Transfers

Change in Net Assets

- Net Assets - July 1, 2011
- Net Assets - June 30, 2012

0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00
0.00

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

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
MAJOR AND NONMAJOR COMPONENT UNITS**

**Major Component Unit Name
For the Fiscal Year Ended June 30, 2012**

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Unit Activities
<i>Component Unit Activities:</i>						
Instruction	5000	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7400	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00
Interest on Long-term Debt	9200	0.00	0.00	0.00	0.00	0.00
Unallocated Depreciation/Amortization Expense*		0.00				0.00
Total Component Unit Activities		0.00	0.00	0.00	0.00	0.00

General Revenues:

Taxes:

- Property Taxes, Levied for Operational Purposes
- Property Taxes, Levied for Debt Service
- Property Taxes, Levied for Capital Projects
- Local Sales Taxes
- Grants and Contributions Not Restricted to Specific Programs
- Investment Earnings
- Miscellaneous
- Special Items
- Extraordinary Items
- Transfers

Total General Revenues, Special Items, Extraordinary Items, and Transfers

Change in Net Assets

- Net Assets - July 1, 2011
- Net Assets - June 30, 2012

0.00
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*This amount excludes the depreciation/amortization that is included in the direct expenses of the various functions.

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
MAJOR AND NONMAJOR COMPONENT UNITS
TOTAL NONMAJOR COMPONENT UNITS
For the Fiscal Year Ended June 30, 2012

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Component Units Activities
<i>Component Unit Activities:</i>						
Instruction	5000	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7400	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00
Interest on Long-term Debt	9200	0.00	0.00	0.00	0.00	0.00
Unallocated Depreciation/Amortization Expense*		0.00				0.00
Total Component Unit Activities		0.00	0.00	0.00	0.00	0.00

General Revenues:

Taxes:

- Property Taxes, Levied for Operational Purposes
- Property Taxes, Levied for Debt Service
- Property Taxes, Levied for Capital Projects
- Local Sales Taxes
- Grants and Contributions Not Restricted to Specific Programs
- Investment Earnings
- Miscellaneous
- Special Items
- Extraordinary Items
- Transfers

Total General Revenues, Special Items, Extraordinary Items, and Transfers

Change in Net Assets

- Net Assets - July 1, 2011
- Net Assets - June 30, 2012

0.00
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*This amount excludes the depreciation/amortization that is included in the direct expenses of the various functions.

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF ACTIVITIES (CONTINUED)
MAJOR AND NONMAJOR COMPONENT UNITS
TOTAL COMPONENT UNITS
For the Fiscal Year Ended June 30, 2012

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Component Units Activities
<i>Component Unit Activities:</i>						
Instruction	5000	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7400	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00
Interest on Long-term Debt	9200	0.00	0.00	0.00	0.00	0.00
Unallocated Depreciation/Amortization Expense*		0.00				0.00
Total Component Unit Activities		0.00	0.00	0.00	0.00	0.00

General Revenues:

Taxes:

- Property Taxes, Levied for Operational Purposes
- Property Taxes, Levied for Debt Service
- Property Taxes, Levied for Capital Projects
- Local Sales Taxes
- Grants and Contributions Not Restricted to Specific Programs
- Investment Earnings
- Miscellaneous
- Special Items
- Extraordinary Items
- Transfers

Total General Revenues, Special Items, Extraordinary Items, and Transfers

Change in Net Assets

- Net Assets - July 1, 2011
- Net Assets - June 30, 2012

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

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District of Palm Beach County, Florida (the "District") have been prepared to conform with Accounting Principles Generally Accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Pursuant to Florida Statutes, Section 1010.01, the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education. The following is a summary of the more significant of these policies.

A. Reporting Entity

The District and its governing board are organized and operated under Section 4, Article IX, of the Constitution of Florida and Chapter 1001 of Florida Statutes. The District's boundaries are coterminous with those of Palm Beach County. Management of the School District is independent of county and city governments. The membership of the governing board of the District (the "Board") consists of seven members elected from single member districts for overlapping four-year terms. The Superintendent is appointed by the Board to act as executive officer of the District.

For financial reporting purposes, the accompanying financial statements include all of the operations over which the District is financially accountable. The District is financially accountable for organizations that make up its legal entity, as well as legally separate organizations that meet certain criteria. In accordance with GASB 14, "The Financial Reporting Entity," as amended by GASB 39, "Determining Whether Certain Organizations Are Component Units" and GASB 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34", the criteria for inclusion in the reporting entity involve those cases where the District or its officials appoint a voting majority of an organization's governing body, and is either able to impose its will on the organization and there is a potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the District or the nature and significance of the relationship between the District and the organization is such that exclusion would cause the District's financial statements to be incomplete. Applying this definition, District management has determined that the component unit and/or joint venture reportable within the accompanying financial statements is the Palm Beach School Board Leasing Corporation (the "Corporation").

Blended Component Unit - The Corporation's sole purpose is to provide for financing and construction of certain District school facilities. Additionally, the Corporation is legally separate from the District and the Board of the Corporation consists of the seven Board members of the District. Therefore, the financial activities of the Corporation have been blended (reported as if it were part of the District) with those of the District. The Corporation does not publish individual component unit financial statements.

Since the District is independent of and is not financially accountable for other governmental units or civic entities, these financial statements represent the operations of the District, the Corporation, as well as all of the funds of the District as a governmental unit.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for Fiduciary Funds. Internal Service Fund activity is eliminated to avoid "doubling up" revenues and expenses.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the Proprietary Fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

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

Fund Financial Statements

Fund financial statements report detailed information about the District. 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 presented in a single column. All of the component units are nonmajor and are aggregated and presented in a single column. Internal Service Funds are aggregated and presented in a single column on the face of the Proprietary Fund statements. Fiduciary Funds are reported by fund type.

The Governmental Funds are accounted for on the "flow of current financial resources" measurement focus. This measurement focus is based on the concept of accountability, which includes measuring interperiod equity whether current year revenues were sufficient to pay for current year services. The Proprietary Fund is accounted for on an "economic resources" measurement focus. Accordingly, the Statement of Revenues, Expenses and Changes in Fund Net Position for the Proprietary Fund reports increases and decreases in total economic net worth. The private purpose trust fund is reported using the economic resources measurement focus.

GOVERNMENTAL FUNDS

Governmental Funds are those through which most District functions are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (except those accounted for in the Proprietary Fund and Fiduciary Funds) are accounted for through Governmental Funds. The measurement focus is upon determination of changes in financial resources rather than upon determination of net income. The following are the District's major Governmental Funds:

General Fund

The General Fund is the primary operating fund of the District. Ad valorem tax revenues, revenues from the Florida Education Finance Program ("FEFP") and other receipts not allocated by law or contractual agreement to other funds are accounted for in this fund. Similarly, general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from this fund.

Federal Economic Stimulus Programs

Under the American Recovery and Reinvestment Act (ARRA), the district receives both targeted assistance funds and state stabilization funds. To ensure transparency and accountability for the use of these funds, they are held in separate funds. The District received \$8.6 million in state stabilization funding as part of the Florida Education Finance Program. Targeted assistance funds are provided to states for the intended use of avoiding job losses. Targeted assistance funds of \$8.0 million were received through ARRA as extensions of the Federal entitlement grants, mainly Title I and IDEA. This year, the District also received an additional \$0.6 million in Education Jobs Act revenue to fund school based personnel.

Other Debt Service Fund

The Other Debt Service Fund accounts for the repayment of the certificates of participation.

ARRA Economic Stimulus Debt Service

This fund was established to accumulate resources to pay the interest and principal obligations associated with the QSCB issued during fiscal year 2011.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

Capital Improvement Capital Projects Fund

The Capital Improvement Capital Projects Fund accounts for locally received funds, primarily ad valorem tax revenue, for the acquisition, construction or renovation of capital facilities, including land and equipment.

Other Capital Projects Fund

The Other Capital Projects Fund includes:

- Sales Tax Capital Projects Fund which accounts for locally received funds, primarily sales tax revenue, for the acquisition, construction or renovation of capitals facilities, including land and equipment.
- Certificates of Participation (“COPS”) Capital Projects Fund which accounts for construction projects and equipment purchases financed by the sale of certificates of participation.
- Other capital projects which account for impact fees and miscellaneous state revenues received for the acquisition, construction and renovation of capital facilities

ARRA Economic Stimulus Capital Projects

This fund was established to account for financial resources used for the acquisition and construction of facilities and equipment funded by the QSCB issued during fiscal year 2011

Other Governmental Funds

The Other Governmental Funds are a summarization of all the Non-major Governmental Funds.

PROPRIETARY FUNDS

Proprietary Funds are used to account for ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. The only Proprietary Funds that the District has are Internal Service Funds. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a Proprietary Fund’s principal ongoing operations. Operating expenses for Internal Service Funds include salaries, benefits, administrative expenses, and claims paid. All items not meeting this definition are reported as nonoperating revenues and expenses.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The District has one Internal Service Fund, for group health and has elected to close its Maintenance Internal Service Fund on July 1, 2011, discontinuing the separate reporting of the Maintenance Internal Service Fund and instead consolidating the activity within the General Fund.

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the District on behalf of outside related organizations or on behalf of other funds within the District.

Agency Funds

Agency Funds consist of activity funds, which are established at each school to account for the receipts and disbursements of various school activities administered for the general welfare of the students and completion of certain planned objectives and special programs of school groups. The District retains no equity interest in these funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private Purpose Trust Fund

A trust fund was established in January 1993 and is used to account for a District supported Florida Future Educators of America. Revenues consist of employee donations and interest income. Expenditures

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

represent scholarships for future teachers, which are awarded in accordance with the trust requirements.

BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and Fiduciary Funds also use the accrual basis of accounting.

Modified Accrual

Under the modified accrual basis, revenues are recognized in the accounting period in which they become susceptible to accrual, i.e., both available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants and interest on investments. The District considers all revenues (with the exception of the expenditure-driven grants) as available if they are collected within sixty (60) days after year-end. The expenditure driven grants are considered available if received within one year from the balance sheet date. Property tax revenue is recognized when taxes are received, except at year end when revenue is recognized for taxes received by the District within sixty (60) days subsequent to fiscal year end. Expenditures are recognized in the accounting period in which the liability is incurred. However, exceptions include the amount of unmatured principal and interest on general long-term debt, compensated absences, claims and judgments and certain prepaids which are recognized when due/paid.

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

Accrual

Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred.

Revenue Recognition

State Revenue Sources – Revenues from State sources for current operations are primarily from the Florida Education Finance Program ("FEFP"), administered by the Florida Department of Education ("FDOE"), under the provisions of Chapter 1011, Florida Statutes. The District files reports on full time equivalent ("FTE") student membership with the FDOE. The FDOE accumulates information from these reports and calculates the allocation of FEFP funds to the District. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review. Normally, such adjustments are treated as reductions of revenue in the year the reduction is made, as amounts are not significant.

The District receives revenue from the State to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. Any unused money is returned to the FDOE and so recorded in the year returned.

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

The District, at various times, receives authorization for the expenditure of funds for Public Education Capital Outlay ("PECO"), Classrooms First, Effort Index Grant and Class Size Reduction projects from the State of Florida. For reporting purposes, PECO, Classrooms First, Effort Index Grant and Class Size Reduction revenue is recognized at the time authorization is approved by the State.

Property Taxes – On an accrual basis, property tax revenue anticipated to be collected is recognized in the fiscal year for which it is levied. Delinquent taxes collected in subsequent periods are recognized as revenue during the fiscal year in which they are received.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

C. Budgetary Policies

Revenues and expenditures are controlled by budgetary systems in accordance with various legal and administrative requirements that govern the District's operations. The budget represents a process through which policy decisions are made, implemented and controlled. The budget is adopted on a basis consistent with GAAP, except for encumbrances, and the PECO, Classrooms First, Effort Index Grant and Class Size Reduction revenues. The budgetary process includes encumbrances and the aforementioned revenues in the current year budget. The encumbrances and revenues are reported as expenditures or revenues respectively, on the budgetary basis of accounting.

Annual budgets are legally adopted for all funds except the Fiduciary Funds. The budget amounts for revenues and expenditures reflect all amendments to the original budget dated September 14, 2011 the date of the final amendment approved by the Board. Significant dates in the budgeting timetable follow:

1. The Palm Beach County Property Appraiser certifies to the District the taxable value of all nonexempt District property by July 1 of each year, or the Clerk of the Circuit Court is required to certify an interim tax roll.
2. Within 24 days of tax roll certification, the Board considers and approves for advertising a tentative budget.
3. Within 29 days after tax roll certification, the District advertises the tentative budget and the millage rates therein.
4. A public hearing to adopt the tentative budget and proposed millage rate is held not less than two nor more than five days after the budget is advertised.
5. Within 35 days of tax roll certification, the District notifies the Palm Beach County Property Appraiser of proposed millage rates.

At a final public hearing within 80 days, but not less than 65 days, after tax roll certification, the Board adopts the District budget.

The major functional level is the legal level of budgetary control. Per Board policy, management is authorized to make budget amendments at function level with Board approval. All interim budget amendments between major functional areas within each fund are submitted to the Board for approval. Federal and State grant budget amendments which require State approval prior to processing are also submitted to the Board for approval with monthly amendments. The Board is not legally authorized to approve expenditures that exceed appropriations; therefore, during fiscal year 2012, budget amendments were approved as necessary to comply with legal requirements.

Unreserved appropriations are cancelled at the end of the fiscal year. However, encumbered appropriations for funds do not lapse at the end of the fiscal year. Restricted, committed and assigned fund balances at June 30, 2012 for funds under budgetary control have been reappropriated for the fiscal year 2013

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

operating budget within the appropriate fund. Programs restricted for carryover include all State categorical grants required to be expended on specific programs and District approved carryover programs.

D. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve a portion of an applicable appropriation, is utilized for budgetary control purposes. Encumbrances are not the equivalent of expenditures, and accordingly, amounts assigned for encumbrances at the governmental fund level indicate that portion of the fund balance segregated for expenditure upon vendor performance.

E. Cash, Cash Equivalents and Investments

The District maintains a Treasurer's pool for the District's cash and investments. Each fund's portion of the pool is presented on the financial statements. Investments are stated at fair value, based on quoted market prices. Investments consist of direct obligations of the United States Treasury, U.S. Government Agency Securities, money market funds investing in U.S. Treasury Securities, corporate notes, U.S. Government Supported Corporate Debt, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Federal Home Loan Bank and other investments allowable by the District's investment policy. For purposes of the statement of cash flows, cash equivalents are considered to be the money market funds and all highly liquid investments with a maturity of three months or less when purchased.

F. Inventories

Inventories are valued at cost, which approximates market, using the average cost method. The District's inventories include various items consisting of school supplies, paper, books, transportation items, commodities, etc. USDA commodities received from the Federal government are recorded at the value established by the Federal government using the average cost method. Inventorial items are recorded as expenditures when shipped to schools and department offices (the consumption method). The reserve for inventories at the governmental fund level is equal to the amount of inventories at year-end to indicate the portion of the governmental fund balances that are nonspendable.

G. Prepaid Items

Expenditures for insurance and similar services extending over more than one accounting period are not allocated between or among accounting periods in the governmental funds and are instead accounted for as expenditures in the period of acquisition (Purchase method).

H. Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the District. Purchased assets are recorded as expenditures in the fund financial statements and are capitalized at cost on the government-wide statement of net position. In the case of gifts or contributions, such assets are recorded at fair market value at the time received.

The District's capitalization levels are \$1,000 on tangible personal property, \$100,000 on building improvements, \$50,000 on improvements other than buildings and \$100,000 on intangible assets. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets except land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture, Fixtures and Equipment	3 – 15 years
Motor Vehicles	5 – 10 years
Audio/Video Materials & Software	3 – 5 years

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

Buildings and Improvements	15 – 50 years
Improvements Other Than Buildings	15 years
Intangibles	5 years

I. Long Term Debt

In the fund-level financial statements, governmental funds report the face amount of debt issued, as well as any premiums (discounts) as other financing sources (uses). Debt issuance costs are reported as debt service expenditures. In the government-wide financial statements, long-term debt is reported as liabilities in the statement of net position. Bond premiums/discounts and issuance cost are amortized over the life of the bonds while deferred loss on advance refundings are amortized over the shorter of the remaining life of the refunded bonds or the life of the new bonds both in a systematic and rational method, which approximates the effective-interest method.

The District enters into interest rate swap agreements to modify interest rates on outstanding debt. The fair value of these instruments is reflected on the government wide financial statements (See Note 10 and 11).

J. Self Insurance

The District is self insured for portions of its general and automobile liability insurance and workers' compensation. Claim activity (expenditures for general and automobile liability and workers' compensation) is recorded in the governmental fund as payments become due each period. The estimated liability for self-insured risks represents an estimate of the amount to be paid on insurance claims reported and on insurance claims incurred but not reported (See Note 8). Consistent with GAAP guidelines, for the governmental funds, in the fund financial statements, the liability for self-insured risks is considered long-term and therefore, is not a fund liability (except for any amounts due and payable at year end) and represents a reconciling item between the fund level and government-wide presentations.

The District is also self insured for health insurance. The District provides health insurance for its employees and eligible dependents. The estimated liability for self-insured risks represents an estimate of the amount to be paid on insurance claims reported and on insurance claims incurred but not reported (See Note 8). Consistent with GAAP guidelines, in the Proprietary Fund financial statements, the liability for self insured risks is recorded under the accrual basis of accounting.

K. Compensated Absences

Compensated absences are payments to employees for accumulated vacation and sick leave. These amounts also include the related employer's share of applicable taxes and retirement contributions. District employees may accumulate unused vacation and sick leave up to a specified amount depending on their date of hire. Vacation and sick leave is payable to employees upon termination or retirement at the current rate of pay on the date of termination or retirement.

The District uses the vesting method to calculate the compensated absences amounts. The entire compensated absence liability is reported on the government-wide financial statements. The portion related to employees in the Internal Service Fund is recorded at the fund level. The current portion is the amount estimated to be used in the following year. An expenditure is recognized in the governmental fund as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

L. Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

expenses during the reporting periods. Actual results could differ from those estimates.

M. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASB 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This statement is effective for periods beginning after June 15, 2012 although the District elected to early implement statement 61 in fiscal year 2012.

Based on assessing the criteria for classifying entities as component units under GASB 61, charter schools no longer qualify as part of the District's Reporting Entity and should not be reported as discretely presented component units. The District is not financially accountable for charter schools since charter schools are not fiscally dependent on the District and do not have a financial benefit or burden relationship. Charter schools also fail to meet the definition of misleading to exclude since the District does not have the ability to access the economic or organizational resources received or held by a charter school.

The impact on the District's financial statements is to exclude charter schools from the District's Reporting Entity as defined in Note 1. A. and to exclude the charter school financial information that was previously included on both the Statement of Net Position and Statement of Activities.

In March 2012, the GASB issued Statement 66, *Technical Corrections—2012—an amendment of GASB Statements No. 10 and No. 62*. GASB 66 improves accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement is effective for periods beginning after December 15, 2012 although the District elected to early implement statement 62 in fiscal year 2012. The adoption of GASB 66 does not have any impact on the District's financial statements.

Recently Issued Accounting Pronouncements

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement is effective for periods beginning after December 15, 2012. Management is currently evaluating the impact of the adoption of this statement on the District's financial statements.

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement 25*. GASB 67 improves financial reporting by state and local governmental pension plans. The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by the pension plans that are within its scope. This Statement is effective for financial statements for fiscal years beginning after June 15, 2013. Management is currently evaluating the impact of the adoption of this statement on the District's financial statements.

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In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement 27*. GASB 68 improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this statement on the District's financial statements.

2. AD VALOREM TAXES

The Board is authorized by Florida Statutes to levy property taxes for District operations, capital improvements and debt service. Property taxes consist of ad valorem taxes on real and personal property within the District. The Palm Beach County Property Appraiser assesses property values and the Palm Beach County Tax Collector collects the property taxes.

Property values are assessed as of January 1 each year. The Board levies the property tax at the final budget hearing each year based on the assessed valuation of all non-exempt property. This levy finances the expenditures of the current fiscal year. Tax bills are mailed by the Palm Beach County Tax Collector on November 1 and are due no later than April 1. After this date, taxes become an enforceable lien on property. Discounts of up to four percent are available for early payment. The majority of ad valorem taxes are collected in November and December and remitted to the School Board. Section 197.383, Florida Statutes, requires the Palm Beach County Tax Collector to distribute the taxes collected to each taxing authority at least four times during the first two months after the tax roll comes into the Tax Collector's possession, and at least once per month thereafter. Taxes are considered delinquent if not paid prior to April 1. State law provides for enforcement of collection of taxes by the sale of tax certificates on real property and for levy upon, seizure and sale of personal property after the Palm Beach County Tax Collector initiates a sequence of required procedures resulting in a court order to carry out the action.

The State Legislature prescribes the maximum non-voted millage that may be levied by the Board for each fiscal year. The total millage rate levy was 8.180 mills and the total assessed value on which the 2011-12 levy was based was \$132 billion. Gross taxes levied were approximately \$1.1 billion. Total revenue, net of discounts, was approximately \$1.0 billion. A portion of the taxes levied for the Local Capital Improvement Capital Project Fund, designated for repairs and maintenance programs are transferred to the General Fund as provided by Chapter 1013, Florida Statutes. For fiscal year 2012, the maintenance transfer amounted to approximately \$68.6 million. Additionally, approximately \$7.7 million was transferred for property insurance; approximately \$2.7 million was transferred for charter school capital outlay bringing the total transfer from capital to approximately \$79.1 million.

3. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

Florida Statutes authorize the deposit of District funds in demand deposits or time deposits of financial institutions approved by the State Treasurer and are defined as public deposits. All District public deposits are held in qualified public depositories pursuant to chapter 280, Florida Statutes, the "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 50 percent to 125 percent depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. All bank balances of the District are fully insured or collateralized. At June 30, 2012, the carrying amount of the District's cash deposits was approximately \$208.2 million and the bank

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balance was approximately \$221.3 million. The carrying amount of the Agency Fund - School Internal Funds cash deposits was approximately \$16.3 million.

The District receives interest on all collected balances in its cash accounts from the qualified public depository acting as its banking agent. Interest earnings are allocated to all funds based on the average daily balance of each fund's equity in the Treasurer's Pool.

Cash Equivalents consist of amounts invested in the Dreyfus Treasury & Agency Cash Mgt Money Market Fund, Federated Government Obligation Money Market Fund, FEITF Funds Government Series Money Market Fund, JP Morgan US Government Money Market Fund, Fidelity Institutional Government Money Market Fund, SBA Florida Prime and the SBA Fund B Surplus Funds Trust Fund (the "Fund B"). As of June 30, 2012, Dreyfus Treasury & Agency Cash Mgt Money Market was rated AAA by Standard and Poors and Aaa by Moody's Investor Service, Federated Government Obligation Money Market Fund was rated Aaa by Standard and Poors and Aaa by Moody's Investor Service, FEITF Funds Government Series Money Market Fund was rated AAA by Standard and Poors, JP Morgan US Government Money Market Fund was rated AAA by Standard and Poors and Aaa by Moody's Investors Service, Fidelity Institutional Government Money Market Fund was rated AAA by Standard and Poors and Aaa by Moody's Investor Service, and the Florida Prime was rated AAAM by Standard and Poors. As of June 30, 2012, Fund B Surplus Funds was not rated by a nationally recognized statistical rating agency.

Investments

The District's investment policy permits investments in the SBA Local Government Surplus Funds Trust Fund, securities of the United States Government, U.S. Government Agencies, Federal instrumentalities, interest bearing time deposit or savings accounts, repurchase agreements, commercial paper, corporate notes, bankers' acceptances, state and/or local government debt, and money market mutual funds. The District's investment advisor used the effective duration method to calculate effective duration measures for the securities held by the District. Besides measuring the sensitivity of the securities market value to changes in interest rates, the effective duration method accounts for any call (early redemption) features which a security may have.

As of June 30, 2012, the District had the following unrestricted cash and investments and maturities (amounts in thousands):

PORTFOLIO / INVESTMENTS	CARRYING VALUE	EFFECTIVE DURATION
Cash Deposits	\$ 208,215	N/A
Money Market Funds	321,715	N/A
Florida State Board of Administration	10	0.09
Commercial Paper	121,285	N/A
Core Fund Investments		
US Treasury - Notes/Bills	42,491	1.70
Federal Agency - Bond/Notes	34,782	1.77
Corporate Notes	4,452	2.14
Municipal Bonds	2,548	1.24
TOTAL	\$ 735,498	

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Interest Rate Risk

To limit exposure to fair value losses resulting from increases in interest rates, the District's Investment Policy limits operating funds to maturities of two years or less. Investments of reserves, project funds, debt proceeds and other non-operating funds ("core funds") shall have a term appropriate to the need for funds and in accordance with debt covenants, but in no event shall exceed five (5) years and the average duration of the funds as a whole may not exceed three (3) years. The District's investments in the Federal Home Loan Bank mature January, 2014. The District's investment in the Federal Home Loan Mortgage Corporation matures between August 2014 and September 2014. The District's investments in the Federal National Mortgage Association mature between August 2013 and May 2027. The District's investments in the Freddie Mac Global mature between October, 2013 and November, 2014. The District's investment in derivative instruments matures between August 2018 and August 2029. As of June 30, 2012, the District held approximately \$1.2 million in market value of callable securities issued by Federal Instrumentalities which permit the issuer to redeem the securities prior to their original maturity date.

Credit Risk

The District's Investment Policy lists the authorized investment types as well as the minimum allowable credit rating for each investment type. Corporate notes purchased for investment must be issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long term debt rating of "AA" by Standard & Poor's ("S&P"). The maximum length to maturity for corporate notes shall be three (3) years from the date of purchase. As of June 30, 2012, the District held \$4.5 million of corporate notes of which had an S&P rating of AA+. All investments in the Federal Home Loan Mortgage Corporation and Federal National Mortgage Association were rated AA+ by S&P. All other rated investments were rated between AA and AA+ by S&P. As of June 30, 2012, the Local Government Investment Pool was rated AAA by S&P. As of June 30, 2012, Fund B was not rated by a nationally recognized statistical rating agency.

Concentration of Credit Risk

The District's Investment Policy specifies the maximum percentage allocation to any single investment type as well as the maximum percentage holding per issuer. Up to 100% of the portfolio may be invested in the SBA Local Government Surplus Funds Trust Fund or securities of the United States Government. Investments in Federal Instrumentalities may be no greater than 80% of the portfolio with a maximum of 50% invested with any single issuer. Corporate notes are limited to 15% of the portfolio and no greater than 5% may be in a single issuer.

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PORTFOLIO / INVESTMENTS	CARRYING VALUE (in thousands)	%
Cash Deposits	\$ 208,215	28.31%
Money Market Funds		
Dreyfus Treasury and Agency	81,521	11.08%
Federated Government Obligation	20,794	2.83%
FEITF Funds Government Series	16,158	2.20%
JP Morgan US Government	92,008	12.51%
Fidelity Institutional Government Fund	111,234	15.12%
Florida State Board of Administration (SBA)	10	0.00%
Commercial Paper		
General Electric CP	1,315	0.18%
PFM Short Term Portfolio CP	119,970	16.31%
Investments in Securities		
US Treasury - Notes/Bills	42,491	5.78%
General Electric Capital Corporation	3,799	0.52%
Procter & Gamble	653	0.09%
Fannie Mae	13,008	1.77%
Farmer Mac	795	0.11%
Freddie Mac	14,141	1.92%
Federal Home Loan Bank	2,506	0.34%
Federal Home Loan Mortgage Corporation	4,332	0.59%
Municipal Bonds	2,548	0.35%
	\$ 735,498	100.00%

As of June 30, 2012, all District investments were in compliance with the District's Investment Policy or Debt Management Policy and did not exceed portfolio allocation or issuer maximums.

Custodial Risk

The District's investment policy requires that all securities, with the exception of certificates of deposit, be held with a third party custodian; and all securities purchased by, and all collateral obtained by the District should be properly designated as an asset of the District. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal government, the state of Florida, or any other state or territory of the United States which has a branch or principal place of business in the state of Florida as defined in § 658.12, F.S., 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 the state of Florida. Certificates of deposit will be placed in the provider's safekeeping department for the term of the deposit. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. As of June 30, 2012, the District's investment portfolio was held with a third-party custodian.

