

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Note Counsel, the interest on the Notes is, under existing statutes, regulations, rulings and court decisions, (i) excludable from gross income of the holders of such Notes for federal income tax purposes except as described under the caption "TAX EXEMPTION" herein, and (ii) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest, however, will be includable in the calculation of a corporation's alternative minimum taxable income and may be subject to other federal income tax consequences. See "TAX EXEMPTION" herein for a discussion of Note Counsel's opinion.

\$50,000,000

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
TAX ANTICIPATION NOTES, SERIES 2012**

Dated: Date of Delivery

Due: May 1, 2013

The Tax Anticipation Notes, Series 2012 (the "Notes") of the School District of Manatee County, Florida (the "District") will be issued under the authority of Section 1011.13, Florida Statutes, as amended, pursuant to and subject to the terms and conditions of a resolution adopted by the School Board of Manatee County, Florida on June 25, 2012 (the "Resolution"), authorizing the issuance of the Notes. The Notes will be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof and, when issued, will be initially registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"). The Notes will be deposited with DTC, which will be responsible for maintaining a book-entry-only system for recording the interests of its participants, which, in turn, will be responsible for maintaining records with respect to beneficial ownership interests of individual purchasers of the Notes. Purchasers of the Notes (the "Beneficial Owners") will not receive physical delivery of note certificates. As long as Cede & Co. is the registered owner of the Notes, principal and interest payments will be made by the Director of Finance of the District, as Registrar and Paying Agent, directly to Cede & Co., as the registered owner. DTC will, in turn, remit such payments to its participants for subsequent disbursement to the Beneficial Owners. Interest on the Notes will be paid on maturity.

The Notes are not subject to redemption prior to maturity.

PAYMENT FOR THE PRINCIPAL AND INTEREST ON THE NOTES WILL BE MADE IN IMMEDIATELY AVAILABLE FUNDS ("FEDERAL FUNDS").

Interest Rate: 2.00%

Yield: 0.21%

Initial CUSIP No.: 561854CA6

The principal of and interest on the Notes shall be payable from and secured by a lien upon (a) receipts of ad valorem taxes collected for operating purposes (excluding ad valorem taxes collected to pay the principal of and interest on bonds of the District issued pursuant to Sections 1010.40-1010.55, Florida Statutes, or to pay the principal of and interest on any obligations issued by the District pursuant to Section 1011.14, Florida Statutes, or otherwise levied pursuant to Section 1011.71(2), Florida Statutes); and (b) amounts on deposit in the Note Payment Fund for the Notes, and, if necessary shall be additionally payable from, but not secured by, legally available funds of the District derived from sources other than ad valorem taxation.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Potential investors must read the entire Official Statement, including the appendices, to obtain information essential to the making of an informed investment decision.

The Notes are offered in full book-entry form, when, as, and if issued and received by the purchaser of the Notes and subject to the approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Note Counsel. Bryant Miller Olive P.A., Tampa, Florida is acting as Disclosure Counsel to the District. Certain legal matters will be passed upon for the District by John W. Bowen, Esq., Bradenton, Florida, School Board Attorney. Public Financial Management, Inc., Orlando, Florida is serving as Financial Advisor to the District. It is expected that settlement for the Notes will occur through the facilities of DTC in New York, New York on or about August 7, 2012.

Dated: July 24, 2012.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BRADENTON, FLORIDA**

SCHOOL BOARD MEMBERS

Harry G. Kinnan, Chairman
Karen Carpenter, Vice Chairman
Barbara A. Harvey
Julie Aranibar
Robert C. Gause

DISTRICT OFFICIALS

Timothy McGonegal
Superintendent of Schools

Michael Boyer
Chief Financial Officer

Angela Fraser
Director of Finance

COUNSEL TO THE SCHOOL BOARD

John W. Bowen, Esq.*
Bradenton, Florida

NOTE COUNSEL

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

DISCLOSURE COUNSEL

Bryant Miller Olive P.A.
Tampa, Florida

FINANCIAL ADVISOR

Public Financial Management, Inc.
Orlando, Florida

* On June 18, 2012, Mr. Bowen announced to the School Board his intention to retire on June 30, 2013. The School Board determined it will hold a workshop in the fall of 2012 to determine Mr. Bowen's replacement.

This Official Statement does not constitute an offer to sell the Notes in any state or other jurisdiction to any person to whom it is unlawful to make such offer in such state or jurisdiction. No dealer, salesman or any other person has been authorized to give any information or to make any representation other than those contained herein in connection with the offering of the Notes, and if given or made, such information or representation must not be relied upon.

The information set forth herein has been furnished by the District, and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the District or anyone acting on its behalf. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Notes made hereunder shall, under any circumstances, except as stated herein, create any implication that there has been no change in the affairs of the District since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities law as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), IN RELIANCE UPON EXEMPTIONS CONTAINED IN THE SECURITIES ACT, WILL NOT BE LISTED ON ANY STOCK OR SECURITIES EXCHANGE AND NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, MUNICIPAL OR OTHER GOVERNMENTAL ENTITY, OTHER THAN THE SCHOOL BOARD, HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

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TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION	1
DESCRIPTION OF THE NOTES	2
Purpose of Issue.....	2
No Optional Redemption.....	2
BOOK-ENTRY-ONLY SYSTEM	2
SECURITY FOR THE NOTES	4
General.....	4
Note Payment Fund.....	5
THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA.....	6
The Organization and Powers of the School Board.....	6
Superintendent of Schools	7
Administration	7
Academics	8
Statistical Data	9
Indebtedness	10
Direct and Overlapping Debt.....	11
Accounting and Funds	11
Governmental Fund Types	12
Proprietary and Fiduciary Fund Types.....	12
Basis of Accounting.....	13
Budget Process.....	13
Auditing System.....	14
General Fund Operations.....	15
General Fund Balance Requirements	17
Cash and Investments.....	18
Cash Management.....	18
REVENUES OF THE DISTRICT	21
Local Revenue Sources	21
State Revenue Sources	23
Special Revenue Sources	25
AD VALOREM TAXATION	25
Property Assessment	25
Procedure for Property Assessment	25
Assessed Valuation	27
Procedures for Tax Collection and Distribution	28
Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes	30
RECENT LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES.....	33
Class Size Reduction	33
Pre-K Programs	35
PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS.....	37
Other Post Employment Benefits.....	40
Special Termination Benefits	41
LITIGATION	42

NOTEHOLDER'S RISK.....	42
FINANCIAL STATEMENTS.....	42
UNDERWRITING	42
FINANCIAL ADVISOR.....	43
NOTE RATING.....	43
TAX EXEMPTION	43
Opinion of Note Counsel	43
Internal Revenue Code of 1986.....	44
Financial Institutions	44
Collateral Tax Consequences.