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4. INVESTMENT DERIVATIVE INSTRUMENTS

As of June 30, 2012, the District had investment derivative instruments with the following maturities (amounts in thousands):

Investment Derivative Instruments Maturities (in years)

	Fair Value	Less than 1	1 to 5	6 to 10	More than 10
2011B - 11 Basis Point spread Asset Position	\$ 445	\$ -	\$ 445	\$ -	\$ -
2003B - Barrier option at 7% Liability Position	\$ (60)	\$ -	\$ -	\$ 60	\$ -

The District amended the 2001B/2011B pay fixed interest swap for the first three years (8/1/2011 through 8/1/2014) from a pay fixed 4.59% to a pay fixed 4.48% and received 70% of USD-LIBOR. After the three year term, the pay fixed rate reverts to 4.59% and the received rate reverts to SIFMA. All critical terms of the rest of the original underlying swap remain the same. The 11 basis point spread between the original 4.59% fixed rate and the amended 4.48% fixed rate results in an investment derivative. At June 30, 2012, the fair value of the 11 basis point spread is \$444,852 and will amortize to zero by the end of the 3-year term.

In exchange for an upfront premium payment of \$3,010,000 received by the District, the swap counterparty has the right to terminate the 2003B Interest Rate Swap if the 180 day average of the BMA Index exceeds 7.0% in the future. The barrier feature was effective June 2003 and is exercisable anytime until August 2018. Once the barrier option expires the District will be left with a fixed-payer swap that matures on August 2029. Therefore, for accounting and financial reporting purposes, the barrier option derivative instrument is considered an investment derivative instrument. At June 30, 2012, the fair value of the barrier option is (\$60,333).

The District entered into two swaptions with the 2002D and 2001B certificates with a notional amount of \$116,555,000 and \$162,980,000, respectively. A swaption is a hybrid instrument consisting of three components: an up-front payment (borrowing), time value of the swaption and a forward-starting swap (at-the-market swap). For accounting and financial reporting purposes, the time value component is considered an investment derivative instrument. The 2001B swaption was executed August 1, 2011. The counterparty notified the District that the 2002D swap will be executed on August 1, 2012 with a maturity date of August 2028. At June 30, 2012, the fair value of the 2002D swaption is effectively (zero). The District sold the remaining 2002D basis swap for \$1,880,000 in February 9, 2012.

5. DUE FROM OTHER AGENCIES

At June 30, 2012, the District had a total of approximately \$25.5 million in "Due from other agencies". Approximately \$15.0 million is due from Federal, State and local governments for various grant programs. Approximately \$3.5 million is due from Medicaid for reimbursement for services performed which is partially recorded as deferred revenue at the fund level. Approximately \$0.9 million is due from telecommunication companies related to reimbursement for E-Rate. Approximately \$1.2 million is due from United Health Care pharmacy rebated. Approximately \$4.1 million is due from Palm Beach County related to Impact Fees which is also recorded as deferred revenue at the fund level. Another \$0.8 million is due from other state and local agencies for miscellaneous items.

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6. INTERFUND ACTIVITIES

Due to/from other funds consisted of the following balances at June 30, 2012 (amounts in thousands):

	Interfund Receivables	Interfund Payables
General Fund	\$ 1,500	\$ -
Federal Economic Stimulus Programs	-	1,000
ARRA Economic Stimulus Capital Projects	-	500
Total Interfund	<u>\$ 1,500</u>	<u>\$ 1,500</u>

The amount payable by the Federal Economic Stimulus Programs and ARRA Economic Stimulus Capital Projects to the General Fund is to cover temporary cash shortages.

Interfund transfers for the year ended June 30, 2012 were as follows (amounts in thousands):

Transfer from:	Transfer to:				Total
	General Fund	Other Debt Service	ARRA Economic Stimulus Debt Service	Other Capital Projects	
Capital Improvement	\$ 75,208	\$ 146,917	\$ 103	\$ -	\$222,228
General Fund	-	-	-	26	26
Other Capital Projects	2,745	-	-	-	2,745
Other Governmental Funds	1,119	-	-	-	1,119
Internal Service Funds	6,713	-	-	-	6,713
Total	<u>\$ 85,785</u>	<u>\$ 146,917</u>	<u>\$ 103</u>	<u>\$ 26</u>	<u>\$232,831</u>

The majority of interfund transfers were for recurring annual operating and debt service expenditures. The internal service fund transfer is related to closing the maintenance internal service fund as of July 1, 2011.

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7. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2012 is as follows (amounts in thousands):

	Ending Balance June 30, 2011	Additions	Retirements and Transfers	Ending Balance June 30, 2012
<u>Non-Depreciable Assets:</u>				
Land	\$ 342,020	\$ -	\$ 557	\$ 341,463
Construction in Progress	35,316	15,387	34,422	16,281
Total Non-Depreciable Assets	<u>377,336</u>	<u>15,387</u>	<u>34,979</u>	<u>357,744</u>
<u>Depreciable Assets:</u>				
Improvements Other Than Buildings	51,952	1,714	-	53,666
Buildings and Improvements	4,026,961	33,330	4,781	4,055,510
Furniture, Fixtures & Equipment	163,690	9,293	42,857	130,126
Motor Vehicles	98,270	4,143	4,887	97,526
Audio/Video Materials & Software	56,004	8,891	3,110	61,785
Total Depreciable Assets	<u>4,396,877</u>	<u>57,371</u>	<u>55,635</u>	<u>4,398,613</u>
<u>Less Depreciation For:</u>				
Improvements Other Than Buildings	(13,127)	(3,540)	-	(16,667)
Buildings and Improvements	(814,644)	(85,354)	(4,187)	(895,811)
Furniture, Fixtures & Equipment	(126,785)	(11,568)	(41,793)	(96,560)
Motor Vehicles	(65,590)	(7,126)	(4,813)	(67,903)
Audio/Video Materials & Software	(53,121)	(2,282)	(3,106)	(52,297)
Total Accumulated Depreciation	<u>(1,073,267)</u>	<u>(109,870)</u>	<u>(53,899)</u>	<u>(1,129,238)</u>
Capital Assets, Net	<u>\$ 3,700,946</u>	<u>\$ (37,112)</u>	<u>\$ 36,715</u>	<u>\$ 3,627,119</u>

Depreciation expense for the year ended June 30, 2012 of approximately \$109.9 million was not allocated to specific functions. The District's capital assets essentially serve all functions and as such the depreciation expense is included as a separate line item in the statement of activities.

8. RISK MANAGEMENT

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

The employee health insurance claims liability is based on an analysis performed by management, which is based on historical trends. The remaining claims liability is based on an actuarial evaluation performed by an independent actuary as of June 30, 2012 using a discounted rate factor of 4.0%. The liability consists of claims reported and payable, as well as an estimate for claims incurred but not reported. At June 30, 2012, the liability for insurance claims consisted of approximately \$13.4 million, \$9.0 million and \$30.3 million for employee health, auto and general liability, and workers' compensation, respectively.

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A summary of changes in the estimated liability for self-insured risks is as follows (amounts in thousands):

	Fiscal Year Ended June 30, 2011	Fiscal Year Ended June 30, 2012
Beginning Balance	\$ 58,670	\$ 57,314
Additions:		
Current year claims and changes in estimates	174,451	172,824
Reductions:		
Claim payments	(175,807)	(177,460)
Ending Balance	<u>\$ 57,314</u>	<u>\$ 52,678</u>

The District maintains excess insurance coverage for health care costs. There have been no other significant reductions in insurance coverage. There have been no settlements that exceeded the District's coverage for fiscal years ended June 30, 2010, 2011 and 2012.

9. SHORT-TERM DEBT

Short-term debt activity for the year ended June 30, 2012 was as follows (amounts in thousands):

	Beginning Balance July 1, 2011		Ending Balance June 30, 2012	
	Issued	Redeemed		
Tax anticipation notes	\$ -	\$ 115,000	\$ (115,000)	\$ -
Total short-term debt	<u>\$ -</u>	<u>\$ 115,000</u>	<u>\$ (115,000)</u>	<u>\$ -</u>

Tax Anticipation Notes

On September 29, 2011 the District issued Tax Anticipation Notes ("TANS"), Series 2011 for \$115.0 million. Note proceeds were used to pay fiscal year 2012 District operating expenditures prior to the receipt of ad valorem taxes. The notes were paid in January 2012.

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10. LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended June 30, 2012, is as follows (amounts in thousands):

	Beginning Balance June 30, 2011	Additions	Reductions	Ending Balance June 30, 2012	Amounts Due Within One Year
Governmental Activities:					
Bonds and Leases Payable:					
Capital Outlay Bond Issue	\$ 37,215	\$ 5,820	\$ (12,385)	\$ 30,650	\$ 4,280
Certificates of Participation	1,895,708	289,485	(353,190)	1,832,003	56,535
Borrowing-Swap Upfront Payment	8,496	360	(334)	8,522	515
Derivative Instruments-Hedging	69,139	69,481	-	138,620	-
	<u>2,010,558</u>	<u>365,146</u>	<u>(365,909)</u>	<u>2,009,795</u>	<u>61,330</u>
Plus (Less) Issuance Premium (Discount)	34,084	10,539	(9,284)	35,339	-
Less Deferred Amount on Refundings	(26,139)	(9,698)	2,522	(33,315)	-
Total Bonds and Leases Payable	<u>2,018,503</u>	<u>365,987</u>	<u>(372,671)</u>	<u>2,011,819</u>	<u>61,330</u>
Other Liabilities:					
Compensated Absences	179,749	19,678	(21,374)	178,053	14,415
Claims and Judgments:					
Insurance Claims	57,314	172,824	(177,460)	52,678	23,900
Arbitrage	229	-	(229)	-	-
Post Employment Benefits	70,869	13,735	(5,903)	78,701	-
Total Other Liabilities	<u>308,161</u>	<u>206,237</u>	<u>(204,966)</u>	<u>309,432</u>	<u>38,315</u>
Total Governmental Activities					
Long-Term Liabilities	<u>\$ 2,326,664</u>	<u>\$ 572,224</u>	<u>\$ (577,637)</u>	<u>\$ 2,321,251</u>	<u>\$ 99,645</u>

The compensated absences, claims and judgments and post employment benefits are generally liquidated by the general fund.

State Board of Education Capital Outlay Bond Issues

State Board of Education Capital Outlay Bond Issues ("COBI") are serviced entirely by the State using a portion of the District's share of revenue derived from motor vehicle license taxes pursuant to Chapter 320, Florida Statutes, and Article XII, Section 9(d), of the Florida Constitution. The State Board of Administration determines the annual sinking fund requirements. The amounts necessary to retire bonds and interest payable are withheld from the entitlement to the District. Interest rates on the COBI bonds range from 2.00 percent to 5.00 percent. Interest is payable semiannually on January 1 and July 1. The bonds are redeemable at par.

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A summary of bond terms are presented as follows (amounts in thousands):

Capital Outlay Bond Issues	Date of Issue	Amount Issued	Remaining Interest Rates (Percent)	Final Maturity Date	Debt Outstanding June 30, 2011	Debt Issued	Debt Matured/ Refunded FY 11-12	Debt Outstanding June 30, 2012
COBI 2002-A (1)	4/15/2002	\$ 2,845	4.00% to 5.00%	1/1/2022	\$ 2,080	\$ -	\$ 2,080	\$ -
COBI 2002-B (2)	7/15/2002	6,815	4.00% to 5.375%	1/1/2015	2,775	-	2,775	-
COBI 2003-A (2)	7/15/2003	6,050	3.00% to 4.25%	1/1/2023	4,820	-	4,560	260
COBI 2005-A	5/1/2005	21,200	4.00% to 5.00%	1/1/2017	12,930	-	2,160	10,770
COBI 2005-B	7/1/2005	2,675	5.00%	1/1/2020	2,180	-	240	1,940
COBI 2009-A	9/10/2009	1,655	2.00% to 5.00%	1/1/2019	1,365	-	145	1,220
COBI 2010-A	10/14/2010	9,700	3.00% to 5.00%	1/1/2030	9,275	-	425	8,850
COBI 2010-A	10/14/2010	1,790	4.00% to 5.00%	1/1/2022	1,790	-	-	1,790
COBI 2011-A	12/7/2012	5,820	3.00% to 5.00%	1/1/2023	-	5,820	-	5,820
		<u>\$ 58,550</u>			<u>\$ 37,215</u>	<u>\$ 5,820</u>	<u>\$ 12,385</u>	<u>\$ 30,650</u>

(1) Refunded by COBI 2010-A

(2) Refunded by COBI 2011-A

The debt service requirements through maturity to the holders of the Capital Outlay Bond Issue are as follows (amounts in thousands):

Year Ended June 30	Principal Capital Outlay Bonds	Interest	Total Principal and Interest
2013	\$ 4,280	\$ 1,612	\$ 5,892
2014	4,485	1,244	5,729
2015	4,220	1,020	5,240
2016	4,185	809	4,994
2017	1,970	600	2,570
2018-2021	5,345	1,589	6,934
2022-2026	3,925	814	4,739
2027-2031	2,240	223	2,463
Total	<u>\$ 30,650</u>	<u>\$ 7,911</u>	<u>\$ 38,561</u>

The District is subject to State Board of Education Administrative Rule 6A-1037(2) that limits the amount of State Board of Education Capital Outlay Bond Issues outstanding to 10% of the non-exempt assessed valuation. At June 30, 2012, the statutory limit for the District was approximately \$13.2 billion, providing additional debt capacity of approximately \$13.2 billion.

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Capital Outlay Bond Issue Refunding

On December 7, 2011, the Florida Department of Education issued State Board of Education Capital Outlay Bonds, Series 2011-A (COBI 2011-A). The bonds were issued to refund the callable State Board of Education Capital Outlay Bonds, Series 2002-B (COBI 2002-B) and 2003-A (COBI 2003A). The COBI 2011-A coupon rate ranges from 3.0% to 5.0%. The COBI 2011-A bonds are due on January 1, 2023.

Certificates of Participation

On November 16, 1994, the District entered into a Master Lease Purchase Agreement (the "Master Lease") dated November 1, 1994, with the Palm Beach School Board Leasing Corporation, a Florida not-for-profit corporation, to finance the acquisition and construction of certain facilities, and equipment for District operations. The Corporation was formed by the Board solely for the purpose of acting as the lessor for Certificates of Participation financed facilities, with the District as lessee. The Corporation issued Certificates of Participation to third parties, evidencing undivided proportionate interest in basic lease payments to be made by the District, as lessee, pursuant to the Master Lease. Simultaneously therewith, the Board entered into Ground Leases with the Corporation for the Facilities sites.

The District also sold Certificates of Participation Qualified Zone Academy Bonds ("QZAB"). The QZAB program is a financial instrument that provides a different form of subsidy from traditional tax-exempt bonds. Interest on QZABs is paid by the Federal government in the form of an annual tax credit to an eligible financial institution that holds the QZAB. The QZAB issuer is responsible for repayment upon maturity. The tax credits and bonding authority are made available by the Federal government to support innovative school partnerships; enhance reform initiatives, including augmenting Federal education programs, technology and vocational equipment; and development of curriculum or better teacher training to promote market driven technology. To be eligible, a school must:

1. Be located in an Empowerment Zone or an Enterprise Community or have 35 percent or more of its students eligible for free or reduced lunch under the National School Lunch Act.
2. Obtain cash and/or in-kind contribution agreements from partnerships equal to at least 10 percent of the gross proceeds of the QZAB.

The District deposits funds annually in an escrow, which when coupled with interest earnings will be sufficient to pay off the principal at maturity.

The Corporation leases facilities and equipment to the District under the Master Lease. The Master Lease is automatically renewable annually unless terminated, in accordance with the provisions of the Master Lease, as a result of default or the failure of the Board to appropriate funds to make lease payments in its final official budget. Failure to appropriate funds to pay lease payments under any lease will, and an event of default under any lease may, result in the termination of all leases. The remedies on default or upon an event of non-appropriation include the surrender of the Series 1994A, Series 1995A, Series 1996A, Series 2001A, Series 2002A, Series 2002B, Series 2002C, Series 2002D, Series 2003A, Series 2003B, Series 2004A, Series 2005B, Series 2006A, Series 2007A, Series 2007B and Series 2007E Facilities by the District and the Trustee's re-letting for the remaining Ground Lease term, or the voluntary sale of the Series 1994A, Series 1995A, Series 1996A, Series 2001A, Series 2002A, Series 2002B, Series 2002C, Series 2002D, Series 2003A, Series 2003B, Series 2004A, Series 2005B, Series 2006A, Series 2007A, Series 2007B and Series 2007E Facilities by the School Board. In either case, the proceeds will be applied against the School Board's obligations under the Master Lease.

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A summary of lease terms are presented as follows (amounts in thousands):

Certificates	Date of Issue	Amount Issued	Remaining Interest Rates (Percent)	Final Maturity Date	Debt Outstanding June 30, 2011	Debt Matured FY 11-12	Debt Issued FY 11-12	Debt Refunded/Defeased June 30, 2012	Debt Outstanding June 30, 2012	Ground Lease Term
Series 1994A (1)	11/1/1994	\$ 62,095	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	6/30/2020
Series 1995A (2)	6/1/1995	133,600	-	-	-	-	-	-	-	6/30/2020
Series 1996A (3)	5/1/1996	32,155	-	-	-	-	-	-	-	8/1/2021
Series 2001A (5)	4/1/2001	135,500	4.25% to 5.50%	8/1/2011	495	495	-	-	-	8/1/2031
Series 2002A (6)	2/1/2002	115,250	4.00% to 5.375%	8/1/2018	37,045	7,130	-	14,780	15,135	8/1/2023
Series 2002B	3/20/2002	115,350	4.22% Swap rate *	8/1/2027	115,350	-	-	-	115,350	8/1/2032
Series 2002C (7)	5/15/2002	161,090	4.125% to 5.50%	8/1/2012	7,835	3,845	-	-	3,990	8/1/2032
QZAB Series 2002	6/11/2002	950	-	6/11/2016	950	-	-	-	950	n/a
Series 2002D (8)	12/1/2002	191,215	3.70% to 5.25%	8/1/2028	145,850	4,115	-	141,735	-	8/1/2033
Series 2002E (9)	9/1/2002	93,350	4.00% to 5.375%	8/1/2016	58,000	9,990	-	-	48,010	n/a
Series 2003A (10)	6/26/2003	60,865	2.75% to 5.00%	8/1/2021	40,480	3,280	-	23,120	14,080	8/1/2026
Series 2003B (11)	6/26/2003	124,295	Variable Est. 3.91% **	8/1/2029	124,295	-	-	-	124,295	8/1/2034
Series 2004A	5/4/2004	103,575	3.10% to 5.00%	8/1/2029	87,300	2,955	-	-	84,345	8/1/2034
QZAB Series 2004	4/30/2004	2,923	-	4/30/2020	2,923	-	-	-	2,923	n/a
Series 2005A (12)	3/22/2005	124,630	3.25% to 5.00%	8/1/2022	123,705	200	-	-	123,505	n/a
Series 2005B	6/7/2005	38,505	3.125% to 5.00%	8/1/2010	-	-	-	-	-	8/1/2015
QZAB Series 2005	12/15/2005	2,150	-	12/15/2020	2,150	-	-	-	2,150	n/a
Series 2006A	5/25/2006	222,015	3.75% to 5.00%	8/1/2031	199,595	6,195	-	-	193,400	8/1/2036
Series 2007A	2/28/2007	268,545	3.75% to 5.50%	8/1/2031	238,855	10,680	-	-	228,175	8/1/2036
Series 2007B (13)	3/22/2007	119,400	4.429%	8/1/2025	116,225	-	-	116,225	-	8/1/2030
Series 2007C (14)	3/22/2007	192,310	4.00% to 5.00%	8/1/2027	190,605	255	-	-	190,350	n/a
Series 2007D (15)	5/3/2007	30,485	5.00%	8/1/2015	22,725	4,110	-	-	18,615	n/a
Series 2007E	10/31/2007	147,390	3.625% to 5.00%	8/1/2032	147,390	4,080	-	-	143,310	8/1/2037
QSCB Series 2010	11/15/2010	67,665	5.40% ***	8/1/2025	67,665	-	-	-	67,665	n/a
Series 2011B (16)	6/29/2011	166,270	1.9% to 5.32%	8/1/2025	166,270	-	-	-	166,270	n/a
Series 2011A (17)	7/13/2011	112,425	4.00% to 5.125%	8/1/2032	-	-	112,425	-	112,425	8/1/2032
Series 2011C (18)	11/15/2011	15,355	4.375% to 5.375%	8/1/2018	-	-	15,355	-	15,355	8/1/2023
Series 2011D (19)	11/15/2011	25,065	3.55% to 5.00%	8/1/2021	-	-	25,065	-	25,065	8/1/2026
Series 2012A (20)	5/15/2012	20,085	4.75% to 4.90%	8/1/2028	-	-	20,085	-	20,085	8/1/2033
Series 2012B (21)	6/29/2012	116,555	5.00% to 5.25%	8/1/2028	-	-	116,555	-	116,555	8/1/2033
		<u>\$ 3,001,063</u>			<u>\$ 1,895,708</u>	<u>\$ 57,330</u>	<u>\$ 289,485</u>	<u>\$ 295,860</u>	<u>\$ 1,832,003</u>	

* 2002B - Variable rate paid to certificate holders based on current market rate. Resets weekly, 1.72% at 6/30/2012

** 2003B - Variable rate paid to certificate holders SIFMA + 65 basis points. Resets weekly, 0.18% at 6/30/2012

*** 2010 QSCB - Average coupon rate before IRS subsidy is 5.45%. Net interest rate with IRS subsidy is .365689%

n/a - Bonds were issued to refund prior issuances - no new ground lease.

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- (1) Refunded and partially defeased by Series 1997A Certificates of Participation.
- (2) Refunded and partially defeased by Series 2002E Certificates of Participation.
- (3) Refunded and partially defeased by Series 2002E Certificates of Participation.
- (4) Issued to advance refund and defease a portion of the Series 1994A Certificates of Participation. **
- (5) Refunded and partially defeased by Series 2005A and Series 2007C Certificates of Participation.
- (6) Refunded and partially defeased by Series 2005A and Series 2011C Certificates of Participation.
- (7) Refunded and partially defeased by Series 2005A and Series 2007C Certificates of Participation.
- (8) Refunded and partially defeased by Series 2005A and Series 2012 A and B Certificates of Participation.
- (9) Issued to advance refund and defease a portion of the Series 1995A and Series 1996A Certificates of Participation. In fiscal year 2012, refunded and defeased by Series 2012A and 2012B.
- (10) Refunded and partially defeased by 2011D Certificates of Participation.
- (11) On March 20, 2008 the District converted and remarketed the 2003B (with no change to principal).
- (12) Issued to advance refund and defease a portion the Series 2001A, Series 2002A, Series 2002C and Series 2002D Certificates of Participation. **
- (13) On March 12, 2008 the District converted and remarketed the 2007B resulting in a reduction of principal of \$3,175,000. In fiscal year 2012, refunded and defeased by Series 2011A.
- (14) Issued to advance refund and defease a portion of the Series 2001A and Series 2002C Certificates of Participation. **
- (15) Issued to advance refund and defease a portion of Series 1997A Certificates of Participation. **
- (16) Issued to advance refund and defease a portion of Series 2001B Certificates of Participation. **
- (17) Issued to advance refund and defease Series 2007B Certificates of Participation. **
- (18) Issued to advance refund and defease a portion of Series 2002A Certificates of Participation. **
- (19) Issued to advance refund and defease a portion of Series 2003A Certificates of Participation. **
- (20) Issued to advance refund and defease a portion of Series 2002D Certificates of Participation. **
- (21) Issued to advance refund and defease remaining Series 2002D Certificates of Participation. **

** These refunding issues were done in order to achieve debt service savings. (See Defeased Debt).

The Certificates are not separate legal obligations of the Board but represent undivided proportionate interests in lease payments to be made from appropriated funds budgeted annually by the School Board for such purpose from current or other funds authorized by law and regulations of the Department of Education, including the local optional millage levy. However, neither the Board, the District, the State of Florida, nor any political subdivision thereof are obligated to pay, except from Board appropriated funds, any sums due under the Master Lease from any source of taxation. The full faith and credit of the Board and the District are not pledged for payment of such sums due under the Master Lease, and such sums do not constitute an indebtedness of the Board or the District within the meaning of any constitutional or statutory provision or limitation. A trust fund was established with a Trustee to facilitate payments in accordance with the Master Lease and the Trust Agreement. Various accounts are maintained by the Trustee in accordance with the trust indenture. Interest earned on invested funds is applied toward the basic lease payments. Basic lease payments are deposited with the Trustee semi-annually on June 30 and December 30, and are payable to Certificate holders on August 1 and February 1.

Due to the economic substance of the issuances of Certificates of Participation as a financing arrangement on behalf of the Board, the financial activities of the Corporation have been blended in with the financial statements of the District. For accounting purposes, due to the blending of the Corporation within the District's financial statements, basic lease payments are reflected as debt service expenditures when payable to Certificate holders. Payment of the outstanding Certificates of Participation is insured through AMBAC Indemnity Corporation. During the year ended June 30, 2012, approximately \$9.6 million was expended for capital outlay in the Certificates of Participation Capital Projects Funds.

All Certificates of Participation issued are subject to arbitrage rebate. At June 30, 2012, the arbitrage liability was zero.

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The debt service requirements through maturity to the holders of the Certificates of Participation, which will be serviced by the annual lease payments, are as follows (amounts in thousands):

Year ended June 30	Series 2002-A	Series 2002-B	Series 2002-C	Series 2002-E	Series 2003-A	Series 2003-B	Series 2004-A	Series 2005-A	Series 2006-A
2013	\$ 7,425	\$ -	\$ 3,990	\$ 10,515	\$ 3,365	\$ -	\$ 3,050	\$ 210	\$ 6,045
2014	7,710	-	-	11,070	3,465	-	3,185	215	6,330
2015	-	-	-	11,665	3,570	-	3,335	220	6,585
2016	-	-	-	12,295	3,680	-	3,495	17,980	6,850
2017	-	35,645	-	2,465	-	-	3,670	20,960	7,185
2018-2022	-	64,915	-	-	-	3,130	21,100	73,955	41,195
2023-2027	-	14,790	-	-	-	27,850	26,920	9,965	52,380
2028-2032	-	-	-	-	-	93,315	19,590	-	66,830
2033-2034	-	-	-	-	-	-	-	-	-
Total	\$ 15,135	\$ 115,350	\$ 3,990	\$ 48,010	\$ 14,080	\$ 124,295	\$ 84,345	\$ 123,505	\$ 193,400

Year ended June 30	Series 2007-A	Series 2007-C	Series 2007-D	Series 2007-E	Series 2011A	Series 2011B	Series 2011C	Series 2011D	Series 2012A
2013	\$ 11,155	\$ 775	\$ 4,320	\$ 4,240	\$ -	\$ 1,025	\$ 200	\$ 220	\$ -
2014	11,660	4,990	4,535	4,395	-	1,100	290	320	-
2015	12,205	5,325	4,760	4,585	-	985	8,325	330	-
2016	12,825	920	5,000	4,795	-	1,150	370	340	-
2017	13,455	1,075	-	5,015	-	10,690	4,585	4,205	-
2018-2022	28,595	25,850	-	28,350	17,860	76,105	1,585	19,650	-
2023-2027	21,565	107,020	-	35,755	26,660	75,215	-	-	1,795
2028-2032	116,715	44,395	-	45,635	36,420	-	-	-	18,290
2033-2034	-	-	-	10,540	31,485	-	-	-	-
Total	\$ 228,175	\$ 190,350	\$ 18,615	\$ 143,310	\$ 112,425	\$ 166,270	\$ 15,355	\$ 25,065	\$ 20,085

Year ended June 30	Series 2012B	Series 2002 QZAB	Series 2004 QZAB	Series 2005 QZAB	Series 2010 QSCB	Total Lease Payment	Total Interest	Total Lease Payment & Interest
2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,535	\$ 84,214	\$ 140,749
2014	4,600	-	-	-	-	63,865	84,364	148,229
2015	4,645	-	-	-	-	66,535	81,377	147,912
2016	85	950	-	-	-	70,735	78,187	148,922
2017	105	-	-	-	-	109,055	74,897	183,952
2018-2022	16,695	-	2,923	2,150	-	424,058	320,546	744,604
2023-2027	31,625	-	-	-	67,665	499,205	211,681	710,886
2028-2032	58,800	-	-	-	-	499,990	65,408	565,398
2033-2034	-	-	-	-	-	42,025	1,048	43,073
Total	\$ 116,555	\$ 950	\$ 2,923	\$ 2,150	\$ 67,665	\$ 1,832,003	\$ 1,001,722	\$ 2,833,725

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Series 2002B is a VRDO or variable rate demand bond obligation. The rates on these certificates are reset weekly, but have been synthetically fixed using interest rate swaps. The District has an underlying standby purchase agreement for a principal commitment up to \$115,350,000 with Dexia Credit Local that expires March 20, 2012. As of August 1, 2011, the District privately placed the 2002B variable rate with JP Morgan. The private placement eliminates the need for liquidity and fixes the interest rate at 70% of LIBOR plus a spread (See Note 16).

State Statute requires that no more than 75% of the capital millage levy be used for COP debt service. The District's debt policy limits the issuance of COPS by stating that the debt service could not exceed half of the capital millage levy. In fiscal year 2009, when the capital millage levy was reduced to 1.75 mills, the Debt Policy was amended to allow debt service to be up to 1 mil but should be within 50% of the capital millage levy within five years. Based on the reduction of the capital millage levy and declining property values, the District's capacity to issue new COPS debt has been dramatically reduced.

Defeased Debt

On July 13, 2011, the District issued certificates of participation (Series 2011A) in the amount of \$112.4 million (plus a premium of \$7.7 million) with interest rates ranging from 4.0 to 5.0 percent to refund certificates of participation Series 2007B with interest rate of 4.429 percent, which met the requirements of an in-substance current debt defeasance. The District made a principal payment of \$116.2 million and a call premium payment of \$2.9 million, both are recorded in the fund level financial statements as a payment to escrow agent. As a result of the current refunding, the District will increase its total debt service requirement by \$19.8 million, which results in an economic savings (the difference between the present value of the debt service payments on the old and new debt) of \$3.9 million, or 3.4% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded certificates was removed from the District's financial statements in the current fiscal year.

On November 15, 2011, the District issued certificates of participation (Series 2011C) in the amount of \$15.4 million (at par) with interest rates ranging from 4.375 to 5.375 percent to refund certificates of participation Series 2002A with variable interest rate ranging from 4.375 to 5.375 percent, which met the requirements of an in-substance current debt defeasance. The District made a principal reduction payment of \$14.8 million and a call premium payment of \$0.7 million, both are recorded in the fund level financial statements as a payment to escrow agent. As a result of the current refunding, the District will decrease its total debt service requirement by \$1.2 million, which results in an economic savings (the difference between the present value of the debt service payments on the old and new debt) of \$1.1 million, or 7.5% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded certificates was removed from the District's financial statements in the current fiscal year.

On November 15, 2011, the District issued certificates of participation (Series 2011D) in the amount of \$25.1 million (at par) with interest rate of 2.64 percent to refund certificates of participation Series 2003A with interest rates ranging from 3.55 to 5.00 percent, which met the requirements of an in-substance current debt defeasance. The District made a principal reduction payment of \$23.1 million and a call premium payment of \$2.2 million, both are recorded in the fund level financial statements as a payment to escrow agent. As a result of the current refunding, the District will decrease its total debt service requirement by \$1.5 million, which results in an economic savings (the difference between the present value of the debt service payments on the old and new debt) of \$1.3 million, or 5.6% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded certificates was removed from the District's financial statements in the current fiscal year.

On May 15, 2012, the District issued certificates of participation (Series 2012A) in the amount of \$20.1 million (plus a premium of \$2.1 million) with interest rate of 5.00 percent to partially refund certificates of

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participation Series 2002D with interest rates ranging from 4.75 to 4.90 percent, which met the requirements of an in-substance current debt defeasance. The District made a principal payment of \$21.7 million and a call premium payment of \$0.5 million, both are recorded in the fund level financial statements as a payment to escrow agent. As a result of the current refunding, the District will decrease its total debt service requirement by \$2.1 million, which results in an economic savings (the difference between the present value of the debt service payments on the old and new debt) of \$1.4 million, or 6.2% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded certificates was removed from the District's financial statements in the current fiscal year.

On June 29, 2012, the District issued certificates of participation (Series 2012B) in the amount of \$116.6 million (at par) with interest rate of 5.46 percent to refund certificates of participation Series 2002D with interest rates ranging from 5.0 to 5.25 percent, which met the requirements of an in-substance current debt defeasance. The District made a principal payment of \$120.0 million and a call premium payment of \$3.0 million, both are recorded in the fund level financial statements as a payment to escrow agent. As a result of the current refunding, the District will increase its total debt service requirement by \$0.6 million, which results in an economic savings (the difference between the present value of the debt service payments on the old and new debt) of \$1.5 million, or 1.3% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded certificates was removed from the District's financial statements in the current fiscal year.

In prior years, the District defeased certain certificates of participation by creating separate irrevocable trust funds. New debt has been issued and the proceeds used to purchase U.S. Government Securities that were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments. These investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the financial statements. As of June 30, 2012, the total amount of defeased debt outstanding but removed from the District's financial statements amounted to approximately \$573.1 million.

Qualified School Construction Bonds

As part of the American Reinvestment and Recovery Act, the District was authorized to issue up to \$67.7 million of Qualified School Construction Bonds (QSCB) for the purpose of new construction. The District chose to modernize two schools (Galaxy Elementary and Gove Elementary). To receive the full benefits associated with the QSCB, the construction must be completed and all costs must be paid by November 15, 2013. The District issued the bonds as Taxable Certificates of Participation through the Build America Bond program, also created by the ARRA legislation. The District issued taxable bonds and will receive a federal subsidy from the Treasury department equal to the difference between the taxable and tax-exempt rates. The Certificates were sold to Bank of America during a competitive sale held on November 3, 2010 and closed on November 15, 2010. The par amount was \$67.7 million and the interest rate was 5.40%. The District will pay interest only until 2019 when deposits to the sinking fund begin. The final maturity of the bonds is August 1, 2025. The total interest that will be paid over the life of the bonds is \$53.8 million. A subsidy of \$51.7 million will be recorded as revenue in the year earned. Therefore, the amount the District will pay net of the federal subsidy is \$2.1 million. In the current year, the District recorded \$3.5 million subsidy as revenue and \$3.7 million as interest expense resulting in a net impact of \$0.2 million.

Subsequent to the sale of the certificates, the District entered into a forward delivery agreement (FDA) classified as a nonparticipating interest-earning investment contract with Barclays Bank related to the COPs 2010A QSCB. A forward delivery agreement is a type of investment in which the investor purchases eligible securities on a periodic basis from the agreement provider at a fixed rate of return. The Board expects to purchase eligible securities, which consist of direct obligations of or obligations guaranteed by the US Treasury and AAA-rated senior debt obligations of Fannie Mae, Freddie Mac the FHLB and Federal

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Farm Credit System from Barclays on a semi-annual basis beginning July 19, 2019 through the final maturity date of August 1, 2025. The Agreement will generate a guaranteed fixed rate of return of 4.262% or \$8.1 million. The interest earnings associated with this transaction will completely offset the interest due (net of the federal subsidy) and will generate an additional \$6.0 million to be used to repay the principle in 2025.

Hedging Derivative Instrument Payments and Hedged Debt

As of June 30, 2012, aggregate debt service requirements of the District's debt (fixed-rate and variable-rate) and net receipts/payments on associated hedging derivative instruments are as follows. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of hedging derivative instruments will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the hedging derivative instruments will vary. Refer to Note 11 for information on derivative instruments (amounts in thousands):

Fiscal Year Ending June 30	Hedging Derivative Instruments,			
	Principal	Interest	Net	Total
2013	\$ 230	\$ 3,629	\$ 16,353	\$ 20,212
2014	285	3,627	16,342	20,254
2015	150	3,510	16,332	19,992
2016	305	3,393	16,323	20,021
2017	10,690	3,347	16,085	30,122
2018-2022	114,880	14,417	68,914	198,211
2023-2027	167,980	21,755	36,581	226,316
2028-2039	108,105	1,094	8,286	117,485
	<u>\$ 402,625</u>	<u>\$ 54,772</u>	<u>\$ 195,216</u>	<u>\$ 652,613</u>

Borrowings of Hybrid Derivative Instruments

The District sold two swaptions with the 2002D and 2001B certificates with a notional amount of \$116,555,000 and \$162,980,000, respectively. Upon entering into the swaptions, the District received up-front payments of \$4,240,000 and \$6,250,000, respectively, from the counterparty. The up-front payments were composed of the swaptions' intrinsic value and time value. Accordingly, the swaptions are hybrid instruments consisting of a borrowing and an embedded derivative instrument. The embedded derivative instrument – the option – was recorded at a value equal to the time value of the option only and the remaining value of the swaption was allocated to the companion instrument (borrowing). The intrinsic value of the borrowing was calculated using the net present value method and is recorded at historical cost. During the option period interest accretes at the market rate at inception of the borrowing of 4.40 percent and 4.20 percent, respectively totaling \$870,397 and \$1,166,422, respectively, through June 30, 2012. The ending balances of borrowings including accreted interest from inception at June 30, 2012 are \$3,350,189 and \$5,171,923, respectively. The borrowing at inception was \$2,479,792 and \$4,140,292, respectively. The 2001B swaption was executed August 1, 2011. The original borrowing continues to be amortized over the remaining term. The remaining 2002D swaption allows the counterparty to exercise the swap on fixed dates starting August 2012, through February 2014. If the swaption is exercised the maturity date of the option is August 2028. Aggregate debt service requirements of the District's borrowing amounts assume that current interest rates on variable-rate bonds is equal to the at the market rates at inception of the derivative instruments and will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the derivative instruments will vary. Refer to Note 11 for

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information on derivative instruments. Debt service requirements for both the 2011B/2001B and 2002D borrowing at June 30, 2012, were as follows (amounts in thousands):

Fiscal Year Ending June 30	Principal	Interest	Total Principal and Interest
2013	\$ 515	\$ 345	\$ 860
2014	709	317	1,026
2015	723	287	1,010
2016	745	256	1,001
2017	754	224	978
2018-2022	3,194	694	3,888
2023-2027	1,646	182	1,828
2028-2029	246	6	252
	<u>\$ 8,532</u>	<u>\$ 2,311</u>	<u>\$ 10,843</u>

11. DERIVATIVE INSTRUMENTS

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2012, classified by type, and the changes in fair value of such derivative instruments are as follows (amounts in thousands; debit (credit)):

		Changes in Fair Value		Fair Value at June 30, 2012		
		Classification	Amount	Classification	Amount	Notional
<u>Governmental Activities Hedging Derivatives:</u>						
2002B Pay-fixed Interest Rate Swap	Deferred outflow of resources		\$ (12,921)	Liability	\$ (35,385)	\$ 115,350
2003B Pay-fixed Interest Rate Swap	Deferred outflow of resources		(20,562)	Liability	(32,815)	124,295
2001B/2011B Pay fixed Interest Rate Swap	Deferred outflow of resources		(15,873)	Liability	(37,613)	162,980
2002D Swaption (at-the-market Swap)	Deferred outflow of resources		(20,125)	Liability	(32,807)	116,555
Total Hedging Derivative Instruments			<u>\$ (69,481)</u>		<u>\$ (138,620)</u>	
<u>Investment Derivatives:</u>						
2002D-Basis Swap	Investment earnings		\$ (780)	Asset	\$ -	\$ 100,000
2002D-Swaption (time value)	Investment earnings		445	Liability	-	116,555
2001B-Swaption (time value)	Investment earnings		(394)	Asset	-	162,980
2011B-11 Basis point spread	Investment earnings		445	Asset	445	162,980
2003B-Barrier Option at 7%	Investment earnings		744	Liability	(60)	100,000
Total Investment Derivative Instruments			<u>\$ 460</u>		<u>\$ 385</u>	

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The basis swaps, swaptions and barrier option are considered investment derivative instruments. Refer to Note 4. Investment Derivative Instruments for information on investment derivative instruments. All other derivative instruments are considered hedging derivative instruments.

The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement payment on the swaps.

Fair values of options may be based on an option pricing model, such as the Black-Scholes-Merton model. That model considers probabilities, volatilities, time, settlement prices, and other variables.

Objective and Terms of Derivative Instruments

The following table displays the objective and terms of the District's derivative instruments outstanding at June 30, 2012, along with the credit rating of the associated counterparty (amounts in thousands):

	Objective	Notional	Effective Date	Maturity Date	Amount of Cash Received	Terms	Counterparty	Counterparty Credit Rating
<u>Governmental Activities Hedging Derivatives:</u>								
2002B -Interest Rate Swap	Hedge changes in cash flows on the 2002B Certificates	\$ 115,350	3/20/2002	8/1/2027	N/A	Pay 4.22%; receive 67% of USD LIBOR or SIFMA Swap Index	Citigroup Financials Products Inc.	Baa2,A,-A
2003B -Interest Rate Swap	Hedge changes in cash flows on the 2003B Certificates	124,295	6/26/2003	8/1/2029	N/A	Pay 3.91%; receive SIFMA Swap Index	UBS AG, Stamford Branch	A2,A,A
2002D -Swaption (at-the-market swap)	Hedge against future increase in interest rates	116,555	8/1/2012	8/1/2028	\$ 4,240	Pay 4.71%; receive SIFMA Swap Index (if executed)	Citigroup Financials Products Inc.	A,-A
2001B/2011B -Interest Rate swap	Hedge changes in cashflow on the 2011B certificates	162,980	8/1/2011	8/1/2025	6,250	See Note 1	Citigroup Financials Products Inc.	Baa2,A,-A
<u>Investment Derivatives:</u>								
2003B -Barrier option at 7%	Hedge against future increase in interest rates	100,000	6/26/2003	8/1/2018	3,010	See Note 2	UBS AG, Stamford Branch	A2,A,A
2011B -11 Basis point spread	Reduced the net borrowing	162,980	8/1/2011	8/1/2014	N/A	Reduction of pay fixed rate from 4.59% to 4.48%	Citigroup Financials Products Inc.	Baa2,A,-A

Note 1 Pay 4.48%; receive SIFMA Swap Index 8/1/11 to 8/1/14 and 4.59% thereafter, receive 70% of LIBOR 8/1/11 to 8/1/14 and SIFMA thereafter

Note 2 Counterparty has right to terminate the 2003B Interest Rate Swap if the 180 day average of the BMA index exceeds 7.0% in the future

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Risks

Credit Risk. The District is exposed to credit risk on hedging derivative instruments that are in asset positions. To minimize its exposure to loss related to credit risk, it is the District's policy to require counterparty collateral posting provisions on all swap agreements. These terms require full collateralization of the fair value of derivative instruments in asset positions (net of the effect of applicable netting arrangements) should the counterparty's credit rating fall below AA as issued by Standard & Poor's or Aa as issued by Moody's Investors Service. Collateral posted is to be in the form of U.S. Treasury securities held by a third-party custodian. The District has never failed to access collateral when required.

It is the District's policy to enter into netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the nondefaulting party to accelerate and terminate all outstanding transactions and net the transactions' fair values so that a single sum will be owed by, or owed to, the nondefaulting party.

The District has no hedging derivative instruments in asset positions at June 30, 2012.

Interest rate risk. The District is exposed to interest rate risk on its interest rate swaps. On its pay-fixed, receive-variable interest rate swaps, as LIBOR or the SIFMA swap index decreases, the District's net payment on the swap increases which is offset by the variable rate paid on the hedged debt.

Basis risk. The District is exposed to basis risk on its pay-fixed 2002B interest rate swap hedging derivative instrument because the variable-rate payments received by the District on these hedging derivative instruments are based on a rate or index other than interest rates the District pays on its hedged variable-rate debt, which is remarketed every 7 days. As of June 30, 2012, the weighted-average interest rate on the District's hedged variable-rate debt is 0.72 percent, while the fiscal year 2012 average of the SIFMA swap index rate is 0.15 percent and 67 percent of LIBOR is 0.17 percent.

Termination risk. The District or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract including if either parties credit rating falls below designated levels. In addition, the District is exposed to termination risk on its 2003B interest rate swap with barrier option because the counterparty has the option to terminate the swap if the 180 day average of the BMA index exceeds 7.0% at any time beginning on the commencement date. If at the time of termination, a hedging derivative instrument is in a liability position, the District would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements.

12. RETIREMENT PLANS

Plan Description: The District contributes to the Florida Retirement System (the "System"), a cost-sharing multiple-employer pension plan administered by the State of Florida Division of Retirement. The System was created in 1970 by consolidating several employee retirement systems, including the Teachers Retirement System. All eligible employees, as defined by the State, who were hired after 1970 and those employed prior to 1970 who elect to be enrolled, are covered by the System. Employees hired prior to 1970 and not electing to enroll in the Florida Retirement System may be covered by various contributory plans, principally the Teacher's Retirement System Plan E. The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature established the System under Chapter 121, Florida Statutes, and has sole authority to amend benefit provisions. Each year the System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Department of Management Services, Division of Retirement, P.O. Box 9000, Tallahassee, Florida 32315-9000.

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A Deferred Retirement Option Program (DROP), subject to provisions of Section 121.091, Florida Statutes, is offered to employees of the District. DROP permits employees, eligible for normal retirement under the Plan, to defer receipt of monthly benefits payment while continuing employment with a FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in FRS Trust Fund and accrue interest.

Defined Contribution Plan: Pursuant to Section 121.45.01, Florida Statutes, the Florida Legislature created a defined contribution program called the Public Employee Optional Retirement Program (PEORP). This program is administered by FRS as an option to the defined benefit plan, and is self-directed by the employee. The employees have the responsibility of selecting how their funds are invested within the approved set of investment choices and may take their funds when they leave FRS. Employer contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The PEORP is funded by employer contributions that are based on salary and membership class (Regular Class, Special Risk Class, etc.).

Funding Policy: The Florida Legislature completed its 2011 session and passed Senate Bill 2100, making substantive changes to the Florida System (FRS) effective July 1, 2011. The bill requires all FRS Investment Plan and Pension Plan members (except those in DROP) to make 3% employee contributions on a pretax basis. The District is required to make contributions in accordance with rates established by the Florida Legislature. During the fiscal year, the rates ranged from 4.91 to 14.10% of annual covered payroll. The Teachers Retirement System is contributory and the rates for those employees still participating in this program is 11.35% and 6.25% for the employer and the employee, respectively. The District's contributions for both plans to the System are equal to the required contributions for each year as follows (amounts in thousands):

	June 30, 2010	June 30, 2011	June 30, 2012
Florida Retirement System	\$ 93,208	\$ 100,752	\$ 44,838
Teachers' Retirement System			
Plan E: Employer	\$ 33	\$ 16	\$ 9

Employer rates include the post-employment health insurance supplement of 1.11% and 0.03% for administrative costs of the Public Employee Optional Retirement Program.

The District's liability to the defined benefit plan and the defined contribution plan is limited to the payment of the required contribution at the rates and frequencies established by law on the future payrolls of the District.

13. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS

The District follows the guidance contained in Governmental Accounting Standards Board Statement No. 45, *Accounting and Reporting by Employers for Post Employment Benefits Other than Pensions* (GASB 45); for certain post employment health care benefits provided by the District for the fiscal year ended June 30, 2012.

Plan Description. Pursuant to Section 112.0801, Florida Statutes, the District is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees pay 100% of the blended (active and retiree combined) equivalent premium rates. The blended rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to

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result in higher costs to the plan on average than those of active employees. The plan is a single employer plan.

Funding Policy. The District is financing the post employment benefits on a pay-as-you-go basis. Expenditures for these insurance premiums are prorated between the General Fund and other funds where the personnel are located. For fiscal year 2012, 1,344 retirees received health care benefits. The District provided required contributions of approximately \$5.9 million toward the annual OPEB cost. Retiree contributions totaled approximately \$8.6 million.

Annual OPEB Cost and Net OPEB Obligation. The District's annual Other Post Employment Benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of 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 to the retiree health plan (amounts in thousands):

Annual Required Contribution	\$ 14,142
Interest on Net OPEB Obligation	2,126
Adjustment to Annual Required Contribution	(2,533)
Annual OPEB Cost (Expense)	<u>13,735</u>
Contribution Towards OPEB Cost	(5,903)
Increase in Net OPEB Obligation	<u>7,832</u>
Net OPEB Obligation - Beginning of Year	70,869
Net OPEB Obligation - End of Year	<u><u>\$ 78,701</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2012, was as follows (amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of	
		Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2012	\$ 13,735	43%	\$ 78,701
June 30, 2011	\$ 13,275	37%	\$ 70,869
June 30, 2010	\$ 22,095	15%	\$ 62,490
June 30, 2009	\$ 21,760	27%	\$ 43,679
June 30, 2008	\$ 31,300	11%	\$ 27,800

Funded Status and Funding Progress. As of June 30, 2012, the actuarial accrued liability for benefits was \$168.9 million, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$900.8 million, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18.8 percent.

The projection of future benefit payments for an ongoing plan involves 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, mortality, and the healthcare cost trend. Amounts

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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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The 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 Projected Unit Cost method (PUC) with benefits attributed from date of hire to expected retirement age was used in the actuarial valuation as of July 1, 2011. The unfunded actuarial accrued liability is amortized over the maximum acceptable period of thirty years on an open basis. It is calculated assuming a level dollar percentage. The remaining amortization period at June 30, 2012 is thirty years (open method).

The following assumptions were made:

Retirement Age – Annual retirement probabilities have been determined based on the Florida Retirement System Actuarial Valuation as of July 1, 2010.

Covered Spouses – Assumed number of eligible spouses is based on the current census information.

Per Capita Health Claim Cost – Per capita health claim costs are developed from a combination of historical claim experience and manual claim costs developed using a representative database. The per capita cost at age 60 is \$10,305 and at age 70 is \$6,123

Age Based Morbidity – The assumed per capita health claim costs are adjusted to reflect expected increases related to age. The increase in per capita health claim costs related to age range from 3.19% to 5.06% under age 65 and from 3.00% to .05% over age 65.

Mortality – Life expectancies were based on mortality tables from the National Center for Health Statistics. The RP-2000 Table, applied on a gender specific base was used.

Healthcare Cost Trend Rate— The expected rate of increase in healthcare insurance premiums was based on District historical experience, our market-place knowledge and macro-economic theory. A rate of 10.5% initially, reduced 0.5% each year until reaching the ultimate trend rate of 5.0%.

Retiree Contributions – Retiree contributions are assumed to increase with healthcare cost trend.

Non-Claim Expenses – Non-claim expenses are based on the current amounts charged per retired employee.

Termination – The rate of withdrawal for reasons other than death and retirement has been developed from the Florida Retirement System Actuarial Valuation as of July 1, 2010. The annual termination probability is dependent on an employee's age, gender, and years of service.

Plan Participation Percentage – It is assumed that 35% of all future retirees and their dependents who are eligible for benefits participate in the post employment benefit plan.

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Census Data – The census data was provided as of July 2011.

Discount Rate – 3% per annum

14. FUND BALANCE REPORTING

GASB 54 categorizes fund balance as either nonspendable or spendable. Nonspendable is defined as the portion of fund balance that includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. District nonspendable items include inventories.

Spendable is defined as a hierarchy of fund balance classifications that is available to be spent based on the element to which the District is bound to observe constraints imposed upon the use of resources:

- Restricted fund balance is constrained by external parties, constitutional provisions or enabling legislation and the minimum cash balance required to be maintained for self-insurance programs. District restricted balances includes: Carryover balances as a result of revenue received with constraints from Federal laws, Florida Statute, Florida School Board Rules, local ordinances or contract provisions.
- Committed fund balance can only be used for specific purposes pursuant to constraints imposed by formal action of the School Board. District committed balance includes: Funds committed by the School Board on June 2, 2010 for future purchase and installation of equipment needed to transmit and receive programming for The Education Network (TEN).
- Assigned fund balances are amounts that are constrained by the School Board or Superintendent to be used for a specific purpose. Florida Statute 1001.51, Duties and Responsibilities of District School Superintendent, delegates certain financial authority to the Superintendent.
- Unassigned fund balance is the residual classification for the general fund

Restricted or unrestricted amounts are considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

The District has not established a stabilization arrangement. Instead, the Board has established policy 2.55, Fund Balance for Contingency to set aside 3 percent of total annual operating fund appropriations and transfers from the operating fund to cover unanticipated financial needs and to avoid a budget deficit. At the end of the fiscal year, the unassigned general fund balance was \$51.1 million or 3.8 percent of general fund total expenditures.

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	Major Funds						Other Gov't	Total Gov't
	General Fund	Other Debt Svs	ARRA Debt Svs	Capital Improv	Other Cap Proj	ARRA Cap Proj		
FUND BALANCES:								
<u>Nonspendable:</u>								
Inventory:								
Textbooks	\$ 3,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,558
Child Nutrition	-	-	-	-	-	-	2,867	2,867
Warehouse	808	-	-	-	-	-	-	808
Transportation	1,283	-	-	-	-	-	-	1,283
Other	9	-	-	-	-	-	-	9
Total Nonspendable	5,658	-	-	-	-	-	2,867	8,525
<u>Restricted for:</u>								
Categorical carryover programs	3,063	-	-	-	-	-	-	3,063
IB, AP, AICE & Industry cert prog	6,428	-	-	-	-	-	-	6,428
School Improvement	1,359	-	-	-	-	-	-	1,359
Workforce development	10,937	-	-	-	-	-	-	10,937
Child nutrition	-	-	-	-	-	-	20,440	20,440
Debt service	-	106,045	696	-	-	-	792	107,533
Capital projects	-	-	-	76,453	118,080	56,135	6,354	257,022
Cash with fiscal agent	1,548	-	-	-	-	-	-	1,548
Total Restricted	23,335	106,045	696	76,453	118,080	56,135	27,586	408,330
<u>Committed to:</u>								
The Education Network program	-	-	-	-	-	-	1,290	1,290
Total Committed	-	-	-	-	-	-	1,290	1,290
<u>Assigned to:</u>								
School Operations								
Instruction	531	-	-	-	-	-	-	531
Instructional support services	35	-	-	-	-	-	-	35
Board	63	-	-	-	-	-	-	63
General & School admin	6	-	-	-	-	-	-	6
Central services	38	-	-	-	-	-	-	38
Pupil transportation services	75	-	-	-	-	-	-	75
Operation of plant	52	-	-	-	-	-	-	52
Community services:								
After care/summer camp	9,058	-	-	-	-	-	-	9,058
Pre-K/VPK Fee Based Activities	857	-	-	-	-	-	-	857
Community Schools	694	-	-	-	-	-	-	694
Other	61	-	-	-	-	-	-	61
Capital projects	220	-	-	-	48,755	-	-	48,975
Misc local grants/donations	2,077	-	-	-	-	-	-	2,077
FLDOE Adjustment	1,402	-	-	-	-	-	-	1,402
Next year budget shortfall	71,392	-	-	-	-	-	-	71,392
Total Assigned	86,561	-	-	-	48,755	-	-	135,316
Unassigned	51,113	-	-	-	-	-	-	51,113
Total fund balance	\$ 166,667	\$ 106,045	\$ 696	\$ 76,453	\$ 166,835	\$ 56,135	\$ 31,743	\$ 604,574

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS (Exhibit D-1)
FOR THE YEAR ENDED JUNE 30, 2012

15. COMMITMENTS AND CONTINGENCIES

The District receives funding from the State that is based, in part, on a computation of the number of full time equivalent ("FTE") students enrolled in different types of instructional programs. The accuracy of data compiled by individual schools supporting the FTE count is subject to State audit and, if found to be in error, could result in refunds or in decreases in future funding allocations. It is the opinion of management that any amounts of revenue which may be remitted back to the State due to additional errors in the FTE count or the amount of grant expenditures which may be disallowed by granting agencies, if any, will not be material to the financial position of the District.

The District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the District.

The District is involved in various lawsuits arising in the ordinary course of operations. In the opinion of management, the District's estimated aggregate liability with respect to probable losses has been provided for in the estimated liability for insurance risks and pending claims in the accompanying financial statements, after giving consideration to the District's related insurance coverage, as well as the Florida statutory limitations of governmental liability on uninsured risks. It is the opinion of management in consultation with legal counsel that the final settlements of these matters will not result in a material adverse effect on the financial position of the District.

As part of its capital outlay program, the District has entered into various construction contracts. At June 30, 2012, the District had construction commitments of approximately \$55.3 million.

16. SUBSEQUENT EVENTS

Regarding Cash and Investments – Standard and Poors downgraded US Treasuries to Aa; however Moody's and Fitch ratings remain unchanged. Investments are still within investment guidelines.

The District issued \$67.1 million in Certificates of Participation, Series 2012C on August 9, 2012 to refund the Series 2004A Certificates on August 9, 2012 and to pay costs associated with the issuance of the Series 2012C Certificates. The refinancing of the Series 2004A will generate \$7.1 million cash flow savings for 2013 through 2029, and a present value savings of \$5.6 million, or 7.8% of the principal amount being refunded. The series 2012C Certificates possess an underlying credit rating of "Aa3" and "AA-" from Moody's and Fitch, respectively.

In April 2012, the District was notified the 2002D swaption would be exercised on August 1, 2012. The underlying fixed rate debt with interest rates ranging from 3.70% to 5.25% was refunded with a floating rate note on June 29, 2012. The interest rate on the underlying debt is now 70% of 1-month LIBOR plus 80 basis points. Beginning August 1, 2012, the District will receive SIFMA and pay a fixed rate of 4.71%. Assuming SIFMA is equal to 70% of 1-month Libor, the District will pay a fixed rate of 4.71% plus 80 basis points, or 5.51%.

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS PLAN
June 30, 2012

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 Percent of Covered Payroll [(b-a)/c]
7/1/2011	0	168,939,000	168,939,000	0.00%	900,763,692	18.76%
7/1/2010	0	161,375,000	161,375,000	0.00%	906,746,000	17.80%
7/1/2009	0	218,964,000	218,964,000	0.00%	922,938,000	23.72%
7/1/2008	0	216,013,000	216,013,000	0.00%	926,287,000	23.32%
6/30/2008	0	239,500,000	239,500,000	0.00%	930,821,000	25.73%

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100	658,500.00	819,714.86	819,714.86	0.00
Federal Through State	3200	5,500,000.00	5,714,118.99	5,714,118.99	0.00
State Sources	3300	330,988,740.00	332,062,294.20	332,062,294.20	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411	840,529,384.00	846,737,916.55	846,737,916.55	0.00
Impact Fees	3496	0.00	0.00	13,975.00	13,975.00
Other Local Revenue		51,183,164.00	59,221,547.04	59,207,572.04	(13,975.00)
Total Local Sources	3400	891,712,548.00	905,959,463.59	905,959,463.59	0.00
Total Revenues		1,228,859,788.00	1,244,555,591.64	1,244,555,591.64	0.00
EXPENDITURES					
<i>Current:</i>					
Instruction	5000	936,151,428.69	934,740,699.50	860,220,268.14	74,520,431.36
Pupil Personnel Services	6100	38,631,143.51	39,453,880.51	38,029,354.72	1,424,525.79
Instructional Media Services	6200	19,154,594.00	19,607,516.42	18,353,010.74	1,254,505.68
Instruction and Curriculum Development Services	6300	25,202,176.34	31,907,307.20	31,622,004.85	285,302.35
Instructional Staff Training Services	6400	12,481,348.58	13,675,594.29	12,039,719.41	1,635,874.88
Instructional-Related Technology	6500	6,776,694.94	5,961,310.80	5,255,186.60	706,124.20
Board	7100	6,258,886.19	6,640,036.04	4,783,799.77	1,856,236.27
General Administration	7200	5,007,186.84	5,945,876.63	5,770,035.90	175,840.73
School Administration	7300	92,538,834.92	91,904,919.15	90,412,649.69	1,492,269.46
Facilities Acquisition and Construction	7410	965,931.00	1,338,927.03	1,061,942.91	276,984.12
Fiscal Services	7500	5,175,353.00	5,503,053.91	5,282,817.95	220,235.96
Food Services	7600	26,103.00	45,301.55	39,392.73	5,908.82
Central Services	7700	14,155,946.85	13,183,673.19	12,370,807.05	812,866.14
Pupil Transportation	7800	41,948,597.53	45,886,836.17	45,867,815.05	19,021.12
Operation of Plant	7900	123,514,157.45	126,754,410.90	124,144,292.62	2,610,118.28
Maintenance of Plant	8100	66,105,216.00	66,022,460.12	59,047,756.74	6,974,703.38
Administrative Technology Services	8200	8,375,631.00	8,656,291.88	8,238,788.01	417,503.87
Community Services	9100	39,483,582.16	40,826,730.79	30,800,876.41	10,025,854.38
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710	0.00	0.00	0.00	0.00
Interest	720	150,000.00	150,000.00	48,874.88	101,125.12
Dues, Fees and Issuance Costs	730	0.00	0.00	0.00	0.00
Miscellaneous Expenditures	790	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	0.00
Other Capital Outlay	9300	0.00	0.00	625,450.05	(625,450.05)
Total Expenditures		1,442,102,812.00	1,458,204,826.08	1,354,014,844.22	104,189,981.86
Excess (Deficiency) of Revenues Over (Under) Expenditures		(213,243,024.00)	(213,649,234.44)	(109,459,252.58)	104,189,981.86
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	3,428,867.69	3,428,867.69	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00
Transfers In	3600	80,945,423.00	85,785,347.27	85,785,347.27	0.00
Transfers Out	9700	0.00	(25,939.10)	(25,939.10)	0.00
Total Other Financing Sources (Uses)		80,945,423.00	89,188,275.86	89,188,275.86	0.00
SPECIAL ITEMS					
		0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS					
		0.00	0.00	0.00	0.00
Net Change in Fund Balances		(132,297,601.00)	(124,460,958.58)	(20,270,976.72)	104,189,981.86
Fund Balances, July 1, 2011	2800	186,937,809.00	186,937,809.00	186,937,809.17	0.17
Adjustment to Fund Balances	2891	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	54,640,208.00	62,476,850.42	166,666,832.45	104,189,982.03

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESERVED FOR FOOD SERVICE FUND IF MAJOR
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100			0.00	0.00
Federal Through State	3200			0.00	0.00
State Sources	3300			0.00	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411			0.00	0.00
Property Taxes Levied for Debt Service	3412			0.00	0.00
Property Taxes Levied for Capital Projects	3413			0.00	0.00
Local Sales Taxes	3418			0.00	0.00
Charges for Service - Food Service	345X			0.00	0.00
Impact Fees	3496			0.00	0.00
Other Local Revenue				0.00	0.00
Total Local Sources	3400	0.00	0.00	0.00	0.00
Total Revenues		0.00	0.00	0.00	0.00
EXPENDITURES					
<i>Current:</i>					
Instruction	5000			0.00	0.00
Pupil Personnel Services	6100			0.00	0.00
Instructional Media Services	6200			0.00	0.00
Instruction and Curriculum Development Services	6300			0.00	0.00
Instructional Staff Training Services	6400			0.00	0.00
Instructional-Related Technology	6500			0.00	0.00
Board	7100			0.00	0.00
General Administration	7200			0.00	0.00
School Administration	7300			0.00	0.00
Facilities Acquisition and Construction	7410			0.00	0.00
Fiscal Services	7500			0.00	0.00
Food Services	7600			0.00	0.00
Central Services	7700			0.00	0.00
Pupil Transportation	7800			0.00	0.00
Operation of Plant	7900			0.00	0.00
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100			0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Dues, Fees and Issuance Costs	730			0.00	0.00
Miscellaneous Expenditures	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300			0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures		0.00	0.00	0.00	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Refunding Bonds Issued	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Certificates of Participation Issued	3750			0.00	0.00
Premium on Certificates of Participation	3793			0.00	0.00
Discount on Certificates of Participation	893			0.00	0.00
Loans Incurred	3720			0.00	0.00
Proceeds from the Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740			0.00	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Special Facilities Construction Advances	3770			0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600			0.00	0.00
Transfers Out	9700			0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
SPECIAL ITEMS				0.00	0.00
EXTRAORDINARY ITEMS				0.00	0.00
Net Change in Fund Balances		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2011	2800			0.00	0.00
Adjustment to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2012	2700	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESERVED FOR SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS IF MAJOR
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100			0.00	0.00
Federal Through State	3200			0.00	0.00
State Sources	3300			0.00	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411			0.00	0.00
Property Taxes Levied for Debt Service	3412			0.00	0.00
Property Taxes Levied for Capital Projects	3413			0.00	0.00
Local Sales Taxes	3418			0.00	0.00
Charges for Service - Food Service	345X			0.00	0.00
Impact Fees	3496			0.00	0.00
Other Local Revenue				0.00	0.00
Total Local Sources	3400	0.00	0.00	0.00	0.00
Total Revenues		0.00	0.00	0.00	0.00
EXPENDITURES					
<i>Current:</i>					
Instruction	5000			0.00	0.00
Pupil Personnel Services	6100			0.00	0.00
Instructional Media Services	6200			0.00	0.00
Instruction and Curriculum Development Services	6300			0.00	0.00
Instructional Staff Training Services	6400			0.00	0.00
Instructional-Related Technology	6500			0.00	0.00
Board	7100			0.00	0.00
General Administration	7200			0.00	0.00
School Administration	7300			0.00	0.00
Facilities Acquisition and Construction	7410			0.00	0.00
Fiscal Services	7500			0.00	0.00
Food Services	7600			0.00	0.00
Central Services	7700			0.00	0.00
Pupil Transportation	7800			0.00	0.00
Operation of Plant	7900			0.00	0.00
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100			0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Dues, Fees and Issuance Costs	730			0.00	0.00
Miscellaneous Expenditures	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300			0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures		0.00	0.00	0.00	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Refunding Bonds Issued	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Certificates of Participation Issued	3750			0.00	0.00
Premium on Certificates of Participation	3793			0.00	0.00
Discount on Certificates of Participation	893			0.00	0.00
Loans Incurred	3720			0.00	0.00
Proceeds from the Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740			0.00	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Special Facilities Construction Advances	3770			0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600			0.00	0.00
Transfers Out	9700			0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
SPECIAL ITEMS				0.00	0.00
EXTRAORDINARY ITEMS				0.00	0.00
Net Change in Fund Balances		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2011	2800			0.00	0.00
Adjustment to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2012	2700	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE - FEDERAL ECONOMIC STIMULUS PROGRAMS FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100	0.00	0.00	0.00	0.00
Federal Through State	3200	6,578,166.00	9,135,141.70	8,626,624.73	(508,516.97)
State Sources	3300	0.00	0.00	0.00	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411	0.00	0.00	0.00	0.00
Impact Fees	3496	0.00	0.00	0.00	0.00
Other Local Revenue		0.00	0.00	0.00	0.00
Total Local Sources	3400	0.00	0.00	0.00	0.00
Total Revenues		6,578,166.00	9,135,141.70	8,626,624.73	(508,516.97)
EXPENDITURES					
<i>Current:</i>					
Instruction	5000	2,041,066.67	7,205,311.21	6,750,247.12	455,064.09
Pupil Personnel Services	6100	209,728.44	342,404.13	308,789.67	33,614.46
Instructional Media Services	6200	19,006.13	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	283,379.93	642,993.26	640,195.26	2,798.00
Instructional Staff Training Services	6400	3,872,101.51	560,901.44	464,398.42	96,503.02
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00
General Administration	7200	74,097.52	194,549.15	179,286.62	15,262.53
School Administration	7300	72,340.80	188,982.51	173,007.25	15,975.26
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00
Central Services	7700	6,445.00	0.00	0.00	0.00
Pupil Transportation	7800	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710	0.00	0.00	0.00	0.00
Interest	720	0.00	0.00	0.00	0.00
Dues, Fees and Issuance Costs	730	0.00	0.00	0.00	0.00
Miscellaneous Expenditures	790	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	0.00
Other Capital Outlay	9300	0.00	0.00	110,700.39	(110,700.39)
Total Expenditures		6,578,166.00	9,135,141.70	8,626,624.73	508,516.97
Excess (Deficiency) of Revenues Over (Under) Expenditures		0.00	0.00	0.00	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00
Transfers In	3600	0.00	0.00	0.00	0.00
Transfers Out	9700	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
SPECIAL ITEMS					
		0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS					
		0.00	0.00	0.00	0.00
Net Change in Fund Balances		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2011	2800	0.00	0.00	0.00	0.00
Adjustment to Fund Balances	2891	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESERVED FOR SPECIAL REVENUE FUND - MISCELLANEOUS IF MAJOR
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100			0.00	0.00
Federal Through State	3200			0.00	0.00
State Sources	3300			0.00	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411			0.00	0.00
Property Taxes Levied for Debt Service	3412			0.00	0.00
Property Taxes Levied for Capital Projects	3413			0.00	0.00
Local Sales Taxes	3418			0.00	0.00
Charges for Service - Food Service	345X			0.00	0.00
Impact Fees	3496			0.00	0.00
Other Local Revenue				0.00	0.00
Total Local Sources	3400	0.00	0.00	0.00	0.00
Total Revenues		0.00	0.00	0.00	0.00
EXPENDITURES					
<i>Current:</i>					
Instruction	5000			0.00	0.00
Pupil Personnel Services	6100			0.00	0.00
Instructional Media Services	6200			0.00	0.00
Instruction and Curriculum Development Services	6300			0.00	0.00
Instructional Staff Training Services	6400			0.00	0.00
Instructional-Related Technology	6500			0.00	0.00
Board	7100			0.00	0.00
General Administration	7200			0.00	0.00
School Administration	7300			0.00	0.00
Facilities Acquisition and Construction	7410			0.00	0.00
Fiscal Services	7500			0.00	0.00
Food Services	7600			0.00	0.00
Central Services	7700			0.00	0.00
Pupil Transportation	7800			0.00	0.00
Operation of Plant	7900			0.00	0.00
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100			0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Dues, Fees and Issuance Costs	730			0.00	0.00
Miscellaneous Expenditures	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300			0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures		0.00	0.00	0.00	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Refunding Bonds Issued	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Certificates of Participation Issued	3750			0.00	0.00
Premium on Certificates of Participation	3793			0.00	0.00
Discount on Certificates of Participation	893			0.00	0.00
Loans Incurred	3720			0.00	0.00
Proceeds from the Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740			0.00	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Special Facilities Construction Advances	3770			0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600			0.00	0.00
Transfers Out	9700			0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
SPECIAL ITEMS				0.00	0.00
EXTRAORDINARY ITEMS				0.00	0.00
Net Change in Fund Balances		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2011	2800			0.00	0.00
Adjustment to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2012	2700	0.00	0.00	0.00	0.00

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012**

	Account Number	Special Revenue Funds		
		Food Service 410	Other Federal Programs 420	Total Nonmajor Special Revenue Funds
ASSETS				
Cash and Cash Equivalents	1110	21,004,599.50	596,057.61	21,600,657.11
Investments	1160	0.00	0.00	0.00
Taxes Receivable, Net	1120	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00
Due from Reinsurer	1180	0.00	0.00	0.00
Deposits Receivable	1210	0.00	25,750.80	25,750.80
<i>Due From Other Funds:</i>				
Budgetary Funds	1141	0.00	0.00	0.00
Internal Funds	1142	0.00	0.00	0.00
Due from Other Agencies	1220	1,561,898.98	13,439,417.84	15,001,316.82
Inventory	1150	2,866,810.39	0.00	2,866,810.39
Prepaid Items	1230	0.00	62,293.34	62,293.34
<i>Restricted Assets:</i>				
Cash with Fiscal/Service Agents	1114	0.00	0.00	0.00
Total Assets		25,433,308.87	14,123,519.59	39,556,828.46
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Salaries, Benefits and Payroll Taxes Payable	2110	972,750.17	6,949,270.15	7,922,020.32
Payroll Deductions and Withholdings	2170	97,899.00	315,981.42	413,880.42
Accounts Payable	2120	1,052,523.72	3,160,350.61	4,212,874.33
Judgments Payable	2130	0.00	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00	0.00
Construction Contracts Payable-Retained Percentage	2150	2,954.31	0.00	2,954.31
Matured Bonds Payable	2180	0.00	0.00	0.00
Matured Interest Payable	2190	0.00	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00	0.00
Sales Tax Payable	2260	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00
Deposits Payable	2220	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00
Section 1011.13 Notes Payable	2250	0.00	0.00	0.00
<i>Due to Other Funds:</i>				
Budgetary Funds	2161	0.00	1,000,000.00	1,000,000.00
Internal Funds	2162	0.00	0.00	0.00
<i>Deferred Revenue:</i>				
Unearned Revenue	2410	0.00	1,407,876.08	1,407,876.08
Unavailable Revenue	2410	0.00	0.00	0.00
Total Liabilities		2,126,127.20	12,833,478.26	14,959,605.46
FUND BALANCES				
<i>Nonspendable:</i>				
Inventory	2711	2,866,810.39	0.00	2,866,810.39
Prepaid Amounts	2712	0.00	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00	0.00
<i>Total Nonspendable Fund Balance</i>	2710	2,866,810.39	0.00	2,866,810.39
<i>Restricted for:</i>				
Economic Stabilization	2721	0.00	0.00	0.00
Federal Required Carryover Programs	2722	0.00	0.00	0.00
State Required Carryover Programs	2723	0.00	0.00	0.00
Local Sales Tax and Other Tax Levy	2724	0.00	0.00	0.00
Debt Service	2725	0.00	0.00	0.00
Capital Projects	2726	0.00	0.00	0.00
Restricted for Child Nutrition	2729	20,440,371.28	0.00	20,440,371.28
Restricted for	2729	0.00	0.00	0.00
<i>Total Restricted Fund Balance</i>	2720	20,440,371.28	0.00	20,440,371.28
<i>Committed to:</i>				
Economic Stabilization	2731	0.00	0.00	0.00
Contractual Agreements	2732	0.00	0.00	0.00
Committed for Education Network Program	2739	0.00	1,290,041.33	1,290,041.33
Committed for	2739	0.00	0.00	0.00
<i>Total Committed Fund Balance</i>	2730	0.00	1,290,041.33	1,290,041.33
<i>Assigned to:</i>				
Special Revenue	2741	0.00	0.00	0.00
Debt Service	2742	0.00	0.00	0.00
Capital Projects	2743	0.00	0.00	0.00
Permanent Funds	2744	0.00	0.00	0.00
Assigned for	2749	0.00	0.00	0.00
Assigned for	2749	0.00	0.00	0.00
<i>Total Assigned Fund Balance</i>	2740	0.00	0.00	0.00
<i>Total Unassigned Fund Balance</i>	2750	0.00	0.00	0.00
Total Fund Balances	2700	23,307,181.67	1,290,041.33	24,597,223.00
Total Liabilities and Fund Balances		25,433,308.87	14,123,519.59	39,556,828.46

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012**

	Account Number	Debt Service Funds	
		SBE/COBI Bonds 210	Total Nonmajor Debt Service Funds
ASSETS			
Cash and Cash Equivalents	1110	0.00	0.00
Investments	1160	792,134.80	792,134.80
Taxes Receivable, Net	1120	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00
Interest Receivable	1170	0.00	0.00
Due from Reinsurer	1180	0.00	0.00
Deposits Receivable	1210	0.00	0.00
<i>Due From Other Funds:</i>			
Budgetary Funds	1141	0.00	0.00
Internal Funds	1142	0.00	0.00
Due from Other Agencies	1220	0.00	0.00
Inventory	1150	0.00	0.00
Prepaid Items	1230	0.00	0.00
<i>Restricted Assets:</i>			
Cash with Fiscal/Service Agents	1114	0.00	0.00
Total Assets		792,134.80	792,134.80
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00
Accounts Payable	2120	0.00	0.00
Judgments Payable	2130	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00
Construction Contracts Payable-Retained Percentage	2150	0.00	0.00
Matured Bonds Payable	2180	0.00	0.00
Matured Interest Payable	2190	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00
Sales Tax Payable	2260	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00
Deposits Payable	2220	0.00	0.00
Due to Other Agencies	2230	0.00	0.00
Section 1011.13 Notes Payable	2250	0.00	0.00
<i>Due to Other Funds:</i>			
Budgetary Funds	2161	0.00	0.00
Internal Funds	2162	0.00	0.00
<i>Deferred Revenue:</i>			
Unearned Revenue	2410	0.00	0.00
Unavailable Revenue	2410	0.00	0.00
Total Liabilities		0.00	0.00
FUND BALANCES			
<i>Nonspendable:</i>			
Inventory	2711	0.00	0.00
Prepaid Amounts	2712	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00
<i>Total Nonspendable Fund Balance</i>	2710	0.00	0.00
<i>Restricted for:</i>			
Economic Stabilization	2721	0.00	0.00
Federal Required Carryover Programs	2722	0.00	0.00
State Required Carryover Programs	2723	0.00	0.00
Local Sales Tax and Other Tax Levy	2724	0.00	0.00
Debt Service	2725	792,134.80	792,134.80
Capital Projects	2726	0.00	0.00
Restricted for	2729	0.00	0.00
Restricted for	2729	0.00	0.00
<i>Total Restricted Fund Balance</i>	2720	792,134.80	792,134.80
<i>Committed to:</i>			
Economic Stabilization	2731	0.00	0.00
Contractual Agreements	2732	0.00	0.00
Committed for	2739	0.00	0.00
Committed for	2739	0.00	0.00
<i>Total Committed Fund Balance</i>	2730	0.00	0.00
<i>Assigned to:</i>			
Special Revenue	2741	0.00	0.00
Debt Service	2742	0.00	0.00
Capital Projects	2743	0.00	0.00
Permanent Funds	2744	0.00	0.00
Assigned for	2749	0.00	0.00
Assigned for	2749	0.00	0.00
<i>Total Assigned Fund Balance</i>	2740	0.00	0.00
<i>Total Unassigned Fund Balance</i>	2750	0.00	0.00
Total Fund Balances	2700	792,134.80	792,134.80
Total Liabilities and Fund Balances		792,134.80	792,134.80

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2012**

	Account Number	Capital Projects Funds		
		Capital Outlay Bond Issues (COBI) 310	Capital Outlay and Debt Service Funds (CO & DS) 360	Total Nonmajor Capital Projects Funds
ASSETS				
Cash and Cash Equivalents	1110	4,740,206.31	2,258,059.99	6,998,266.30
Investments	1160	0.00	0.00	0.00
Taxes Receivable, Net	1120	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00
Due from Reinsurer	1180	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00
<i>Due From Other Funds:</i>				
Budgetary Funds	1141	0.00	0.00	0.00
Internal Funds	1142	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00
<i>Restricted Assets:</i>				
Cash with Fiscal/Service Agents	1114	0.00	0.00	0.00
Total Assets		4,740,206.31	2,258,059.99	6,998,266.30
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00
Accounts Payable	2120	570,601.66	0.00	570,601.66
Judgments Payable	2130	0.00	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00	0.00
Construction Contracts Payable-Retained Percentage	2150	73,360.14	0.00	73,360.14
Matured Bonds Payable	2180	0.00	0.00	0.00
Matured Interest Payable	2190	0.00	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00	0.00
Sales Tax Payable	2260	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00
Deposits Payable	2220	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00
Section 1011.13 Notes Payable	2250	0.00	0.00	0.00
<i>Due to Other Funds:</i>				
Budgetary Funds	2161	0.00	0.00	0.00
Internal Funds	2162	0.00	0.00	0.00
<i>Deferred Revenue:</i>				
Unearned Revenue	2410	0.00	0.00	0.00
Unavailable Revenue	2410	0.00	0.00	0.00
Total Liabilities		643,961.80	0.00	643,961.80
FUND BALANCES				
<i>Nonspendable:</i>				
Inventory	2711	0.00	0.00	0.00
Prepaid Amounts	2712	0.00	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00	0.00
<i>Total Nonspendable Fund Balance</i>	2710	0.00	0.00	0.00
<i>Restricted for:</i>				
Economic Stabilization	2721	0.00	0.00	0.00
Federal Required Carryover Programs	2722	0.00	0.00	0.00
State Required Carryover Programs	2723	0.00	0.00	0.00
Local Sales Tax and Other Tax Levy	2724	0.00	0.00	0.00
Debt Service	2725	0.00	0.00	0.00
Capital Projects	2726	4,096,244.51	2,258,059.99	6,354,304.50
Restricted for	2729	0.00	0.00	0.00
Restricted for	2729	0.00	0.00	0.00
<i>Total Restricted Fund Balance</i>	2720	4,096,244.51	2,258,059.99	6,354,304.50
<i>Committed to:</i>				
Economic Stabilization	2731	0.00	0.00	0.00
Contractual Agreements	2732	0.00	0.00	0.00
Committed for	2739	0.00	0.00	0.00
Committed for	2739	0.00	0.00	0.00
<i>Total Committed Fund Balance</i>	2730	0.00	0.00	0.00
<i>Assigned to:</i>				
Special Revenue	2741	0.00	0.00	0.00
Debt Service	2742	0.00	0.00	0.00
Capital Projects	2743	0.00	0.00	0.00
Permanent Funds	2744	0.00	0.00	0.00
Assigned for	2749	0.00	0.00	0.00
Assigned for	2749	0.00	0.00	0.00
<i>Total Assigned Fund Balance</i>	2740	0.00	0.00	0.00
<i>Total Unassigned Fund Balance</i>	2750	0.00	0.00	0.00
Total Fund Balances	2700	4,096,244.51	2,258,059.99	6,354,304.50
Total Liabilities and Fund Balances		4,740,206.31	2,258,059.99	6,998,266.30

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING BALANCE SHEET (CONTINUED)
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2012

	Account Number	Permanent Fund 000	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	1110	0.00	28,598,923.41
Investments	1160	0.00	792,134.80
Taxes Receivable, Net	1120	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00
Interest Receivable	1170	0.00	0.00
Due from Reinsurer	1180	0.00	0.00
Deposits Receivable	1210	0.00	25,750.80
<i>Due From Other Funds:</i>			
Budgetary Funds	1141	0.00	0.00
Internal Funds	1142	0.00	0.00
Due from Other Agencies	1220	0.00	15,001,316.82
Inventory	1150	0.00	2,866,810.39
Prepaid Items	1230	0.00	62,293.34
<i>Restricted Assets:</i>			
Cash with Fiscal/Service Agents	1114	0.00	0.00
Total Assets		0.00	47,347,229.56
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	7,922,020.32
Payroll Deductions and Withholdings	2170	0.00	413,880.42
Accounts Payable	2120	0.00	4,783,475.99
Judgments Payable	2130	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00
Construction Contracts Payable-Retained Percentage	2150	0.00	76,314.45
Matured Bonds Payable	2180	0.00	0.00
Matured Interest Payable	2190	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00
Sales Tax Payable	2260	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00
Deposits Payable	2220	0.00	0.00
Due to Other Agencies	2230	0.00	0.00
Section 1011.13 Notes Payable	2250	0.00	0.00
<i>Due to Other Funds:</i>			
Budgetary Funds	2161	0.00	1,000,000.00
Internal Funds	2162	0.00	0.00
<i>Deferred Revenue:</i>			
Unearned Revenue	2410	0.00	1,407,876.08
Unavailable Revenue	2410	0.00	0.00
Total Liabilities		0.00	15,603,567.26
FUND BALANCES			
<i>Nonspendable:</i>			
Inventory	2711	0.00	2,866,810.39
Prepaid Amounts	2712	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00
<i>Total Nonspendable Fund Balance</i>	2710	0.00	2,866,810.39
<i>Restricted for:</i>			
Economic Stabilization	2721	0.00	0.00
Federal Required Carryover Programs	2722	0.00	0.00
State Required Carryover Programs	2723	0.00	0.00
Local Sales Tax and Other Tax Levy	2724	0.00	0.00
Debt Service	2725	0.00	792,134.80
Capital Projects	2726	0.00	6,354,304.50
Restricted for	2729	0.00	20,440,371.28
Restricted for	2729	0.00	0.00
<i>Total Restricted Fund Balance</i>	2720	0.00	27,586,810.58
<i>Committed to:</i>			
Economic Stabilization	2731	0.00	0.00
Contractual Agreements	2732	0.00	0.00
Committed for	2739	0.00	1,290,041.33
Committed for	2739	0.00	0.00
<i>Total Committed Fund Balance</i>	2730	0.00	1,290,041.33
<i>Assigned to:</i>			
Special Revenue	2741	0.00	0.00
Debt Service	2742	0.00	0.00
Capital Projects	2743	0.00	0.00
Permanent Funds	2744	0.00	0.00
Assigned for	2749	0.00	0.00
Assigned for	2749	0.00	0.00
<i>Total Assigned Fund Balance</i>	2740	0.00	0.00
<i>Total Unassigned Fund Balance</i>	2750	0.00	0.00
Total Fund Balances	2700	0.00	31,743,662.30
Total Liabilities and Fund Balances		0.00	47,347,229.56

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Special Revenue Funds		
		Food Service 410	Other Federal Programs 420	Total Nonmajor Special Revenue Funds
REVENUES				
Federal Direct	3100	0.00	6,647,027.83	6,647,027.83
Federal Through State and Local	3200	51,278,993.14	107,151,995.36	158,430,988.50
State Sources	3300	951,784.00	513,878.60	1,465,662.60
<i>Local Sources:</i>				
Property Taxes Levied for Operational Purposes	3411	0.00	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00	0.00
Local Sales Taxes	3418	0.00	0.00	0.00
Charges for Service - Food Service	345X	16,583,093.72	0.00	16,583,093.72
Impact Fees	3496	0.00	0.00	0.00
Other Local Revenue		63,381.60	4,644,073.44	4,707,455.04
Total Local Sources	3400	16,646,475.32	4,644,073.44	21,290,548.76
Total Revenues		68,877,252.46	118,956,975.23	187,834,227.69
EXPENDITURES				
<i>Current:</i>				
Instruction	5000	0.00	57,149,620.42	57,149,620.42
Pupil Personnel Services	6100	0.00	13,235,593.82	13,235,593.82
Instructional Media Services	6200	0.00	32,252.44	32,252.44
Instruction and Curriculum Development Services	6300	0.00	16,170,584.50	16,170,584.50
Instructional Staff Training Services	6400	0.00	24,415,488.32	24,415,488.32
Instructional-Related Technology	6500	0.00	172,518.90	172,518.90
Board	7100	0.00	39,012.09	39,012.09
General Administration	7200	0.00	2,762,231.03	2,762,231.03
School Administration	7300	0.00	32,402.65	32,402.65
Facilities Acquisition and Construction	7410	0.00	0.00	0.00
Fiscal Services	7500	0.00	5,819.45	5,819.45
Food Services	7600	66,700,927.23	0.00	66,700,927.23
Central Services	7700	0.00	470,091.21	470,091.21
Pupil Transportation	7800	0.00	2,569,805.53	2,569,805.53
Operation of Plant	7900	0.00	268,689.63	268,689.63
Maintenance of Plant	8100	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00
Community Services	9100	0.00	239,815.16	239,815.16
<i>Debt Service: (Function 9200)</i>				
Retirement of Principal	710	0.00	0.00	0.00
Interest	720	0.00	0.00	0.00
Dues, Fees and Issuance Costs	730	0.00	0.00	0.00
Miscellaneous Expenditures	790	0.00	0.00	0.00
<i>Capital Outlay:</i>				
Facilities Acquisition and Construction	7420	0.00	0.00	0.00
Other Capital Outlay	9300	1,397,011.33	1,651,761.74	3,048,773.07
Total Expenditures		68,097,938.56	119,215,686.89	187,313,625.45
Excess (Deficiency) of Revenues Over (Under) Expenditures		779,313.90	(258,711.66)	520,602.24
OTHER FINANCING SOURCES (USES)				
Long-Term Bonds Issued	3710	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00
Transfers In	3600	0.00	0.00	0.00
Transfers Out	9700	0.00	0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00
SPECIAL ITEMS				
		0.00	0.00	0.00
EXTRAORDINARY ITEMS				
		0.00	0.00	0.00
Net Change in Fund Balances		779,313.90	(258,711.66)	520,602.24
Fund Balances, July 1, 2011	2800	22,527,867.77	1,548,752.99	24,076,620.76
Adjustment to Fund Balances	2891	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	23,307,181.67	1,290,041.33	24,597,223.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Debt Service Funds	
		SBE/COBI Bonds 210	Total Nonmajor Debt Service Funds
REVENUES			
Federal Direct	3100	0.00	0.00
Federal Through State and Local	3200	0.00	0.00
State Sources	3300	5,632,568.66	5,632,568.66
<i>Local Sources:</i>			
Property Taxes Levied for Operational Purposes	3411	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00
Local Sales Taxes	3418	0.00	0.00
Charges for Service - Food Service	345X	0.00	0.00
Impact Fees	3496	0.00	0.00
Other Local Revenue		0.00	0.00
Total Local Sources	3400	0.00	0.00
Total Revenues		5,632,568.66	5,632,568.66
EXPENDITURES			
<i>Current:</i>			
Instruction	5000	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00
Instructional Media Services	6200	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00
Board	7100	0.00	0.00
General Administration	7200	0.00	0.00
School Administration	7300	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00
Fiscal Services	7500	0.00	0.00
Food Services	7600	0.00	0.00
Central Services	7700	0.00	0.00
Pupil Transportation	7800	0.00	0.00
Operation of Plant	7900	0.00	0.00
Maintenance of Plant	8100	0.00	0.00
Administrative Technology Services	8200	0.00	0.00
Community Services	9100	0.00	0.00
<i>Debt Service: (Function 9200)</i>			
Retirement of Principal	710	4,075,000.00	4,075,000.00
Interest	720	1,646,670.00	1,646,670.00
Dues, Fees and Issuance Costs	730	20,271.71	20,271.71
Miscellaneous Expenditures	790	0.00	0.00
<i>Capital Outlay:</i>			
Facilities Acquisition and Construction	7420	0.00	0.00
Other Capital Outlay	9300	0.00	0.00
Total Expenditures		5,741,941.71	5,741,941.71
Excess (Deficiency) of Revenues Over (Under) Expenditures		(109,373.05)	(109,373.05)
OTHER FINANCING SOURCES (USES)			
Long-Term Bonds Issued	3710	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00
Refunding Bonds Issued	3715	5,820,000.00	5,820,000.00
Premium on Refunding Bonds	3792	745,052.60	745,052.60
Discount on Refunding Bonds	892	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00
Loans Incurred	3720	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00
Loss Recoveries	3740	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	(6,548,062.05)	(6,548,062.05)
Transfers In	3600	0.00	0.00
Transfers Out	9700	0.00	0.00
Total Other Financing Sources (Uses)		16,990.55	16,990.55
SPECIAL ITEMS			
		0.00	0.00
EXTRAORDINARY ITEMS			
		0.00	0.00
Net Change in Fund Balances		(92,382.50)	(92,382.50)
Fund Balances, July 1, 2011	2800	884,517.30	884,517.30
Adjustment to Fund Balances	2891	0.00	0.00
Fund Balances, June 30, 2012	2700	792,134.80	792,134.80

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Capital Projects Funds		
		Capital Outlay Bond Issues (COBI) 310	Capital Outlay and Debt Service Funds (CO & DS) 360	Total Nonmajor Capital Project Funds
REVENUES				
Federal Direct	3100	0.00	0.00	0.00
Federal Through State and Local	3200	0.00	0.00	0.00
State Sources	3300	0.00	1,121,402.70	1,121,402.70
<i>Local Sources:</i>				
Property Taxes Levied for Operational Purposes	3411	0.00	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00	0.00
Local Sales Taxes	3418	0.00	0.00	0.00
Charges for Service - Food Service	345X	0.00	0.00	0.00
Impact Fees	3496	0.00	0.00	0.00
Other Local Revenue		0.00	0.00	0.00
Total Local Sources	3400	0.00	0.00	0.00
Total Revenues		0.00	1,121,402.70	1,121,402.70
EXPENDITURES				
<i>Current:</i>				
Instruction	5000	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00
Pupil Transportation	7800	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00
<i>Debt Service: (Function 9200)</i>				
Retirement of Principal	710	0.00	0.00	0.00
Interest	720	0.00	0.00	0.00
Dues, Fees and Issuance Costs	730	0.00	2,354.68	2,354.68
Miscellaneous Expenditures	790	0.00	0.00	0.00
<i>Capital Outlay:</i>				
Facilities Acquisition and Construction	7420	1,496,765.60	119,653.20	1,616,418.80
Other Capital Outlay	9300	0.00	0.00	0.00
Total Expenditures		1,496,765.60	122,007.88	1,618,773.48
Excess (Deficiency) of Revenues Over (Under) Expenditures		(1,496,765.60)	999,394.82	(497,370.78)
OTHER FINANCING SOURCES (USES)				
Long-Term Bonds Issued	3710	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00
Transfers In	3600	0.00	0.00	0.00
Transfers Out	9700	0.00	(1,119,048.02)	(1,119,048.02)
Total Other Financing Sources (Uses)		0.00	(1,119,048.02)	(1,119,048.02)
SPECIAL ITEMS				
		0.00	0.00	0.00
EXTRAORDINARY ITEMS				
		0.00	0.00	0.00
Net Change in Fund Balances		(1,496,765.60)	(119,653.20)	(1,616,418.80)
Fund Balances, July 1, 2011	2800	5,593,010.11	2,377,713.19	7,970,723.30
Adjustment to Fund Balances	2891	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	4,096,244.51	2,258,059.99	6,354,304.50

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Permanent Fund 000	Total Nonmajor Governmental Funds
REVENUES			
Federal Direct	3100	0.00	6,647,027.83
Federal Through State and Local	3200	0.00	158,430,988.50
State Sources	3300	0.00	8,219,633.96
<i>Local Sources:</i>			
Property Taxes Levied for Operational Purposes	3411	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00
Local Sales Taxes	3418	0.00	0.00
Charges for Service - Food Service	345X	0.00	16,583,093.72
Impact Fees	3496	0.00	0.00
Other Local Revenue		0.00	4,707,455.04
Total Local Sources	3400	0.00	21,290,548.76
Total Revenues		0.00	194,588,199.05
EXPENDITURES			
<i>Current:</i>			
Instruction	5000	0.00	57,149,620.42
Pupil Personnel Services	6100	0.00	13,235,593.82
Instructional Media Services	6200	0.00	32,252.44
Instruction and Curriculum Development Services	6300	0.00	16,170,584.50
Instructional Staff Training Services	6400	0.00	24,415,488.32
Instructional-Related Technology	6500	0.00	172,518.90
Board	7100	0.00	39,012.09
General Administration	7200	0.00	2,762,231.03
School Administration	7300	0.00	32,402.65
Facilities Acquisition and Construction	7410	0.00	0.00
Fiscal Services	7500	0.00	5,819.45
Food Services	7600	0.00	66,700,927.23
Central Services	7700	0.00	470,091.21
Pupil Transportation	7800	0.00	2,569,805.53
Operation of Plant	7900	0.00	268,689.63
Maintenance of Plant	8100	0.00	0.00
Administrative Technology Services	8200	0.00	0.00
Community Services	9100	0.00	239,815.16
<i>Debt Service: (Function 9200)</i>			
Retirement of Principal	710	0.00	4,075,000.00
Interest	720	0.00	1,646,670.00
Dues, Fees and Issuance Costs	730	0.00	22,626.39
Miscellaneous Expenditures	790	0.00	0.00
<i>Capital Outlay:</i>			
Facilities Acquisition and Construction	7420	0.00	1,616,418.80
Other Capital Outlay	9300	0.00	3,048,773.07
Total Expenditures		0.00	194,674,340.64
Excess (Deficiency) of Revenues Over (Under) Expenditures		0.00	(86,141.59)
OTHER FINANCING SOURCES (USES)			
Long-Term Bonds Issued	3710	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00
Refunding Bonds Issued	3715	0.00	5,820,000.00
Premium on Refunding Bonds	3792	0.00	745,052.60
Discount on Refunding Bonds	892	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00
Loans Incurred	3720	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00
Loss Recoveries	3740	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	(6,548,062.05)
Transfers In	3600	0.00	0.00
Transfers Out	9700	0.00	(1,119,048.02)
Total Other Financing Sources (Uses)		0.00	(1,102,057.47)
SPECIAL ITEMS			
		0.00	0.00
EXTRAORDINARY ITEMS			
		0.00	0.00
Net Change in Fund Balances		0.00	(1,188,199.06)
Fund Balances, July 1, 2011	2800	0.00	32,931,861.36
Adjustment to Fund Balances	2891	0.00	0.00
Fund Balances, June 30, 2012	2700	0.00	31,743,662.30

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100	2,728,010.71	11,498,669.74	6,647,027.83	(4,851,641.91)
Federal Through State and Local	3200	157,713,593.97	169,202,042.91	158,430,988.50	(10,771,054.41)
State Sources	3300	1,371,053.66	1,535,177.26	1,465,662.60	(69,514.66)
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411	0.00	0.00	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00	0.00	0.00
Local Sales Taxes	3418	0.00	0.00	0.00	0.00
Charges for Service - Food Service	345X	19,450,000.00	16,583,093.72	16,583,093.72	0.00
Impact Fees	3496	0.00	0.00	0.00	0.00
Other Local Revenue		3,270,902.75	6,662,073.53	4,707,455.04	(1,954,618.49)
Total Local Sources	3400	22,720,902.75	23,245,167.25	21,290,548.76	(1,954,618.49)
Total Revenues		184,533,561.09	205,481,057.16	187,834,227.69	(17,646,829.47)
EXPENDITURES					
<i>Current:</i>					
Instruction	5000	49,896,970.38	60,360,028.02	57,149,620.42	3,210,407.60
Pupil Personnel Services	6100	11,976,404.69	14,850,974.92	13,235,593.82	1,615,381.10
Instructional Media Services	6200	70,176.10	33,656.17	32,252.44	1,403.73
Instruction and Curriculum Development Services	6300	18,351,730.79	19,143,652.22	16,170,584.50	2,973,067.72
Instructional Staff Training Services	6400	24,503,687.31	33,947,681.38	24,415,488.32	9,532,193.06
Instructional-Related Technology	6500	182,178.71	184,118.13	172,518.90	11,599.23
Board	7100	39,250.00	39,012.09	39,012.09	0.00
General Administration	7200	3,513,404.10	3,283,388.41	2,762,231.03	521,157.38
School Administration	7300	40,924.21	40,924.21	32,402.65	8,521.56
Facilities Acquisition and Construction	7410			0.00	0.00
Fiscal Services	7500		13,817.32	5,819.45	7,997.87
Food Services	7600	74,821,561.00	68,097,938.56	66,700,927.23	1,397,011.33
Central Services	7700	1,746,319.41	860,372.00	470,091.21	390,280.79
Pupil Transportation	7800	2,653,060.00	2,803,024.38	2,569,805.53	233,218.85
Operation of Plant	7900	147,562.41	693,573.13	268,689.63	424,883.50
Maintenance of Plant	8100	7,636.99	6,000.00	0.00	6,000.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100	572,008.98	602,293.98	239,815.16	362,478.82
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710	0.00	0.00	0.00	0.00
Interest	720	0.00	0.00	0.00	0.00
Dues, Fees and Issuance Costs	730	0.00	0.00	0.00	0.00
Miscellaneous Expenditures	790	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	0.00
Other Capital Outlay	9300	0.00	0.00	3,048,773.07	(3,048,773.07)
Total Expenditures		188,522,875.08	204,960,454.92	187,313,625.45	17,646,829.47
Excess (Deficiency) of Revenues Over (Under) Expenditures		(3,989,313.99)	520,602.24	520,602.24	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00
Transfers In	3600	0.00	0.00	0.00	0.00
Transfers Out	9700	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
SPECIAL ITEMS					
		0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS					
		0.00	0.00	0.00	0.00
Net Change in Fund Balances		(3,989,313.99)	520,602.24	520,602.24	0.00
Fund Balances, July 1, 2011	2800	24,076,620.76	24,076,620.76	24,076,620.76	0.00
Adjustment to Fund Balances	2891	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	20,087,306.77	24,597,223.00	24,597,223.00	(0.00)

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100	3,511,813.50	3,511,813.50	3,511,813.50	0.00
Federal Through State and Local	3200	0.00	0.00	0.00	0.00
State Sources	3300	4,736,031.36	5,632,568.66	5,632,568.66	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411	0.00	0.00	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00	0.00	0.00
Property Taxes Levied for Capital Projects	3413	0.00	0.00	0.00	0.00
Local Sales Taxes	3418	0.00	0.00	0.00	0.00
Charges for Service - Food Service	345X	0.00	0.00	0.00	0.00
Impact Fees	3496	0.00	0.00	0.00	0.00
Other Local Revenue		0.00	146,186.92	146,186.92	0.00
Total Local Sources	3400	0.00	146,186.92	146,186.92	0.00
Total Revenues		8,247,844.86	9,290,569.08	9,290,569.08	0.00
EXPENDITURES					
<i>Current:</i>					
Instruction	5000	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00
Pupil Transportation	7800	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710	60,735,000.00	61,405,000.00	61,405,000.00	0.00
Interest	720	91,074,904.38	84,671,613.22	84,671,613.22	0.00
Dues, Fees and Issuance Costs	730	1,728,766.47	2,059,116.28	2,059,116.28	0.00
Miscellaneous Expenditures	790	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	0.00
Other Capital Outlay	9300	0.00	0.00	0.00	0.00
Total Expenditures		153,538,670.85	148,135,729.50	148,135,729.50	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures		(145,290,825.99)	(138,845,160.42)	(138,845,160.42)	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	295,305,000.00	295,305,000.00	0.00
Premium on Refunding Bonds	3792	0.00	10,538,949.00	10,538,949.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	(311,780,426.04)	(311,780,426.04)	0.00
Transfers In	3600	148,500,000.00	147,020,218.70	147,020,218.70	0.00
Transfers Out	9700	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)		148,500,000.00	141,083,741.66	141,083,741.66	0.00
SPECIAL ITEMS					
		0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS					
		0.00	0.00	0.00	0.00
Net Change in Fund Balances		3,209,174.01	2,238,581.24	2,238,581.24	0.00
Fund Balances, July 1, 2011	2800	105,293,766.67	105,293,766.67	105,293,766.67	0.00
Adjustment to Fund Balances	2891	0.00			0.00
Fund Balances, June 30, 2012	2700	108,502,940.68	107,532,347.91	107,532,347.91	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100	0.00	0.00	0.00	0.00
Federal Through State and Local	3200	0.00	2,901,199.48	2,901,199.48	0.00
State Sources	3300	4,685,828.00	3,866,901.20	3,866,901.20	0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411	0.00	0.00	0.00	0.00
Property Taxes Levied for Debt Service	3412	0.00	0.00	0.00	0.00
Property Taxes Levied for Capital Projects	3413	198,070,369.00	200,550,855.17	200,550,855.17	0.00
Local Sales Taxes	3418	0.00	0.00	0.00	0.00
Charges for Service - Food Service	345X	0.00	0.00	0.00	0.00
Impact Fees	3496	1,500,000.00	0.00	0.00	0.00
Other Local Revenue		916,200.00	5,759,372.45	5,691,324.91	(68,047.54)
Total Local Sources	3400	200,486,569.00	206,310,227.62	206,242,180.08	(68,047.54)
Total Revenues		205,172,397.00	213,078,328.30	213,010,280.76	(68,047.54)
EXPENDITURES					
<i>Current:</i>					
Instruction	5000	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	205,765.04	20,213.46	20,213.46	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00
Pupil Transportation	7800	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710	0.00	0.00	0.00	0.00
Interest	720	0.00	0.00	0.00	0.00
Dues, Fees and Issuance Costs	730	1,389,399.34	2,354.68	2,354.68	0.00
Miscellaneous Expenditures	790	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420	296,000,410.35	304,309,593.44	64,791,885.58	239,517,707.86
Other Capital Outlay	9300	0.00	0.00	0.00	0.00
Total Expenditures		297,595,574.73	304,332,161.58	64,814,453.72	239,517,707.86
Excess (Deficiency) of Revenues Over (Under) Expenditures		(92,423,177.73)	(91,253,833.28)	148,195,827.04	239,449,660.32
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710	4,550,000.00		0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00
Refunding Bonds Issued	3715	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00
Certificates of Participation Issued	3750	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00
Discount on Certificates of Participation	893	0.00	0.00	0.00	0.00
Loans Incurred	3720	0.00	0.00	0.00	0.00
Proceeds from the Sale of Capital Assets	3730	0.00	1,910.00	1,910.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00
Special Facilities Construction Advances	3770	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00
Transfers In	3600	0.00	25,939.10	25,939.10	0.00
Transfers Out	9700	(229,445,423.00)	(226,092,616.55)	(226,092,616.55)	0.00
Total Other Financing Sources (Uses)		(224,895,423.00)	(226,064,767.45)	(226,064,767.45)	0.00
SPECIAL ITEMS					
		0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS					
		0.00	0.00	0.00	0.00
Net Change in Fund Balances		(317,318,600.73)	(317,318,600.73)	(77,868,940.41)	239,449,660.32
Fund Balances, July 1, 2011	2800	383,646,798.34	383,646,798.34	383,646,798.34	0.00
Adjustment to Fund Balances	2891	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2012	2700	66,328,197.61	66,328,197.61	305,777,857.93	239,449,660.32

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PERMANENT FUND
For the Fiscal Year Ended June 30, 2012

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
REVENUES					
Federal Direct	3100				0.00
Federal Through State and Local	3200				0.00
State Sources	3300				0.00
<i>Local Sources:</i>					
Property Taxes Levied for Operational Purposes	3411				0.00
Property Taxes Levied for Debt Service	3412				0.00
Property Taxes Levied for Capital Projects	3413				0.00
Local Sales Taxes	3418				0.00
Charges for Service - Food Service	345X				0.00
Impact Fees	3496				0.00
Other Local Revenue					0.00
Total Local Sources	3400	0.00	0.00	0.00	0.00
Total Revenues		0.00	0.00	0.00	0.00
EXPENDITURES					
<i>Current:</i>					
Instruction	5000				0.00
Pupil Personnel Services	6100				0.00
Instructional Media Services	6200				0.00
Instruction and Curriculum Development Services	6300				0.00
Instructional Staff Training Services	6400				0.00
Instructional-Related Technology	6500				0.00
Board	7100				0.00
General Administration	7200				0.00
School Administration	7300				0.00
Facilities Acquisition and Construction	7410				0.00
Fiscal Services	7500				0.00
Food Services	7600				0.00
Central Services	7700				0.00
Pupil Transportation	7800				0.00
Operation of Plant	7900				0.00
Maintenance of Plant	8100				0.00
Administrative Technology Services	8200				0.00
Community Services	9100				0.00
<i>Debt Service: (Function 9200)</i>					
Retirement of Principal	710				0.00
Interest	720				0.00
Dues, Fees and Issuance Costs	730				0.00
Miscellaneous Expenditures	790				0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420				0.00
Other Capital Outlay	9300				0.00
Total Expenditures		0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues Over (Under) Expenditures		0.00	0.00	0.00	0.00
OTHER FINANCING SOURCES (USES)					
Long-Term Bonds Issued	3710				0.00
Premium on Sale of Bonds	3791				0.00
Discount on Sale of Bonds	891				0.00
Refunding Bonds Issued	3715				0.00
Premium on Refunding Bonds	3792				0.00
Discount on Refunding Bonds	892				0.00
Certificates of Participation Issued	3750				0.00
Premium on Certificates of Participation	3793				0.00
Discount on Certificates of Participation	893				0.00
Loans Incurred	3720				0.00
Proceeds from the Sale of Capital Assets	3730				0.00
Loss Recoveries	3740				0.00
Proceeds of Forward Supply Contract	3760				0.00
Special Facilities Construction Advances	3770				0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760				0.00
Transfers In	3600				0.00
Transfers Out	9700				0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
SPECIAL ITEMS					0.00
EXTRAORDINARY ITEMS					0.00
Net Change in Fund Balances		0.00	0.00	0.00	0.00
Fund Balances, July 1, 2011	2800				0.00
Adjustment to Fund Balances	2891				0.00
Fund Balances, June 30, 2012	2700	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
June 30, 2012

	Account Number	Self Insurance 911	Self Insurance 912	Self Insurance 913	Self Insurance 914	ARRA Consortium 915	Other 921	Other 922	Total Nonmajor Enterprise Funds
ASSETS									
<i>Current Assets:</i>									
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investments	1160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Reinsurer	1180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Noncurrent Assets:</i>									
Restricted Cash and Cash Equivalents		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Post-employment Benefits Obligation (asset)	1410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Assets:</i>									
Land	1310	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Land Improvements - Nondepreciable	1315	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Construction in Progress	1360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Improvements Other Than Buildings	1320	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	1329	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Buildings and Fixed Equipment	1330	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	1339	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furniture, Fixtures and Equipment	1340	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	1349	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Motor Vehicles	1350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	1359	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property Under Capital Leases	1370	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	1379	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Computer Software	1382	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accumulated Amortization	1389	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Capital Assets net of Accum. Dep'n		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Noncurrent Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LIABILITIES									
<i>Current Liabilities:</i>									
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Judgments Payable	2130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales Tax Payable	2260	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deposits Payable	2220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Revenue	2410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Unpaid Claims	2271	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Liability for Claims Adjustment Expense	2272	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Obligations Under Capital Leases	2315	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Noncurrent Liabilities:</i>									
Liabilities Payable from Restricted Assets:									
Deposits Payable	2220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Other Noncurrent Liabilities:</i>									
Obligations Under Capital Leases	2315	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Post-Employment Benefits Obligation	2360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Noncurrent Liabilities		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET ASSETS									
Invested in Capital Assets, Net of Related Debt	2770	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restricted for	2780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrestricted	2790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Liabilities and Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Self Insurance 911	Self Insurance 912	Self Insurance 913	Self Insurance 914	ARRA Consortium 915	Other 921	Other 922	Total Nonmajor Enterprise Funds
OPERATING REVENUES									
Charges for Services	3481	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Charges for Sales	3482	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Premium Revenue	3484	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Operating Revenues	3489	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Revenues		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OPERATING EXPENSES									
Salaries	100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Benefits	200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchased Services	300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Energy Services	400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and Supplies	500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Outlay	600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Expenses	700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation/Amortization	780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Income (Loss)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NONOPERATING REVENUES (EXPENSES)									
Interest Revenue	3430	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Local Sources	3495	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Disposition of Assets	3780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Expense	720	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Expense	790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loss on Disposition of Assets	810	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Nonoperating Revenues (Expenses)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income (Loss) Before Operating Transfers		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers In	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SPECIAL ITEMS		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EXTRAORDINARY ITEMS		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change In Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets - July 1, 2011	2880	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustment to Net Assets	2896	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets - June 30, 2012	2780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended June 30, 2012

	Self Insurance 911	Self Insurance 912	Self Insurance 913	Self Insurance 914	ARRA Consortium 915	Other 921	Other 922	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES								
Receipts from customers and users	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Receipts from interfund services provided	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payments to suppliers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payments to employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payments for interfund services used	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other receipts (payments)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by operating activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES								
Subsidies from operating grants	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers from other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers to other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by noncapital financing activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES								
Proceeds from capital debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital contributions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds from disposition of capital assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Acquisition and construction of capital assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Principal paid on capital debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest paid on capital debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by capital and related financing activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CASH FLOWS FROM INVESTING ACTIVITIES								
Proceeds from sales and maturities of investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest and dividends received	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by investing activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net increase (decrease) in cash and cash equivalents	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and cash equivalents - July 1, 2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and cash equivalents - June 30, 2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</i>								
Depreciation/Amortization expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commodities used from USDA program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Change in assets and liabilities:</i>								
(Increase) decrease in accounts receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in interest receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in due from reinsurer	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in deposits receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in due from other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in due from other agencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(Increase) decrease in prepaid items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in salaries and benefits payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in payroll tax liabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in accounts payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in judgments payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in sales tax payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in accrued interest payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in deposits payable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in due to other funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in due to other agencies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in deferred revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in estimated unpaid claims	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase (decrease) in estimated liability for claims adjustment expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net cash provided (used) by operating activities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Noncash investing, capital, and financing activities:								
Borrowing under capital lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contributions of capital assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of equipment on account	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital asset trade-ins	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Increase/(Decrease) in the fair value of investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commodities received through USDA program	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
June 30, 2012

	Account Number	Self Insurance 711	Other Internal Service 791	Total Internal Service Funds
ASSETS				
<i>Current Assets:</i>				
Cash and Cash Equivalents	1110	47,969,281.07	0.00	47,969,281.07
Investments	1160	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00
Due from Reinsurer	1180	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00
Due from Other Agencies	1220	1,203,515.69	0.00	1,203,515.69
Inventory	1150	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00
Total Current Assets		49,172,796.76	0.00	49,172,796.76
<i>Noncurrent Assets:</i>				
Restricted Cash and Cash Equivalents		1,567,000.00	0.00	1,567,000.00
Other Post-employment Benefits Obligation (asset)	1410	0.00	0.00	0.00
<i>Capital Assets:</i>				
Land	1310	0.00	0.00	0.00
Land Improvements - Nondepreciable	1315	0.00	0.00	0.00
Construction in Progress	1360	0.00	0.00	0.00
Improvements Other Than Buildings	1320	0.00	0.00	0.00
Accumulated Depreciation	1329	0.00	0.00	0.00
Buildings and Fixed Equipment	1330	0.00	0.00	0.00
Accumulated Depreciation	1339	0.00	0.00	0.00
Furniture, Fixtures and Equipment	1340	0.00	0.00	0.00
Accumulated Depreciation	1349	0.00	0.00	0.00
Motor Vehicles	1350	0.00	0.00	0.00
Accumulated Depreciation	1359	0.00	0.00	0.00
Property Under Capital Leases	1370	0.00	0.00	0.00
Accumulated Depreciation	1379	0.00	0.00	0.00
Computer Software	1382	0.00	0.00	0.00
Accumulated Amortization	1389	0.00	0.00	0.00
Total Capital Assets net of Accum. Dep'n		0.00	0.00	0.00
Total Noncurrent Assets		1,567,000.00	0.00	1,567,000.00
Total Assets		50,739,796.76	0.00	50,739,796.76
LIABILITIES				
<i>Current Liabilities:</i>				
Salaries, Benefits and Payroll Taxes Payable	2110	24,089.27	0.00	24,089.27
Payroll Deductions and Withholdings	2170	4,716.55	0.00	4,716.55
Accounts Payable	2120	1,685,081.69	0.00	1,685,081.69
Judgments Payable	2130	0.00	0.00	0.00
Sales Tax Payable	2260	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00
Deposits Payable	2220	0.00	0.00	0.00
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00
Deferred Revenue	2410	0.00	0.00	0.00
Estimated Unpaid Claims	2271	13,400,000.00	0.00	13,400,000.00
Estimated Liability for Claims Adjustment Expense	2272	0.00	0.00	0.00
Obligations Under Capital Leases	2315	0.00	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	0.00	0.00	0.00
Total Current Liabilities		15,113,887.51	0.00	15,113,887.51
<i>Noncurrent Liabilities:</i>				
<i>Liabilities Payable from Restricted Assets:</i>				
Deposits Payable	2220	0.00	0.00	0.00
<i>Other Noncurrent Liabilities:</i>				
Obligations Under Capital Leases	2315	0.00	0.00	0.00
Liability for Compensated Absences	2330	120,301.82	0.00	120,301.82
Estimated Liability for Long-Term Claims	2350	0.00	0.00	0.00
Other Post-employment Benefits Obligation	2360	48,000.00	0.00	48,000.00
Total Noncurrent Liabilities		168,301.82	0.00	168,301.82
Total Liabilities		15,282,189.33	0.00	15,282,189.33
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	2770	0.00	0.00	0.00
Restricted for	2780	0.00	0.00	0.00
Unrestricted	2790	35,457,607.43	0.00	35,457,607.43
Total Net Assets		35,457,607.43	0.00	35,457,607.43
Total Liabilities and Net Assets		50,739,796.76	0.00	50,739,796.76

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Self Insurance 711	Other Internal Service 791	Total Internal Service Funds
OPERATING REVENUES				
Charges for Services	3481	0.00	0.00	0.00
Charges for Sales	3482	0.00	0.00	0.00
Premium Revenue	3484	193,128,603.90	0.00	193,128,603.90
Other Operating Revenues	3489	5,963,371.89	0.00	5,963,371.89
Total Operating Revenues		199,091,975.79	0.00	199,091,975.79
OPERATING EXPENSES				
Salaries	100	595,236.09	0.00	595,236.09
Employee Benefits	200	162,056.49	0.00	162,056.49
Purchased Services	300	367,902.25	0.00	367,902.25
Energy Services	400	0.00	0.00	0.00
Materials and Supplies	500	7,487.38	0.00	7,487.38
Capital Outlay	600	0.00	0.00	0.00
Other Expenses	700	171,741,506.88	0.00	171,741,506.88
Depreciation/Amortization	780	0.00	0.00	0.00
Total Operating Expenses		172,874,189.09	0.00	172,874,189.09
Operating Income (Loss)		26,217,786.70	0.00	26,217,786.70
NONOPERATING REVENUES (EXPENSES)				
Interest Revenue	3430	23,264.42	0.00	23,264.42
Gifts, Grants and Bequests	3440	0.00	0.00	0.00
Miscellaneous Local Sources	3495	0.00	6,643,970.47	6,643,970.47
Loss Recoveries	3740	0.00	0.00	0.00
Gain on Disposition of Assets	3780	0.00	0.00	0.00
Interest Expense	720	0.00	0.00	0.00
Miscellaneous Expense	790	0.00	0.00	0.00
Loss on Disposition of Assets	810	0.00	0.00	0.00
Total Nonoperating Revenues (Expenses)		23,264.42	6,643,970.47	6,667,234.89
Income (Loss) Before Operating Transfers		26,241,051.12	6,643,970.47	32,885,021.59
Transfers In	3600	0.00	0.00	0.00
Transfers Out	9700	0.00	(6,712,949.42)	(6,712,949.42)
SPECIAL ITEMS		0.00	0.00	0.00
EXTRAORDINARY ITEMS		0.00	0.00	0.00
Change In Net Assets		26,241,051.12	(68,978.95)	26,172,072.17
Net Assets - July 1, 2011		9,216,556.31	68,978.95	9,285,535.26
Adjustments to Net Assets		0.00	0.00	0.00
Net Assets - June 30, 2012		35,457,607.43	(0.00)	35,457,607.43

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2012**

	Self Insurance 711	Other Internal Service 791	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	193,128,603.90	0.00	193,128,603.90
Receipts from interfund services provided	0.00	0.00	0.00
Payments to suppliers	(171,657,840.33)	(133,712.38)	(171,791,552.71)
Payments to employees	(727,272.91)	(1,277,405.81)	(2,004,678.72)
Payments for interfund services used	0.00	0.00	0.00
Other receipts (payments)	6,056,122.09	0.00	6,056,122.09
Net cash provided (used) by operating activities	26,799,612.75	(1,411,118.19)	25,388,494.56
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Subsidies from operating grants	0.00	0.00	0.00
Transfers from other funds	0.00	0.00	0.00
Transfers to other funds	0.00	(6,712,949.42)	(6,712,949.42)
Net cash provided (used) by noncapital financing activities	0.00	(6,712,949.42)	(6,712,949.42)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital debt	0.00	0.00	0.00
Capital contributions	0.00	0.00	0.00
Proceeds from disposition of capital assets	0.00	0.00	0.00
Acquisition and construction of capital assets	0.00	0.00	0.00
Principal paid on capital debt	0.00	0.00	0.00
Interest paid on capital debt	0.00	0.00	0.00
Net cash provided (used) by capital and related financing activities	0.00	0.00	0.00
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	0.00	0.00	0.00
Interest and dividends received	23,264.42	0.00	23,264.42
Purchase of investments	0.00	0.00	0.00
Net cash provided (used) by investing activities	23,264.42	0.00	23,264.42
Net increase (decrease) in cash and cash equivalents	26,822,877.17	(8,124,067.61)	18,698,809.56
Cash and cash equivalents - July 1, 2011	22,713,403.90	8,124,067.61	30,837,471.51
Cash and cash equivalents - June 30, 2012	49,536,281.07	0.00	49,536,281.07
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	26,217,786.70	0.00	26,217,786.70
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</i>			
Depreciation/Amortization expense	0.00	0.00	0.00
Commodities used from USDA program	0.00	0.00	0.00
<i>Change in assets and liabilities:</i>			
(Increase) decrease in accounts receivable	0.00	0.00	0.00
(Increase) decrease in interest receivable	0.00	0.00	0.00
(Increase) decrease in due from reinsurer	0.00	0.00	0.00
(Increase) decrease in deposits receivable	0.00	0.00	0.00
(Increase) decrease in due from other funds	0.00	0.00	0.00
(Increase) decrease in due from other agencies	92,750.20	0.00	92,750.20
(Increase) decrease in inventory	0.00	0.00	0.00
(Increase) decrease in prepaid items	0.00	0.00	0.00
Increase (decrease) in salaries and benefits payable	4,027.65	(1,014,525.06)	(1,010,497.41)
Increase (decrease) in payroll tax liabilities	1,313.39	(262,880.75)	(261,567.36)
Increase (decrease) in accounts payable	459,056.18	(133,712.38)	325,343.80
Increase (decrease) in judgments payable	0.00	0.00	0.00
Increase (decrease) in sales tax payable	0.00	0.00	0.00
Increase (decrease) in accrued interest payable	0.00	0.00	0.00
Increase (decrease) in deposits payable	0.00	0.00	0.00
Increase (decrease) in due to other funds	0.00	0.00	0.00
Increase (decrease) in due to other agencies	0.00	0.00	0.00
Increase (decrease) in deferred revenue	0.00	0.00	0.00
Increase (decrease) in estimated unpaid claims	24,678.63	0.00	24,678.63
Increase (decrease) in estimated liability for claims adjustment expense	0.00	0.00	0.00
Total adjustments	581,826.05	(1,411,118.19)	(829,292.14)
Net cash provided (used) by operating activities	26,799,612.75	(1,411,118.19)	25,388,494.56
Noncash investing, capital, and financing activities:			
Borrowing under capital lease	0.00	0.00	0.00
Contributions of capital assets	0.00	0.00	0.00
Purchase of equipment on account	0.00	0.00	0.00
Capital asset trade-ins	0.00	0.00	0.00
Net Increase/(Decrease) in the fair value of investments	0.00	0.00	0.00
Commodities received through USDA program	0.00	0.00	0.00

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
June 30, 2012**

	Account Number	Investment Trust Fund Name 84X	Investment Trust Fund Name 84X	Investment Trust Fund Name 84X	Total Investment Trust Funds
ASSETS					
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00
Inventory	1150				
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		0.00	0.00	0.00	0.00
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00	0.00
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00
NET ASSETS					
Assets Held in Trust for Pension Benefits		0.00	0.00	0.00	0.00
Assets Held in Trust for Scholarships and Other Purposes		0.00	0.00	0.00	0.00
Total Net Assets		0.00	0.00	0.00	0.00

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN NET ASSETS
INVESTMENT TRUST FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Investment Trust Fund Name 84X	Investment Trust Fund Name 84X	Investment Trust Fund Name 84X	Total Investment Trust Funds
ADDITIONS					
<i>Contributions:</i>					
Employer		0.00	0.00	0.00	0.00
Plan Members		0.00	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	0.00	0.00	0.00
<i>Investment Earnings:</i>					
Interest on Investments	3431	0.00	0.00	0.00	0.00
Gain on Sale of Investments	3432	0.00	0.00	0.00	0.00
Net Increase (Decrease) in the Fair Value of Investments	3433	0.00	0.00	0.00	0.00
Total Investment Earnings		0.00	0.00	0.00	0.00
Less Investment Expense		0.00	0.00	0.00	0.00
Net Investment Earnings		0.00	0.00	0.00	0.00
Total Additions		0.00	0.00	0.00	0.00
DEDUCTIONS					
Salaries	100	0.00	0.00	0.00	0.00
Employee Benefits	200	0.00	0.00	0.00	0.00
Purchased Services	300	0.00	0.00	0.00	0.00
Other Expenses	700	0.00	0.00	0.00	0.00
Refunds of Contributions		0.00	0.00	0.00	0.00
Administrative Expenses		0.00	0.00	0.00	0.00
Total Deductions		0.00	0.00	0.00	0.00
Change In Net Assets		0.00	0.00	0.00	0.00
Net Assets - July 1, 2011	2885	0.00	0.00	0.00	0.00
Net Assets - June 30, 2012	2785	0.00	0.00	0.00	0.00

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**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PRIVATE-PURPOSE TRUST FUNDS
June 30, 2012**

	Account Number	Private-Purpose Trust Fund Name 850	Private-Purpose Trust Fund Name 85X	Private-Purpose Trust Fund Name 85X	Total Private-Purpose Trust Funds
ASSETS					
Cash and Cash Equivalents	1110	447,996.66	0.00	0.00	447,996.66
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00
Inventory	1150				
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		447,996.66	0.00	0.00	447,996.66
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00	0.00
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00
NET ASSETS					
Assets Held in Trust for Pension Benefits		0.00	0.00	0.00	0.00
Assets Held in Trust for Scholarships and Other Purposes		447,996.66	0.00	0.00	447,996.66
Total Net Assets		447,996.66	0.00	0.00	447,996.66

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN NET ASSETS
PRIVATE-PURPOSE TRUST FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Private-Purpose Trust Fund Name 850	Private-Purpose Trust Fund Name 85X	Private-Purpose Trust Fund Name 85X	Total Private-Purpose Trust Funds
ADDITIONS					
<i>Contributions:</i>					
Employer		0.00	0.00	0.00	0.00
Plan Members		0.00	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	43,670.87	0.00	0.00	43,670.87
<i>Investment Earnings:</i>					
Interest on Investments	3431	2,150.25	0.00	0.00	2,150.25
Gain on Sale of Investments	3432	0.00	0.00	0.00	0.00
Net Increase (Decrease) in the Fair Value of Investments	3433	0.00	0.00	0.00	0.00
Total Investment Earnings		2,150.25	0.00	0.00	2,150.25
Less Investment Expense		0.00	0.00	0.00	0.00
Net Investment Earnings		2,150.25	0.00	0.00	2,150.25
Total Additions		45,821.12	0.00	0.00	45,821.12
DEDUCTIONS					
Salaries	100	0.00	0.00	0.00	0.00
Employee Benefits	200	0.00	0.00	0.00	0.00
Purchased Services	300	0.00	0.00	0.00	0.00
Other Expenses	700	63,303.51	0.00	0.00	63,303.51
Refunds of Contributions		0.00	0.00	0.00	0.00
Administrative Expenses		0.00	0.00	0.00	0.00
Total Deductions		63,303.51	0.00	0.00	63,303.51
Change In Net Assets		(17,482.39)	0.00	0.00	(17,482.39)
Net Assets - July 1, 2011	2885	465,479.05	0.00	0.00	465,479.05
Net Assets - June 30, 2012	2785	447,996.66	0.00	0.00	447,996.66

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**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PENSION TRUST FUNDS
June 30, 2012**

	Account Number	Pension Trust Fund Name 87X	Pension Trust Fund Name 87X	Pension Trust Fund Name 87X	Total Pension Trust Funds
ASSETS					
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00
Inventory	1150				
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		0.00	0.00	0.00	0.00
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00
Due to Other Agencies	2230	0.00	0.00	0.00	0.00
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00
NET ASSETS					
Assets Held in Trust for Pension Benefits		0.00	0.00	0.00	0.00
Assets Held in Trust for Scholarships and Other Purposes		0.00	0.00	0.00	0.00
Total Net Assets		0.00	0.00	0.00	0.00

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN NET ASSETS
PENSION TRUST FUNDS
For the Fiscal Year Ended June 30, 2012

	Account Number	Pension Trust Fund Name 87X	Pension Trust Fund Name 87X	Pension Trust Fund Name 87X	Total Pension Trust Funds
ADDITIONS					
<i>Contributions:</i>					
Employer		0.00	0.00	0.00	0.00
Plan Members		0.00	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	0.00	0.00	0.00
<i>Investment Earnings:</i>					
Interest on Investments	3431	0.00	0.00	0.00	0.00
Gain on Sale of Investments	3432	0.00	0.00	0.00	0.00
Net Increase (Decrease) in the Fair Value of Investments	3433	0.00	0.00	0.00	0.00
Total Investment Earnings		0.00	0.00	0.00	0.00
Less Investment Expense		0.00	0.00	0.00	0.00
Net Investment Earnings		0.00	0.00	0.00	0.00
Total Additions		0.00	0.00	0.00	0.00
DEDUCTIONS					
Salaries	100	0.00	0.00	0.00	0.00
Employee Benefits	200	0.00	0.00	0.00	0.00
Purchased Services	300	0.00	0.00	0.00	0.00
Other Expenses	700	0.00	0.00	0.00	0.00
Refunds of Contributions		0.00	0.00	0.00	0.00
Administrative Expenses		0.00	0.00	0.00	0.00
Total Deductions		0.00	0.00	0.00	0.00
Change In Net Assets		0.00	0.00	0.00	0.00
Net Assets - July 1, 2011	2885	0.00	0.00	0.00	0.00
Net Assets - June 30, 2012	2785	0.00	0.00	0.00	0.00

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2012

	Account Number	School Internal Funds 891	Agency Fund Name 89X	Agency Fund Name 89X	Total Agency Funds
ASSETS					
Cash and Cash Equivalents	1110	16,331,327.86	0.00	0.00	16,331,327.86
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	1,264,921.66	0.00	0.00	1,264,921.66
Interest Receivable	1170	0.00	0.00	0.00	0.00
Due from Other Funds-Budgetary	1141	0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		17,596,249.52	0.00	0.00	17,596,249.52
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	276,842.40	0.00	0.00	276,842.40
Due to Other Agencies	2230				
Due to Other Funds-Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	17,319,407.12	0.00	0.00	17,319,407.12
Total Liabilities		17,596,249.52	0.00	0.00	17,596,249.52

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
SCHOOL INTERNAL FUNDS 891
June 30, 2012

	Account Number	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
ASSETS					
Cash and Cash Equivalents	1110	15,573,230.09	76,746,186.70	75,988,088.93	16,331,327.86
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	1,177,831.08	1,264,921.66	1,177,831.08	1,264,921.66
Interest Receivable	1170	0.00	0.00	0.00	0.00
<i>Due From Other Funds:</i>					
Budgetary Funds	1141	0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		16,751,061.17	78,011,108.36	77,165,920.01	17,596,249.52
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	356,381.79	276,842.40	356,381.79	276,842.40
Due to Other Funds Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	16,394,679.38	77,734,265.96	76,809,538.22	17,319,407.12
Total Liabilities		16,751,061.17	78,011,108.36	77,165,920.01	17,596,249.52

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
Agency Fund Name
June 30, 2012

	Account Number	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
ASSETS					
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00
<i>Due From Other Funds:</i>					
Budgetary Funds	1141	0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		0.00	0.00	0.00	0.00
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00
Due to Other Funds Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
Agency Fund Name
June 30, 2012

	Account Number	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
ASSETS					
Cash and Cash Equivalents	1110	0.00	0.00	0.00	0.00
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	0.00	0.00	0.00	0.00
Interest Receivable	1170	0.00	0.00	0.00	0.00
<i>Due From Other Funds:</i>					
Budgetary Funds	1141	0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		0.00	0.00	0.00	0.00
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	0.00	0.00	0.00	0.00
Due to Other Funds Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	0.00	0.00	0.00	0.00
Total Liabilities		0.00	0.00	0.00	0.00

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DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)
TOTAL AGENCY FUNDS
June 30, 2012

	Account Number	Total Agency Fund Balances July 1, 2011	Total Agency Fund Additions	Total Agency Fund Deductions	Total Agency Fund Balances June 30, 2012
ASSETS					
Cash and Cash Equivalents	1110	15,573,230.09	76,746,186.70	75,988,088.93	16,331,327.86
Investments	1160	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1130	1,177,831.08	1,264,921.66	1,177,831.08	1,264,921.66
Interest Receivable	1170	0.00	0.00	0.00	0.00
<i>Due From Other Funds:</i>					
Budgetary Funds	1141	0.00	0.00	0.00	0.00
Inventory	1150	0.00	0.00	0.00	0.00
Due from Other Agencies	1220	0.00	0.00	0.00	0.00
Total Assets		16,751,061.17	78,011,108.36	77,165,920.01	17,596,249.52
LIABILITIES					
Salaries, Benefits and Payroll Taxes Payable	2110	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	0.00	0.00	0.00
Accounts Payable	2120	356,381.79	276,842.40	356,381.79	276,842.40
Due to Other Funds Budgetary	2161	0.00	0.00	0.00	0.00
Internal Accounts Payable	2290	16,394,679.38	77,734,265.96	76,809,538.22	17,319,407.12
Total Liabilities		16,751,061.17	78,011,108.36	77,165,920.01	17,596,249.52

**FLORIDA DEPARTMENT OF EDUCATION
 REPORT OF FINANCIAL DATA TO THE
 COMMISSIONER OF EDUCATION (ESE 348)
 DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 For the Fiscal Year Ended June 30, 2012**

Return completed form to: Department of Education Office of Funding and Financial Reporting 325 W. Gaines St., Room 824 Tallahassee, FL 32399-0400
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The Report of Financial Data to the Commissioner of Education (ESE 348) for the fiscal year ended June 30, 2012, was submitted in accordance with Rule 6A-1.0071, F.A.C. (Section 1001.51(12)(b), F.S.). This report was approved by the school board on September 5, 2012.

 District Superintendent's Signature

 Date

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GENERAL FUND

Exhibit K-1
 DOE Page 1

For the Fiscal Year Ended June 30, 2012

Fund 100

	Account Number	
REVENUES		
<i>Federal Direct:</i>		
Federal Impact, Current Operations	3121	5,370.39
Reserve Officers Training Corps (ROTC)	3191	814,344.47
Miscellaneous Federal Direct	3199	0.00
Total Federal Direct	3100	819,714.86
<i>Federal Through State and Local:</i>		
Medicaid	3202	5,714,118.99
National Forest Funds	3255	0.00
Federal Through Local	3280	0.00
Miscellaneous Federal Through State	3299	0.00
Total Federal Through State and Local	3200	5,714,118.99
<i>State:</i>		
Florida Education Finance Program	3310	99,432,989.00
Workforce Development	3315	17,653,059.00
Workforce Development Capitalization Incentive Grant	3316	0.00
Workforce Education Performance Incentive	3317	175,275.00
Adults with Disabilities	3318	894,684.00
CO&DS Withheld for Administrative Expense	3323	101,730.99
<i>Categoricals:</i>		
District Discretionary Lottery Funds	3344	600,592.00
Class Size Reduction/Operating Funds	3355	202,703,933.00
School Recognition Funds	3361	7,320,126.00
Excellent Teaching Program	3363	0.00
Voluntary Prekindergarten Program	3371	2,490,348.24
<i>Other State:</i>		
Diagnostic and Learning Resources Centers	3335	0.00
State License Tax	3343	272,939.50
Other Miscellaneous State Revenue	3399	416,617.47
Total State	3300	332,062,294.20
<i>Local:</i>		
District School Taxes	3411	846,737,916.55
Tax Redemptions	3421	0.00
Payment in Lieu of Taxes	3422	43,667.35
Excess Fees	3423	0.00
Tuition	3424	0.00
Rent	3425	787,380.59
Interest on Investments	3431	878,587.49
Gain on Sale of Investments	3432	2,092,924.59
Net Increase (Decrease) in Fair Value of Investments	3433	(97,237.48)
Gifts, Grants and Bequests	3440	1,476,868.09
Adult General Education Course Fees	3461	559,876.57
General Education Development (GED) Testing Fees	3467	153,669.00
Financial Aid Fees	3468	0.00
Other Student Fees	3469	1,747,829.87
Preschool Program Fees	3471	388,345.09
Pre-K Early Intervention Fees	3472	0.00
School Age Child Care Fees	3473	24,348,841.95
Other Schools, Courses, and Classes Fees	3479	0.00
<i>Miscellaneous Local:</i>		
Bus Fees	3491	3,080,818.00
Transportation Services-School Activities	3492	431,530.46
Sale of Junk	3493	225,789.46
Receipt of Federal Indirect Cost Rate	3494	2,941,102.20
Other Miscellaneous Local Sources	3495	18,173,989.56
Impact Fees	3496	13,975.00
Refunds of Prior Year's Expenditures	3497	285,719.30
Collections for Lost, Damaged and Sold Textbooks	3498	339,424.50
Receipt of Food Service Indirect Costs	3499	1,348,445.45
Total Local	3400	905,959,463.59
Total Revenues	3000	1,244,555,591.64

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND (Continued)
 For the Fiscal Year Ended June 30, 2012

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	570,087,676.90	168,049,165.07	86,656,627.15	0.00	19,688,923.74	938,023.96	14,799,851.32	860,220,268.14
Pupil Personnel Services	6100	26,804,345.57	7,905,394.71	3,193,908.32	0.00	124,168.25	1,526.50	11.37	38,029,354.72
Instructional Media Services	6200	12,744,814.79	4,201,111.55	466,992.01	13,246.83	222,169.66	685,546.97	19,128.93	18,353,010.74
Instruction and Curriculum Development Services	6300	24,514,096.72	6,466,588.57	423,556.83	0.00	194,622.88	9,266.18	13,873.67	31,622,004.85
Instructional Staff Training Services	6400	7,417,485.87	2,013,045.24	460,818.85	0.00	524,242.84	40,941.43	1,583,185.18	12,039,719.41
Instructional-Related Technology	6500	3,178,161.26	1,223,106.23	837,553.46	0.00	15,885.65	0.00	480.00	5,255,186.60
Board	7100	2,998,084.65	756,165.66	661,776.24	0.00	25,866.72	0.00	341,906.50	4,783,799.77
General Administration	7200	4,168,314.72	933,998.12	520,686.53	13,222.87	44,320.94	6,278.65	83,214.07	5,770,035.90
School Administration	7300	69,523,918.72	19,909,458.61	296,491.06	0.00	617,968.44	42,485.26	22,327.60	90,412,649.69
Facilities Acquisition and Construction	7410	315,781.04	72,329.38	673,832.49	0.00	0.00	0.00	0.00	1,061,942.91
Fiscal Services	7500	3,711,420.99	1,055,926.93	474,865.76	0.00	30,966.73	26.79	9,610.75	5,282,817.95
Food Services	7600	1,431.32	4,600.39	0.00	0.00	0.00	0.00	33,361.02	39,392.73
Central Services	7700	9,050,121.05	2,454,715.49	1,130,292.34	69,015.56	(366,523.09)	7,453.74	25,731.96	12,370,807.05
Pupil Transportation Services	7800	23,736,933.87	9,447,624.47	443,125.32	8,591,852.55	2,678,474.27	13,921.59	955,882.98	45,867,815.05
Operation of Plant	7900	41,819,982.72	16,453,461.17	26,518,285.17	32,697,267.56	3,130,658.46	24,694.27	3,499,943.27	124,144,292.62
Maintenance of Plant	8100	27,890,380.56	8,535,308.85	13,115,939.80	844,409.13	7,833,361.53	761,699.97	66,656.90	59,047,756.74
Administrative Technology Services	8200	4,097,616.32	1,108,927.72	2,937,398.46	0.00	39,027.37	17,481.94	38,336.20	8,238,788.01
Community Services	9100	10,643,444.19	4,389,013.79	701,297.75	262,044.68	6,083,762.52	1,469,784.66	7,251,528.82	30,800,876.41
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						625,450.05		625,450.05
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							48,874.88	48,874.88
Total Expenditures		842,704,011.26	254,979,941.95	139,513,447.54	42,491,059.18	40,887,896.91	4,644,581.96	28,793,905.42	1,354,014,844.22
Excess (Deficiency) of Revenues Over Expenditures									(109,459,252.58)

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - GENERAL FUND (Continued)

Exhibit K-1
 DOE Page 3
Fund 100

For the Fiscal Year Ended June 30, 2012

	Account Number	
OTHER FINANCING SOURCES (USES)		
Loans	3720	0.00
Sale of Capital Assets	3730	0.00
Loss Recoveries	3740	3,428,867.69
<i>Transfers In:</i>		
From Debt Service Funds	3620	0.00
From Capital Projects Funds	3630	79,072,397.85
From Internal Service Funds	3670	6,712,949.42
Total Transfers In	3600	85,785,347.27
<i>Transfers Out: (Function 9700)</i>		
To Debt Service Funds	920	0.00
To Capital Projects Funds	930	(25,939.10)
Total Transfers Out	9700	(25,939.10)
Total Other Financing Sources (Uses)		89,188,275.86
Net Change In Fund Balance		(20,270,976.72)
Fund Balance, July 1, 2011	2800	186,937,809.17
Adjustments to Fund Balance	2891	0.00
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	5,658,057.21
Restricted Fund Balance	2720	23,335,485.37
Committed Fund Balance	2730	0.00
Assigned Fund Balance	2740	86,560,340.45
Unassigned Fund Balance	2750	51,112,949.42
Total Fund Balance, June 30, 2012	2700	166,666,832.45

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE
FUNDS - FOOD SERVICES**

Exhibit K-2
DOE Page 4
Fund 410

For the Fiscal Year Ended June 30, 2012

	Account Number	
REVENUES		
<i>Federal Through State and Local:</i>		
School Lunch Reimbursement	3261	35,054,616.90
School Breakfast Reimbursement	3262	10,724,512.52
After School Snack Reimbursement	3263	818,888.60
Child Care Food Program	3264	0.00
USDA Donated Commodities	3265	3,322,671.74
Cash in Lieu of Donated Foods	3266	0.00
Summer Food Service Program	3267	1,175,151.31
Fresh Fruit and Vegetable Program	3268	183,152.07
Other Food Services	3269	0.00
Federal Through Local	3280	0.00
Miscellaneous Federal Through State	3299	0.00
Total Federal Through State and Local	3200	51,278,993.14
<i>State:</i>		
School Breakfast Supplement	3337	453,376.00
School Lunch Supplement	3338	498,408.00
Other Miscellaneous State Revenues	3399	0.00
Total State	3300	951,784.00
<i>Local:</i>		
Interest on Investments	3431	31,608.48
Gain on Sale of Investments	3432	16,907.04
Net Increase (Decrease) in Fair Value of Investments	3433	(10,122.61)
Gifts, Grants and Bequests	3440	0.00
Student Lunches	3451	6,349,702.90
Student Breakfasts	3452	180,633.55
Adult Breakfasts/Lunches	3453	872,605.95
Student and Adult a la Carte	3454	8,366,844.10
Student Snacks	3455	0.00
Other Food Sales	3456	813,307.22
Other Miscellaneous Local Sources	3495	24,988.69
Refunds of Prior Year's Expenditures	3497	0.00
Total Local	3400	16,646,475.32
Total Revenues	3000	68,877,252.46

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE
FUNDS - FOOD SERVICES (Continued)
For the Fiscal Year Ended June 30, 2012

Exhibit K-2
DOE Page 5
Fund 410

	Account Number	
EXPENDITURES (Function 7600/9300)		
Salaries	100	17,022,125.64
Employee Benefits	200	8,364,455.30
Purchased Services	300	11,243,161.00
Energy Services	400	2,035,161.33
Materials and Supplies	500	25,507,001.31
Capital Outlay	600	549,063.32
Other Expenses	700	1,979,959.33
Other Capital Outlay (Function 9300)	600	1,397,011.33
Total Expenditures		68,097,938.56
Excess (Deficiency) of Revenues Over Expenditures		779,313.90
OTHER FINANCING SOURCES (USES)		
Loans	3720	0.00
Sale of Capital Assets	3730	0.00
Loss Recoveries	3740	0.00
<i>Transfers In:</i>		
From General Fund	3610	0.00
Total Transfers In	3600	0.00
<i>Transfers Out: (Function 9700)</i>		
To General Fund	910	0.00
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		779,313.90
Fund Balance, July 1, 2011	2800	22,527,867.77
Adjustments to Fund Balance	2891	0.00
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	2,866,810.39
Restricted Fund Balance	2720	20,440,371.28
Committed Fund Balance	2730	0.00
Assigned Fund Balance	2740	0.00
Unassigned Fund Balance	2750	0.00
Total Fund Balance, June 30, 2012	2700	23,307,181.67

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE
FUNDS - OTHER FEDERAL PROGRAMS**

Exhibit K-3
DOE Page 6
Fund 420

For the Fiscal Year Ended June 30, 2012

	Account Number	
REVENUES		
<i>Federal Direct:</i>		
Workforce Investment Act	3170	0.00
Community Action Programs	3180	0.00
Reserve Officers Training Corps (ROTC)	3191	0.00
Miscellaneous Federal Direct	3199	6,647,027.83
Total Federal Direct	3100	6,647,027.83
<i>Federal Through State and Local:</i>		
Vocational Education Acts	3201	1,667,215.22
Individuals with Disabilities Education Act (IDEA)	3230	37,977,200.13
Elementary and Secondary Education Act, Title I	3240	53,302,573.64
Adult General Education	3251	2,417,763.55
Vocational Rehabilitation	3253	0.00
Federal Through Local	3280	1,355,579.32
Emergency Immigrant Education Program	3293	2,303,972.51
Miscellaneous Federal Through State	3299	8,127,690.99
Total Federal Through State and Local	3200	107,151,995.36
<i>State:</i>		
Other Miscellaneous State Revenue	3399	513,878.60
Total State	3300	513,878.60
<i>Local:</i>		
Interest on Investments	3431	0.00
Gain on Sale of Investments	3432	0.00
Net Increase (Decrease) in Fair Value of Investments	3433	0.00
Gifts, Grants and Bequests	3440	4,528,423.26
Adult General Education Course Fees	3461	115,650.18
Sale of Junk	3493	0.00
Other Miscellaneous Local Sources	3495	0.00
Refund of Prior Year's Expenditures	3497	0.00
Total Local	3400	4,644,073.44
Total Revenues	3000	118,956,975.23

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS (Continued)

For the Fiscal Year Ended June 30, 2012

Fund 420

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	25,529,952.28	9,114,263.33	13,167,899.21	0.00	4,798,422.15	2,913,069.66	1,626,013.79	57,149,620.42
Pupil Personnel Services	6100	8,264,138.49	2,389,339.72	1,763,622.39	0.00	670,580.81	111,892.84	36,019.57	13,235,593.82
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00	32,252.44	0.00	32,252.44
Instruction and Curriculum Development Services	6300	11,095,704.36	3,316,436.03	1,080,945.66	0.00	359,402.33	260,577.98	57,518.14	16,170,584.50
Instructional Staff Training Services	6400	14,690,794.70	3,967,015.34	2,827,305.35	0.00	2,267,909.94	395,263.05	267,199.94	24,415,488.32
Instructional-Related Technology	6500	0.00	0.00	34,277.46	0.00	1,013.91	137,227.53	0.00	172,518.90
Board	7100	0.00	0.00	39,012.09	0.00	0.00	0.00	0.00	39,012.09
General Administration	7200	0.00	419.07	0.00	0.00	0.00	0.00	2,761,811.96	2,762,231.03
School Administration	7300	30,100.00	2,302.65	0.00	0.00	0.00	0.00	0.00	32,402.65
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	4,376.81	1,442.64	0.00	0.00	0.00	0.00	0.00	5,819.45
Food Services	7600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Services	7700	250,224.74	55,260.79	106,595.11	0.00	42,718.32	15,292.25	0.00	470,091.21
Pupil Transportation Services	7800	5,617.21	1,156.71	101,299.30	2,252.79	203.83	0.00	2,459,275.69	2,569,805.53
Operation of Plant	7900	20,561.25	6,565.69	39,790.68	0.00	1,571.91	200,200.10	0.00	268,689.63
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Services	9100	135,518.37	37,597.17	15,607.31	0.00	40,994.27	10,098.04	0.00	239,815.16
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						1,651,761.74		1,651,761.74
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							0.00	0.00
Total Expenditures		60,026,988.21	18,891,799.14	19,176,354.56	2,252.79	8,182,817.47	5,727,635.63	7,207,839.09	119,215,686.89
Excess (Deficiency) of Revenues over Expenditures									(258,711.66)
OTHER FINANCING SOURCES (USES)		Totals							
Loans	3720	0.00							
Sale of Capital Assets	3730	0.00							
Loss Recoveries	3740	0.00							
<i>Transfers In:</i>									
From General Fund	3610	0.00							
Total Transfers In	3600	0.00							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910	0.00							
Total Transfers Out	9700	0.00							
Total Other Financing Sources (Uses)		0.00							
Net Change in Fund Balance		(258,711.66)							
Fund Balance, July 1, 2011	2800	1,548,752.99							
Adjustments to Fund Balance	2891	0.00							
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710								
Restricted Fund Balance	2720								
Committed Fund Balance	2730	1,290,041.33							
Assigned Fund Balance	2740								
Unassigned Fund Balance	2750								
Total Fund Balance, June 30, 2012	2700	1,290,041.33							

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS
 FEDERAL ECONOMIC STIMULUS PROGRAMS**

Exhibit K-4
 DOE Page 8

For the Fiscal Year Ended June 30, 2012

	Account Number	ARRA State Fiscal Stabilization Funds 431	Targeted ARRA Stimulus Funds 432	Other ARRA Stimulus Grants 433	ARRA Race to the Top 434	Education Jobs Act 435	Totals
REVENUES							
<i>Federal Direct:</i>							
Workforce Investment Act	3170	0.00	0.00	0.00			0.00
Community Action Programs	3180	0.00	0.00	0.00			0.00
Reserve Officers Training Corps (ROTC)	3191	0.00	0.00	0.00			0.00
Miscellaneous Federal Direct	3199	0.00	0.00	0.00			0.00
Total Federal Direct:	3100	0.00	0.00	0.00	0.00	0.00	0.00
<i>Federal Through State:</i>							
Vocational Education Acts	3201	0.00	0.00	0.00			0.00
State Fiscal Stabilization Funds – K-12	3210	21,370.92					21,370.92
State Fiscal Stabilization Funds – Workforce	3211	0.00					0.00
State Fiscal Stabilization Funds – VPK	3212	0.00					0.00
Race to the Top	3214				0.00		0.00
Education Jobs Act	3215					562,913.00	562,913.00
Individuals with Disabilities Education Act (IDEA)	3230	0.00	230,669.47	0.00	0.00	0.00	230,669.47
Elementary and Secondary Education Act, Title I	3240	0.00	7,808,619.26	0.00	0.00	0.00	7,808,619.26
Adult General Education	3251	0.00	0.00	0.00	0.00	0.00	0.00
Other Food Services	3269	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Federal Through State	3299	0.00	3,052.08	0.00	0.00	0.00	3,052.08
Total Federal Through State	3200	21,370.92	8,042,340.81	0.00	0.00	562,913.00	8,626,624.73
<i>State:</i>							
Other Miscellaneous State Revenue	3399	0.00	0.00	0.00	0.00	0.00	0.00
Total State	3300	0.00	0.00	0.00	0.00	0.00	0.00
<i>Local:</i>							
Interest on Investments	3431	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Sale of Investments	3432	0.00	0.00	0.00	0.00	0.00	0.00
Net Increase (Decrease) in Fair Value of Investments	3433	0.00	0.00	0.00	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	0.00	0.00	0.00	0.00	0.00
Other Miscellaneous Local Sources	3495	0.00	0.00	0.00	0.00	0.00	0.00
Refund of Prior Year's Expenditures	3497	0.00	0.00	0.00	0.00	0.00	0.00
Total Local	3400	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenues	3000	21,370.92	8,042,340.81	0.00	0.00	562,913.00	8,626,624.73

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - STATE FISCAL STABILIZATION FUNDS (Continued)
 For the Fiscal Year Ended June 30, 2012

Exhibit K-4
 DOE Page 9
 Fund 431

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	21,370.92	0.00	0.00	0.00	0.00	21,370.92
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						0.00		0.00
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							0.00	0.00
Total Expenditures		0.00	0.00	21,370.92	0.00	0.00	0.00	0.00	21,370.92
Excess (Deficiency) of Revenues over Expenditures									0.00
OTHER FINANCING SOURCES (USES)									
		Totals							
Loans	3720	0.00							
Sale of Capital Assets	3730	0.00							
Loss Recoveries	3740	0.00							
<i>Transfers In:</i>									
From General Fund	3610	0.00							
Total Transfers In	3600	0.00							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910	0.00							
Total Transfers Out	9700	0.00							
Total Other Financing Sources (Uses)		0.00							
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2011	2800	0.00							
Adjustments to Fund Balance	2891	0.00							
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710								
Restricted Fund Balance	2720	0.00							
Committed Fund Balance	2730								
Assigned Fund Balance	2740								
Unassigned Fund Balance	2750								
Total Fund Balance, June 30, 2012	2700	0.00							

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - TARGETED ARRA STIMULUS FUNDS (Continued)
 For the Fiscal Year Ended June 30, 2012

Exhibit K-4
 DOE Page 10
 Fund 432

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	2,719,473.50	294,817.97	380,637.92	0.00	486,264.69	2,304,415.16	1,724.88	6,187,334.12
Pupil Personnel Services	6100	11,158.11	3,152.95	4,215.78	0.00	211,760.18	78,502.65	0.00	308,789.67
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	374,678.58	92,209.92	56,730.63	0.00	72,840.34	43,510.79	225.00	640,195.26
Instructional Staff Training Services	6400	115,680.27	29,895.80	45,567.65	0.00	133,382.49	116,895.41	1,605.88	443,027.50
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00	0.00	179,286.62	179,286.62
School Administration	7300	157,045.00	15,962.25	0.00	0.00	0.00	0.00	0.00	173,007.25
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						110,700.39		110,700.39
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							0.00	0.00
Total Expenditures		3,378,035.46	436,038.89	487,151.98	0.00	904,247.70	2,654,024.40	182,842.38	8,042,340.81
Excess (Deficiency) of Revenues over Expenditures									0.00
OTHER FINANCING SOURCES (USES)		Totals							
Loans	3720	0.00							
Sale of Capital Assets	3730	0.00							
Loss Recoveries	3740	0.00							
<i>Transfers In:</i>									
From General Fund	3610	0.00							
Total Transfers In	3600	0.00							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910	0.00							
Total Transfers Out	9700	0.00							
Total Other Financing Sources (Uses)		0.00							
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2011	2800	0.00							
Adjustments to Fund Balance	2891	0.00							
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710								
Restricted Fund Balance	2720	0.00							
Committed Fund Balance	2730								
Assigned Fund Balance	2740								
Unassigned Fund Balance	2750								
Total Fund Balance, June 30, 2012	2700	0.00							

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER ARRA STIMULUS GRANTS (Continued)
 For the Fiscal Year Ended June 30, 2012

Exhibit K-4
 DOE Page 11
 Fund 433

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						0.00		0.00
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues over Expenditures									0.00
OTHER FINANCING SOURCES (USES)		Totals							
Loans	3720	0.00							
Sale of Capital Assets	3730	0.00							
Loss Recoveries	3740	0.00							
<i>Transfers In:</i>									
From General Fund	3610	0.00							
Total Transfers In	3600	0.00							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910	0.00							
Total Transfers Out	9700	0.00							
Total Other Financing Sources (Uses)		0.00							
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2011	2800	0.00							
Adjustments to Fund Balance	2891	0.00							
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710								
Restricted Fund Balance	2720	0.00							
Committed Fund Balance	2730								
Assigned Fund Balance	2740								
Unassigned Fund Balance	2750								
Total Fund Balance, June 30, 2012	2700	0.00							

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - ARRA RACE TO THE TOP (Continued)
 For the Fiscal Year Ended June 30, 2012

Exhibit K-4
 DOE Page 12
 Fund 434

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						0.00		0.00
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues over Expenditures									0.00
OTHER FINANCING SOURCES (USES)									
		Totals							
Loans	3720	0.00							
Sale of Capital Assets	3730	0.00							
Loss Recoveries	3740	0.00							
<i>Transfers In:</i>									
From General Fund	3610	0.00							
Total Transfers In	3600	0.00							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910	0.00							
Total Transfers Out	9700	0.00							
Total Other Financing Sources (Uses)		0.00							
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2011	2800	0.00							
Adjustments to Fund Balance	2891	0.00							
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710	0.00							
Restricted Fund Balance	2720	0.00							
Committed Fund Balance	2730	0.00							
Assigned Fund Balance	2740	0.00							
Unassigned Fund Balance	2750	0.00							
Total Fund Balance, June 30, 2012	2700	0.00							

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND - EDUCATION JOBS ACT (Continued)
 For the Fiscal Year Ended June 30, 2012

Exhibit K-4
 DOE Page 13
 Fund 435

	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other Expenses	
EXPENDITURES									
<i>Current:</i>									
Instruction	5000	427,705.54	106,168.46	29,039.00	0.00	0.00	0.00	0.00	562,913.00
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Instructional-Related Technology	6500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Board	7100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
General Administration	7200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
School Administration	7300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fiscal Services	7500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food Services	7600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Central Services	7700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operation of Plant	7900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance of Plant	8100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Community Services	9100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						0.00		0.00
Other Capital Outlay	9300						0.00		0.00
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710							0.00	0.00
Interest	720							0.00	0.00
Total Expenditures		427,705.54	106,168.46	29,039.00	0.00	0.00	0.00	0.00	562,913.00
Excess (Deficiency) of Revenues over Expenditures									0.00
OTHER FINANCING SOURCES (USES)		Totals							
Loans	3720	0.00							
Sale of Capital Assets	3730	0.00							
Loss Recoveries	3740	0.00							
<i>Transfers In:</i>									
From General Fund	3610	0.00							
Total Transfers In	3600	0.00							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910	0.00							
Total Transfers Out	9700	0.00							
Total Other Financing Sources (Uses)		0.00							
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2011	2800	0.00							
Adjustments to Fund Balance	2891	0.00							
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710	0.00							
Restricted Fund Balance	2720	0.00							
Committed Fund Balance	2730	0.00							
Assigned Fund Balance	2740	0.00							
Unassigned Fund Balance	2750	0.00							
Total Fund Balance, June 30, 2012	2700	0.00							

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - SPECIAL REVENUE FUND -
MISCELLANEOUS

Exhibit K-5
 DOE Page 14
Fund 490

For the Fiscal Year Ended June 30, 2012

	Account Number	
REVENUES		
Federal Through Local	3280	0.00
Interest on Investments	3431	0.00
Gain on Sale of Investments	3432	0.00
Net Increase (Decrease) in Fair Value of Investments	3433	0.00
Gifts, Grants and Bequests	3440	0.00
Other Miscellaneous Local Sources	3495	0.00
Total Revenues	3000	0.00
EXPENDITURES		
<i>Current:</i>		
Instruction	5000	0.00
Pupil Personnel Services	6100	0.00
Instructional Media Services	6200	0.00
Instruction and Curriculum Development Services	6300	0.00
Instructional Staff Training Services	6400	0.00
Instructional-Related Technology	6500	0.00
Board	7100	0.00
General Administration	7200	0.00
School Administration	7300	0.00
Facilities Acquisition and Construction	7410	0.00
Fiscal Services	7500	0.00
Central Services	7700	0.00
Pupil Transportation Services	7800	0.00
Operation of Plant	7900	0.00
Maintenance of Plant	8100	0.00
Administrative Technology Services	8200	0.00
Community Services	9100	0.00
<i>Capital Outlay:</i>		
Facilities Acquisition and Construction	7420	0.00
Other Capital Outlay	9300	0.00
Total Expenditures		0.00
Excess (Deficiency) of Revenues Over Expenditures		0.00
OTHER FINANCING SOURCES (USES)		
Loss Recoveries	3740	0.00
<i>Transfers In:</i>		
From General Fund	3610	0.00
From Debt Service Funds	3620	0.00
From Capital Projects Funds	3630	0.00
Interfund	3650	0.00
From Permanent Funds	3660	0.00
From Internal Service Funds	3670	0.00
From Enterprise Funds	3690	0.00
Total Transfers In	3600	0.00
<i>Transfers Out: (Function 9700)</i>		
To General Fund	910	0.00
To Debt Service Funds	920	0.00
To Capital Projects Funds	930	0.00
Interfund	950	0.00
To Permanent Funds	960	0.00
To Internal Service Funds	970	0.00
To Enterprise Funds	990	0.00
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2011	2800	0.00
Adjustments to Fund Balance	2891	0.00
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	0.00
Restricted Fund Balance	2720	0.00
Committed Fund Balance	2730	0.00
Assigned Fund Balance	2740	0.00
Unassigned Fund Balance	2750	0.00
Total Fund Balance, June 30, 2012	2700	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2012

Exhibit K-6
 DOE Page 15

	Account Number	SBE/COBI Bonds 210	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Totals
REVENUES					
<i>Federal:</i>					
Miscellaneous Federal Direct	3199	0.00	0.00	3,511,813.50	3,511,813.50
Miscellaneous Federal Through State	3299	0.00	0.00	0.00	0.00
<i>State:</i>					
CO & DS Distributed	3321	0.00	0.00	0.00	0.00
CO & DS Withheld for SBE/COBI Bonds	3322	5,633,208.20	0.00	0.00	5,633,208.20
Cost of Issuing SBE/COBI Bonds	3324	0.00	0.00	0.00	0.00
Interest on Undistributed CO&DS	3325	0.00	0.00	0.00	0.00
SBE/COBI Bond Interest	3326	(639.54)	0.00	0.00	(639.54)
Racing Commission Funds	3341	0.00	0.00	0.00	0.00
Other Miscellaneous State Revenue	3399	0.00	0.00	0.00	0.00
Total State Sources	3300	5,632,568.66	0.00	0.00	5,632,568.66
<i>Local:</i>					
District Debt Service Taxes	3412	0.00	0.00	0.00	0.00
Local Sales Tax	3418	0.00	0.00	0.00	0.00
Tax Redemptions	3421	0.00	0.00	0.00	0.00
Payment in Lieu of Taxes	3422	0.00	0.00	0.00	0.00
Excess Fees	3423	0.00	0.00	0.00	0.00
Interest on Investments	3431	0.00	114,829.36	0.00	114,829.36
Gain on Sale of Investments	3432	0.00	3,063.12	0.00	3,063.12
Net Increase (Decrease) in Fair Value of Investments	3433	0.00	28,294.44	0.00	28,294.44
Gifts, Grants, and Bequests	3440	0.00	0.00	0.00	0.00
Miscellaneous Local Revenues	3495	0.00	0.00	0.00	0.00
Impact Fees	3496	0.00	0.00	0.00	0.00
Refunds of Prior Year Expenditures	3497	0.00	0.00	0.00	0.00
Total Local Sources	3400	0.00	146,186.92	0.00	146,186.92
Total Revenues	3000	5,632,568.66	146,186.92	3,511,813.50	9,290,569.08
EXPENDITURES (Function 9200)					
Redemption of Principal	710	4,075,000.00	57,330,000.00	0.00	61,405,000.00
Interest	720	1,646,670.00	79,371,033.22	3,653,910.00	84,671,613.22
Dues and Fees	730	20,271.71	2,032,459.57	6,385.00	2,059,116.28
Miscellaneous Expense	790	0.00	0.00	0.00	0.00
Total Expenditures		5,741,941.71	138,733,492.79	3,660,295.00	148,135,729.50
Excess (Deficiency) of Revenues Over Expenditures		(109,373.05)	(138,587,305.87)	(148,481.50)	(138,845,160.42)
OTHER FINANCING SOURCES (USES)					
Issuance of Bonds	3710	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00
Face Value of Refunding Bonds	3715	5,820,000.00	289,485,000.00	0.00	295,305,000.00
Premium on Refunding Bonds	3792	745,052.60	9,793,896.40	0.00	10,538,949.00
Loans	3720	0.00	0.00	0.00	0.00
Proceeds of Certificates of Participation	3750	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	(6,548,062.05)	(305,232,363.99)	0.00	(311,780,426.04)
Discount on Sale of Bonds (Function 9299)	891	0.00	0.00	0.00	0.00
Discount on Refunding Bonds (Function 9299)	892	0.00	0.00	0.00	0.00
Discount on Certificates of Participation (Function 9299)	893	0.00	0.00	0.00	0.00
<i>Transfers In:</i>					
From General Fund	3610	0.00	0.00	0.00	0.00
From Capital Projects Funds	3630	0.00	146,917,518.17	102,700.53	147,020,218.70
Total Transfers In	3600	0.00	146,917,518.17	102,700.53	147,020,218.70
<i>Transfers Out: (Function 9700)</i>					
To General Fund	910	0.00	0.00	0.00	0.00
Total Transfers Out	9700	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)		16,990.55	140,964,050.58	102,700.53	141,083,741.66
Net Change in Fund Balances		(92,382.50)	2,376,744.71	(45,780.97)	2,238,581.24
Fund Balances, July 1, 2011	2800	884,517.30	103,667,866.52	741,382.85	105,293,766.67
Adjustments to Fund Balances	2891	0.00	0.00	0.00	0.00
<i>Ending Fund Balance:</i>					
Nonspendable Fund Balance	2710	0.00	0.00	0.00	0.00
Restricted Fund Balance	2720	792,134.80	106,044,611.23	695,601.88	107,532,347.91
Committed Fund Balance	2730	0.00	0.00	0.00	0.00
Assigned Fund Balance	2740	0.00	0.00	0.00	0.00
Unassigned Fund Balance	2750	0.00	0.00	0.00	0.00
Total Fund Balances, June 30, 2012	2700	792,134.80	106,044,611.23	695,601.88	107,532,347.91

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2012

Exhibit K-7
 DOE Page 16

	Account Number	Capital Outlay Bond Issues (COBI) 310	Capital Outlay and Debt Service Funds 360	Capital Improvement Section 1011.71(2) F.S. 370	Other Capital Projects 390	ARRA Economic Stimulus Capital Projects 399	Totals
REVENUES							
<i>Federal:</i>							
Miscellaneous Federal Direct	3199	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Federal Through State	3299	0.00	0.00	0.00	2,901,199.48	0.00	2,901,199.48
<i>State:</i>							
CO&DS Distributed	3321	0.00	1,047,126.81	0.00	0.00	0.00	1,047,126.81
Interest on Undistributed CO&DS	3325	0.00	74,275.89	0.00	0.00	0.00	74,275.89
SBE/COBI Bond Interest	3326	0.00	0.00	0.00	0.00	0.00	0.00
Racing Commission Funds	3341	0.00	0.00	0.00	0.00	0.00	0.00
Public Education Capital Outlay (PECO)	3391	0.00	0.00	0.00	0.00	0.00	0.00
Classrooms First Program	3392	0.00	0.00	0.00	0.00	0.00	0.00
School Infrastructure Thrift Program	3393	0.00	0.00	0.00	0.00	0.00	0.00
Effort Index Grant	3394	0.00	0.00	0.00	0.00	0.00	0.00
Smart Schools Small County Assistance Program	3395	0.00	0.00	0.00	0.00	0.00	0.00
Class Size Reduction/Capital Outlay	3396	0.00	0.00	0.00	0.00	0.00	0.00
Charter School Capital Outlay Funding	3397	0.00	0.00	0.00	2,745,498.50	0.00	2,745,498.50
Other Miscellaneous State Revenue	3399	0.00	0.00	0.00	0.00	0.00	0.00
Total State Sources	3300	0.00	1,121,402.70	0.00	2,745,498.50	0.00	3,866,901.20
<i>Local:</i>							
District Local Capital Improvement Tax	3413	0.00	0.00	200,550,855.17	0.00	0.00	200,550,855.17
Local Sales Tax	3418	0.00	0.00	0.00	0.00	0.00	0.00
Tax Redemptions	3421	0.00	0.00	0.00	0.00	0.00	0.00
Interest on Investments	3431	0.00	0.00	290,809.22	224,204.81	118,986.14	634,000.17
Gain on Sale of Investments	3432	0.00	0.00	111,676.67	99,289.87	325.57	211,292.11
Net Increase (Decrease) in Fair Value of Investments	3433	0.00	0.00	(132,270.35)	(58,222.30)	(1,640.40)	(192,133.05)
Gifts, Grants, and Bequests	3440	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Local Sources	3495	0.00	0.00	59,771.98	4,972,143.70	6,250.00	5,038,165.68
Impact Fees	3496	0.00	0.00	0.00	0.00	0.00	0.00
Total Local Sources	3400	0.00	0.00	200,880,842.69	5,237,416.08	123,921.31	206,242,180.08
Total Revenues	3000	0.00	1,121,402.70	200,880,842.69	10,884,114.06	123,921.31	213,010,280.76
EXPENDITURES (Function 7400)							
Library Books	610	0.00	0.00	20,213.46	0.00	0.00	20,213.46
Audio-Visual Materials (Non-consumable)	620	0.00	0.00	1,327.68	0.00	0.00	1,327.68
Buildings and Fixed Equipment	630	0.00	0.00	4,013,459.57	18,786,870.22	9,199,907.69	32,000,237.48
Furniture, Fixtures and Equipment	640	0.00	0.00	14,616,195.40	2,038,778.46	0.00	16,654,973.86
Motor Vehicles (Including Buses)	650	0.00	0.00	3,799,051.40	23,036.00	0.00	3,822,087.40
Land	660	0.00	0.00	0.00	1,350,603.01	0.00	1,350,603.01
Improvements Other than Buildings	670	0.00	0.00	1,042,601.34	248,679.61	0.00	1,291,280.95
Remodeling and Renovations	680	1,496,765.60	119,653.20	5,263,921.07	48,219.59	0.00	6,928,559.46
Computer Software	690	0.00	0.00	2,737,662.04	5,153.70	0.00	2,742,815.74
Debt Service (Function 9200)							
Redemption of Principal	710	0.00	0.00	0.00	0.00	0.00	0.00
Interest	720	0.00	0.00	0.00	0.00	0.00	0.00
Dues and Fees	730	0.00	2,354.68	0.00	0.00	0.00	2,354.68
Miscellaneous Expense	790	0.00	0.00	0.00	0.00	0.00	0.00
Total Expenditures		1,496,765.60	122,007.88	31,494,431.96	22,501,340.59	9,199,907.69	64,814,453.72
Excess (Deficiency) of Revenues Over Expenditures		(1,496,765.60)	999,394.82	169,386,410.73	(11,617,226.53)	(9,075,986.38)	148,195,827.04

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS (Continued)
 For the Fiscal Year Ended June 30, 2012

Exhibit K-7
 DOE Page 17

	Account Number	Capital Outlay Bond Issues (COBI) 310	Capital Outlay and Debt Service Funds 360	Capital Improvement Section 1011.71(2) F.S. 370	Other Capital Projects 390	ARRA Economic Stimulus Capital Projects 399	Totals
OTHER FINANCING SOURCES (USES)							
Issuance of Bonds	3710	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00	0.00	0.00
Face Value of Refunding Bonds	3715	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00	0.00	0.00
Loans	3720	0.00	0.00	0.00	0.00	0.00	0.00
Sale of Capital Assets	3730	0.00	0.00	0.00	1,910.00	0.00	1,910.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds of Certificates of Participation	3750	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Certificates of Participation	3793	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00	0.00	0.00
Proceeds from Special Facilities Construction Advance	3770	0.00	0.00	0.00	0.00	0.00	0.00
Payments to Refunded Bond Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00	0.00	0.00
Discount on Sale of Bonds (Function 9299)	891	0.00	0.00	0.00	0.00	0.00	0.00
Discount on Refunding Bonds (Function 9299)	892	0.00	0.00	0.00	0.00	0.00	0.00
Discount on Certificates of Participation (Function 9299)	893	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transfers In:</i>							
From General Fund	3610	0.00	0.00	0.00	25,939.10	0.00	25,939.10
From Debt Service Funds	3620	0.00	0.00	0.00	0.00	0.00	0.00
From Special Revenue Funds	3640	0.00	0.00	0.00	0.00	0.00	0.00
Interfund	3650	0.00	0.00	0.00	0.00	0.00	0.00
From Permanent Funds	3660	0.00	0.00	0.00	0.00	0.00	0.00
From Internal Service Funds	3670	0.00	0.00	0.00	0.00	0.00	0.00
From Enterprise Funds	3690	0.00	0.00	0.00	0.00	0.00	0.00
Total Transfers In	3600	0.00	0.00	0.00	25,939.10	0.00	25,939.10
<i>Transfers Out: (Function 9700)</i>							
To General Fund	910	0.00	(1,119,048.02)	(75,207,851.33)	(2,745,498.50)	0.00	(79,072,397.85)
To Debt Service Funds	920	0.00	0.00	(147,020,218.70)	0.00	0.00	(147,020,218.70)
To Special Revenue Funds	940	0.00	0.00	0.00	0.00	0.00	0.00
Interfund	950	0.00	0.00	0.00	0.00	0.00	0.00
To Permanent Funds	960	0.00	0.00	0.00	0.00	0.00	0.00
To Internal Service Funds	970	0.00	0.00	0.00	0.00	0.00	0.00
To Enterprise Funds	990	0.00	0.00	0.00	0.00	0.00	0.00
Total Transfers Out	9700	0.00	(1,119,048.02)	(222,228,070.03)	(2,745,498.50)	0.00	(226,092,616.55)
Total Other Financing Sources (Uses)		0.00	(1,119,048.02)	(222,228,070.03)	(2,717,649.40)	0.00	(226,064,767.45)
Net Change in Fund Balances		(1,496,765.60)	(119,653.20)	(52,841,659.30)	(14,334,875.93)	(9,075,986.38)	(77,868,940.41)
Fund Balances, July 1, 2011	2800	5,593,010.11	2,377,713.19	129,294,335.53	181,170,470.00	65,211,269.51	383,646,798.34
Adjustments to Fund Balances	2891	0.00	0.00	0.00	0.00	0.00	0.00
<i>Ending Fund Balance:</i>							
Nonspendable Fund Balance	2710	0.00	0.00	0.00	0.00	0.00	0.00
Restricted Fund Balance	2720	4,096,244.51	2,258,059.99	76,452,676.23	118,079,717.14	56,135,283.13	257,021,981.00
Committed Fund Balance	2730	0.00	0.00	0.00	0.00	0.00	0.00
Assigned Fund Balance	2740	0.00	0.00	0.00	48,755,876.93	0.00	48,755,876.93
Unassigned Fund Balance	2750	0.00	0.00	0.00	0.00	0.00	0.00
Total Fund Balances, June 30, 2012	2700	4,096,244.51	2,258,059.99	76,452,676.23	166,835,594.07	56,135,283.13	305,777,857.93

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - PERMANENT FUND
For the Fiscal Year Ended June 30, 2012

Exhibit K-8
DOE Page 18
Fund 000

	Account Number	
REVENUES		
Federal Direct	3100	0.00
Federal Through State and Local	3200	0.00
State Sources	3300	0.00
Local Sources	3400	0.00
Total Revenues		0.00
EXPENDITURES		
<i>Current:</i>		
Instruction	5000	0.00
Pupil Personnel Services	6100	0.00
Instructional Media Services	6200	0.00
Instruction and Curriculum Development Services	6300	0.00
Instructional Staff Training Services	6400	0.00
Instructional-Related Technology	6500	0.00
Board	7100	0.00
General Administration	7200	0.00
School Administration	7300	0.00
Facilities Acquisition and Construction	7410	0.00
Fiscal Services	7500	0.00
Central Services	7700	0.00
Pupil Transportation Services	7800	0.00
Operation of Plant	7900	0.00
Maintenance of Plant	8100	0.00
Administrative Technology Services	8200	0.00
Community Services	9100	0.00
<i>Capital Outlay:</i>		
Facilities Acquisition and Construction	7420	0.00
Other Capital Outlay	9300	0.00
<i>Debt Service: (Function 9200)</i>		
Retirement of Principal	710	0.00
Interest	720	0.00
Total Expenditures		0.00
Excess (Deficiency) of Revenues Over Expenditures		0.00
OTHER FINANCING SOURCES (USES)		
Sale of Capital Assets	3730	0.00
Loss Recoveries	3740	0.00
<i>Transfers In:</i>		
From General Fund	3610	0.00
Total Transfers In	3600	0.00
<i>Transfers Out: (Function 9700)</i>		
To General Fund	910	0.00
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2011	2800	0.00
Adjustments to Fund Balance	2891	0.00
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	0.00
Restricted Fund Balance	2720	0.00
Committed Fund Balance	2730	0.00
Assigned Fund Balance	2740	0.00
Unassigned Fund Balance	2750	0.00
Total Fund Balance, June 30, 2012	2700	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - ENTERPRISE FUNDS

For the Fiscal Year Ended June 30, 2012

	Account Number	Self-Insurance Consortium 911	Self-Insurance Consortium 912	Self-Insurance Consortium 913	Self-Insurance Consortium 914	ARRA Consortium 915	Other 921	Other 922	Totals
OPERATING REVENUES									
Charges for Services	3481	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Charges for Sales	3482	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Premium Revenue	3484	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Operating Revenues	3489	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Revenues		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OPERATING EXPENSES (Function 9900)									
Salaries	100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Benefits	200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchased Services	300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Energy Services	400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Materials and Supplies	500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Outlay	600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Expenses	700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation Expense	780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Operating Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating Income (Loss)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NONOPERATING REVENUES (EXPENSES)									
Interest on Investments	3431	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Sale of Investments	3432	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Increase (Decrease) in Fair Value of Investments	3433	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Local Sources	3495	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Disposition of Assets	3780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Expense (Function 9900)	720	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Miscellaneous Expense (Function 9900)	790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loss on Disposition of Assets (Function 9900)	810	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Nonoperating Revenues (Expenses)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income (Loss) Before Operating Transfers		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transfers In:</i>									
From General Fund	3610	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Debt Service Funds	3620	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Capital Projects Funds	3630	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Special Revenue Funds	3640	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interfund	3650	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Permanent Funds	3660	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Internal Service Funds	3670	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Transfers In	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transfers Out: (Function 9700)</i>									
To General Fund	910	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To Debt Service Funds	920	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To Capital Projects Funds	930	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To Special Revenue Funds	940	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interfund	950	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To Permanent Funds	960	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
To Internal Service Funds	970	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in Net Assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets, July 1, 2011	2880	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments to Net Assets	2896	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Assets, June 30, 2012	2780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - INTERNAL SE

For the Fiscal Year Ended June 30, 2012

Exhibit K-10

DOE Page 20

	Account Number	Self-Insurance 711	Other Internal Service 791	Totals
OPERATING REVENUES				
Charges for Services	3481	0.00	0.00	0.00
Charges for Sales	3482	0.00	0.00	0.00
Premium Revenue	3484	193,128,603.90	0.00	193,128,603.90
Other Operating Revenue	3489	5,963,371.89	0.00	5,963,371.89
Total Operating Revenues		199,091,975.79	0.00	199,091,975.79
OPERATING EXPENSES (Function 9900)				
Salaries	100	595,236.09	0.00	595,236.09
Employee Benefits	200	162,056.49	0.00	162,056.49
Purchased Services	300	367,902.25	0.00	367,902.25
Energy Services	400	0.00	0.00	0.00
Materials and Supplies	500	7,487.38	0.00	7,487.38
Capital Outlay	600	0.00	0.00	0.00
Other Expenses	700	171,741,506.88	0.00	171,741,506.88
Depreciation Expense	780	0.00	0.00	0.00
Total Operating Expenses		172,874,189.09	0.00	172,874,189.09
Operating Income (Loss)		26,217,786.70	0.00	26,217,786.70
NONOPERATING REVENUES (EXPENSES)				
Interest on Investments	3431	16,775.52	0.00	16,775.52
Gain on Sale of Investments	3432	6,488.90	0.00	6,488.90
Net Increase (Decrease) in Fair Value of Investments	3433	0.00	0.00	0.00
Gifts, Grants and Bequests	3440	0.00	0.00	0.00
Miscellaneous Local Sources	3495	0.00	6,643,970.47	6,643,970.47
Loss Recoveries	3740	0.00	0.00	0.00
Gain on Disposition of Assets	3780	0.00	0.00	0.00
Interest Expense (Function 9900)	720	0.00	0.00	0.00
Miscellaneous Expense (Function 9900)	790	0.00	0.00	0.00
Loss on Disposition of Assets (Function 9900)	810	0.00	0.00	0.00
Total Nonoperating Revenues (Expenses)		23,264.42	6,643,970.47	6,667,234.89
Income (Loss) Before Operating Transfers		26,241,051.12	6,643,970.47	32,885,021.59
<i>Transfers In:</i>				
From General Fund	3610	0.00	0.00	0.00
From Debt Service Funds	3620	0.00	0.00	0.00
From Capital Projects Funds	3630	0.00	0.00	0.00
From Special Revenue Funds	3640	0.00	0.00	0.00
Interfund	3650	0.00	0.00	0.00
From Permanent Funds	3660	0.00	0.00	0.00
From Enterprise Funds	3690	0.00	0.00	0.00
Total Transfers In	3600	0.00	0.00	0.00
<i>Transfers Out: (Function 9700)</i>				
To General Fund	910	0.00	(6,712,949.42)	(6,712,949.42)
To Debt Service Funds	920	0.00	0.00	0.00
To Capital Projects Funds	930	0.00	0.00	0.00
To Special Revenue Funds	940	0.00	0.00	0.00
Interfund	950	0.00	0.00	0.00
To Permanent Funds	960	0.00	0.00	0.00
To Enterprise Funds	990	0.00	0.00	0.00
Total Transfers Out	9700	0.00	(6,712,949.42)	(6,712,949.42)
Change in Net Assets		26,241,051.12	(68,978.95)	26,172,072.17
Net Assets, July 1, 2011	2880	9,216,556.31	68,978.95	9,285,535.26
Adjustments to Net Assets	2896	0.00	0.00	0.00
Net Assets, June 30, 2012	2780	35,457,607.43	0.00	35,457,607.43

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHOOL INTERNAL FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

Exhibit K-11
 DOE Page 21
Fund 891

June 30, 2012

	Account Number	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
ASSETS					
Cash	1110	15,573,230.09	76,746,186.70	75,988,088.93	16,331,327.86
Investments	1160				0.00
Accounts Receivable, Net	1130	1,177,831.08	1,264,921.66	1,177,831.08	1,264,921.66
Interest Receivable on Investments	1170				0.00
<i>Due From Other Funds:</i>					
Budgetary Funds	1141				0.00
Inventory	1150				0.00
Due from Other Agencies	1220				0.00
Total Assets		16,751,061.17	78,011,108.36	77,165,920.01	17,596,249.52
LIABILITIES					
Accrued Salaries and Benefits	2110				0.00
Payroll Deductions and Withholdings	2170				0.00
Accounts Payable	2120	356,381.79	276,842.40	356,381.79	276,842.40
Due to Budgetary Funds	2161				0.00
Internal Accounts Payable	2290	16,394,679.38	77,734,265.96	76,809,538.22	17,319,407.12
Total Liabilities		16,751,061.17	78,011,108.36	77,165,920.01	17,596,249.52

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF LONG-TERM LIABILITIES

June 30, 2012

Exhibit K-12

DOE Page 22

Fund 601

	Account Number	Governmental Activities Total Balance June 30, 2012 [1]	Business-type Activities Total Balance June 30, 2012 [1]	Total
Notes Payable	2310	0.00	0.00	0.00
Obligations Under Capital Leases	2315	0.00	0.00	0.00
Bonds Payable	2320	32,532,024.82	0.00	32,532,024.82
Liability for Compensated Absences	2330	178,052,701.22	0.00	178,052,701.22
Certificates of Participation Payable	2340	1,832,145,163.46	0.00	1,832,145,163.46
Estimated Liability for Long-Term Claims	2350	52,678,000.00	0.00	52,678,000.00
Other Post-Employment Benefits Liability	2360	78,701,000.00	0.00	78,701,000.00
Estimated PECO Advance Payable	2370	0.00		0.00
Other Long-Term Liabilities	2380	153,046,746.00	0.00	153,046,746.00
Total Long-Term Liabilities		2,327,155,635.50	0.00	2,327,155,635.50

[1] Include total current and noncurrent liability balances at June 30, 2012.

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF CATEGORICAL PROGRAMS
REPORT OF EXPENDITURES AND AVAILABLE FUNDS

For the Fiscal Year Ended June 30, 2012

Exhibit K-13

DOE Page 23

CATEGORICAL PROGRAMS (Revenue Number) [Footnote]	Grant Number	Unexpended June 30, 2011	Returned To DOE	Revenues [3] 2011-12	Expenditures 2011-12	Flexibility [4] 2011-12	Unexpended June 30, 2012
Class Size Reduction - Operating Funds (3355)	94740			202,703,933.00	202,703,933.00		
Class Size Reduction - Capital Outlay (3396)	91050						
Comprehensive K-12 Reading Plan (FEFP Earmark)	90800	1,520,028.00		6,349,064.00	6,555,867.97		1,313,224.03
Excellent Teaching (3363)	90570						
Florida Teachers Lead Program (FEFP Earmark)	97580	18,884.00		2,113,767.00	2,112,017.00		20,634.00
Instructional Materials (FEFP Earmark) [1]	90880	394,804.00		12,842,644.00	13,237,448.00		
Library Media (FEFP Earmark) [1]	90881	9,008.00		766,950.00	753,209.42		22,748.58
Preschool Projects (3372)	97950						
Public School Technology	90320						
Safe Schools (FEFP Earmark) [2]	90803			4,141,522.00	4,141,522.00		
Salary Bonus Outstanding Teachers in D and F Schools	94030						
School Recognition Funds (3361)	92040	671,942.00		7,320,126.00	7,390,771.79		601,296.21
Supplemental Academic Instruction (FEFP Earmark)	91280			32,634,321.00	32,634,321.00		0.00
Teacher Recruitment and Retention	93460						
Teacher Training	91290						
Pupil Transportation (FEFP Earmark)	90830			24,103,728.00	24,103,728.00		
Voluntary Prekindergarten - School Year Program (3371)	96440	492,214.95		2,348,029.68	2,274,871.30		565,373.33
Voluntary Prekindergarten - Summer Program (3371)	96441	535,462.55		142,318.56	137,884.29		539,896.82

[1] Report the Library Media portion of the Instructional Materials allocation under the line "Library Media."

[2] Combine all programs funded from the Safe Schools allocation under one line "Safe Schools."

[3] Include both state and local revenue sources. Revenue should agree to the FEFP 4th Calculation allocation.

[4] Report the amount of funds transferred from each program to maintain board-specified academic classroom instruction.

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES
 For the Fiscal Year Ended June 30, 2012

Exhibit K-14
 DOE Page 24

	Sub-Object	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Program: 420	Special Revenue Federal Economic Stimulus Program: 430	Total
ENERGY EXPENDITURES:						
Natural Gas	411	306,212.51	0.00	0.00	0.00	306,212.51
Bottled Gas	421	306,281.08	404.34	0.00	0.00	306,685.42
Electricity	430	31,736,647.44	1,954,816.28	0.00	0.00	33,691,463.72
Heating Oil	440	5,545.81	0.00	0.00	0.00	5,545.81
Total		32,354,686.84	1,955,220.62	0.00	0.00	34,309,907.46
ENERGY EXPENDITURES FOR PUPIL						
TRANSPORTATION:						
Compressed Natural Gas	412	0.00		0.00	0.00	0.00
Liquefied Petroleum Gas	422	0.00		0.00	0.00	0.00
Gasoline	450	111,178.01		1,988.37	0.00	113,166.38
Diesel Fuel	460	8,480,674.54		264.42	0.00	8,480,938.96
Oil & Grease	540	102,531.58		128.55	0.00	102,660.13
Total		8,694,384.13		2,381.34	0.00	8,696,765.47

	Sub-Object	General Fund 100	Special Revenue Other Federal Program: 420	Special Revenue Federal Economic Stimulus Program: 430	Capital Projects Fund: 3XX	Total
EXPENDITURES FOR SCHOOL BUSES AND SCHOOL BUS REPLACEMENTS:						
Buses	651	0.00	0.00	0.00	3,628,232.00	3,628,232.00
EXPENDITURES FOR CAPITALIZED AUDIO-VISUAL MATERIALS:						
Audio-Visual Materials	621	0.00	0.00	0.00		0.00

	Sub-Object	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Program: 420	Special Revenue Federal Economic Stimulus Program: 430	Total
SUBAWARDS FOR INDIRECT COST RATE:						
Subrecipient awards up to \$25,000	311	0.00	0.00	0.00	0.00	0.00
Subrecipient awards greater than \$25,000	312	0.00	0.00	0.00	0.00	0.00
Subrecipient awards up to \$25,000	391	0.00	0.00	0.00	0.00	0.00
Subrecipient awards greater than \$25,000	392	0.00	0.00	0.00	0.00	0.00

	Sub-Object	Special Revenue Food Services 410
FOOD SERVICE SUPPLIES SUBOBJECT		
Supplies	510	2,131,585.39
Purchased food to include commodities	570	19,910,739.79

**DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES**

For the Fiscal Year Ended June 30, 2012

Exhibit K-14
DOE Page 25

	Sub-Object	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
Teacher Salaries					
Basic Programs 101, 102, and 103 (Function 5100)	120	384,457,507.96	7,057,569.81	2,974,378.10	394,489,455.87
Basic Programs 101, 102, and 103 (Function 5100)	140	338,272.65	0.00	0.00	338,272.65
Basic Programs 101, 102, and 103 (Function 5100)	750	12,512,415.74	402,488.75	1,120.00	12,916,024.49
Total Basic Program Salaries		397,308,196.35	7,460,058.56	2,975,498.10	407,743,753.01
Other Programs 130 (ESOL) (Function 5100)	120	19,594,354.77	23,008.67	0.00	19,617,363.44
Other Programs 130 (ESOL) (Function 5100)	140	0.00	0.00	0.00	0.00
Other Programs 130 (ESOL) (Function 5100)	750	62,778.80	0.00	0.00	62,778.80
Total Other Program Salaries		19,657,133.57	23,008.67	0.00	19,680,142.24
ESE Programs 111, 112, 113, 254, and 255 (Function 5200)	120	90,255,644.10	163,248.60	0.00	90,418,892.70
ESE Programs 111, 112, 113, 254, and 255 (Function 5200)	140	0.00	0.00	0.00	0.00
ESE Programs 111, 112, 113, 254, and 255 (Function 5200)	750	890.50	318,093.13	0.00	318,983.63
Total ESE Program Salaries		90,256,534.60	481,341.73	0.00	90,737,876.33
Career Program 300 (Function 5300)	120	12,010,942.67	0.00	0.00	12,010,942.67
Career Program 300 (Function 5300)	140	0.00	0.00	0.00	0.00
Career Program 300 (Function 5300)	750	0.00	0.00	0.00	0.00
Total Career Program Salaries		12,010,942.67	0.00	0.00	12,010,942.67
TOTAL		519,232,807.19	7,964,408.96	2,975,498.10	530,172,714.25

	Sub-Object	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
Textbooks (used for classroom instruction)					
Textbooks (Function 5000)	520	11,718,084.95	90,941.80	0.00	11,809,026.75

DISTRICT SCHOOL BOARD OF PALM BEACH COUNTY
 SPECIFIC ACADEMIC CLASSROOM INSTRUCTION AND OTHER DATA COLLECTION
 For the Fiscal Year Ended June 30, 2012

CATEGORICAL FLEXIBLE SPENDING - GENERAL FUND:	Account Number	Safe Schools	Pupil Transportation	Supplemental Academic Instruction	Comprehensive K-12 Reading	Instructional Materials	Instructional Materials Library Media	Totals
EXPENDITURES								
<i>Instruction:</i>								
Basic Instruction	5100	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Exceptional Instruction	5200	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Career Instruction	5300	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adult Instruction	5400	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prekindergarten	5500	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Instruction	5900	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Flexible Spending Instructional Expenditure	5000	0.00	0.00	0.00	0.00	0.00	0.00	0.00

LIFELONG LEARNING: (Lifelong Learning Expenditures are used in federal reporting)	Account Number	Amount
<i>Expenditures:</i>		
General Fund	5900	0.00
Other Federal Programs Special Revenue Fund	5900	0.00
Federal Economic Stimulus Special Revenue Funds	5900	0.00
Total:	5900	0.00

MEDICAID EXPENDITURE REPORT (Medicaid Expenditures are used in federal reporting)	Unexpended July 1, 2011	Earnings 2011-2012	Expenditures 2011-2012	Unexpended June 30, 2012
Earnings, Expenditures, and Carryforward Amounts:	0.00	5,714,118.99	5,714,118.99	0.00
<i>Expenditure Program or Activity:</i>				
Exceptional Student Education				
School Nurses and Health Care Services				
Occupational Therapy, Physical Therapy, and Other Therapy Services			5,653,953.15	
ESE Professional and Technical Services				
Gifted Student Education				
Staff Training and Curriculum Development				
Medicaid Administration and Billing Services			60,165.84	
Student Services				
Consultants				
Other				
Total Expenditures			5,714,118.99	

PLEASE REFER TO CAPOR REPORT FOR PAGES 27 & 28

PAGE 27: Exhibit K-15	Schedule 3, School Program Cost Report General Fund/Special Revenue Funds
PAGE 28: Exhibit K-16	Schedule 4, District Aggregate Program Cost Report, General Fund/Special Revenue Funds

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2012

Grantor/Program	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor Number	Federal Expenditures (1)	Amount Provided to Sub- Recipients
United States Department of Agriculture				
Child Nutrition Cluster:				
Pass-through from the Florida Department of Agriculture and Consumer Services:				
National School Lunch Program (NSLP) (commodities)	10.555 (2)	None	3,273,994	-
Summer Food Service Program (commodities)	10.559 (2)	None	48,678	-
School Breakfast Program	10.553	321	5,956,521	-
National School Lunch Program (NSLP)	10.555	300	19,814,307	-
Summer Food Service Program	10.559	323,325	486,183	-
Pass-through from the Florida Department of Education:				
School Breakfast Program	10.553	321	4,767,992	-
National School Lunch Program (NSLP)	10.555	300	16,059,199	-
Summer Food Service Program	10.559	323,325	688,968	-
Total Child Nutrition Cluster			51,095,842	-
Fresh Fruit and Vegetable Program	10.582	None	183,152	-
Total United States Department of Agriculture			51,278,994	-
United States Department of Transportation				
Pass-through from Florida Department of Transportation:				
State and Community Highway Safety	20.600	None	74,295	-
Total United States Department of Transportation			74,295	-
United States Department of Justice				
Part E - Developing, Testing & Demonstrating Promising New Programs				
Bulletproof Vest Partnership Program	16.541	None	182,046	-
	16.607	None	232	-
Total United States Department of Justice			182,278	-
United States Department of Energy				
State Energy Program				
	81.041	None	320,000	-
Total United States Department of Energy			320,000	-
United States Department of Education				
Impact Aid	84.041	None	5,370	-
Magnet School Assistance Grant	84.165	None	565,715	-
Safe & Drug Free Schools & Communities-National Programs	84.184	None	165,892	-
Fund for Improvement of Education	84.215	None	2,313,596	1,226
Advanced Placement Program	84.330	None	993,694	-
Transition to Teaching	84.350	None	130,582	-
Arts in Education	84.351	None	259,273	-
High School Graduation Initiative	84.360	None	1,778,734	-
Pass-through from Children Services Council:				
Fund for Improvement of Education	84.215	None	214,189	-
Pass-through from Florida Atlantic University:				
Education Research, Development and Dissemination	84.305	None	25,801	-
Pass-through from University of Central Florida:				
Mathematics and Science Partnerships	84.366	None	51,647	736
			6,504,493	1,962
Title I, Part A Cluster:				
Florida Department of Education:				
Title I Grants to Local Educational Agencies	84.010	212,222,223,226,228	48,140,486	918,926
Title I Grants to Local Educational Agencies, Recovery Act	84.389	212,223	4,506,165	27,336
Total Title I, Part A Cluster			52,646,651	946,262
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027	262,263	36,798,896	2,240,201
Special Education - Preschool Grants	84.173	266,267	1,178,304	42,163
Special Education Preschool Grants, Recovery Act	84.392	267	230,669	-
Putnam County District School Board:				
Special Education - Grants to States	84.027	None	11,398	-
Total Special Education Cluster			38,219,267	2,282,364
School Improvement Grants Cluster:				
Florida Department of Education:				
School Improvements Grants	84.377	126	3,320,574	-
School Improvement Grants, Recovery Act	84.388	260	3,302,454	-
Total School Improvement Grants Cluster			6,623,028	-
Education for Homeless Children and Youth Cluster:				
Florida Department of Education:				
Education for Homeless Children & Youth	84.196	127	136,059	-
Educational for Homeless Children & Youth, Recovery Act	84.387	127	3,052	-
Total Education for Homeless Children and Youth Cluster			139,111	-

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2012

Grantor/Program	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor Number	Federal Expenditures (1)	Amount Provided to Sub- Recipients
Pass-through from the Florida Department of Education:				
Adult Education-State Grant Program	84.002	191,193	2,533,414	-
Migrant Education-State Grant Program	84.011	217	1,841,513	-
Career & Technical Education-Basic Grant to States	84.048	161	1,667,215	61,690
Charter Schools	84.282	298	450,000	450,000
Twenty-First Century Community Learning Centers	84.287	244	576,699	-
Education Technology State Grants	84.318	122	170,201	726
Voluntary Public School Choice	84.361	299	251,966	152,857
English Language Acquisition Grants	84.365	102	2,303,973	-
Improving Teacher Quality State Grants	84.367	224	5,818,919	205,297
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	RG3	21,371	-
Education Jobs Funds, Recovery Act	84.410	541	562,913	29,039
Total United States Department of Education			120,330,734	4,130,197
United States Department of Health & Human Services				
Cooperative Agreements to Support Comprehensive School Health Programs to				
Prevent the Spread of HIV and Other Important Health Problems	93.938	None	257,264	-
Pass-through from the Florida Department of Children & Families:				
Refugee and Entrant Assistance-State Administered Programs	93.566	XK021	375,359	-
Refugee & Entrant Assistance-Discretionary Grant	93.576	XK021	91,912	-
Pass-through Department of Community Services				
Division of Head Start & Children Services				
Head Start	93.600	04CH3046/003/2009	732,544	-
Total United States Department of Health & Human Services			1,457,079	-
United States Department of Homeland Security				
Pass-through from the Florida Department of Education:				
State Domestic Preparedness Equipment Support Program	97.004	532	199,968	-
Homeland Security Grant Program	97.067	532	56,607	-
Total United States Department of Homeland Security			256,575	-
United States Department of Defense:				
Reserve Officers Training Corps (ROTC) (GSF)	12.unknown	None	814,344	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			174,714,299	4,130,197

Notes:

(1) Basis of Presentation. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the 2011-2012 fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records, from which the basic financial statements have been reported.

(2) Noncash Assistance - Food Donation. Represents the amount of donated food received during the 2011-2012 fiscal year. Commodities are valued at fair value as determined at the time of donation.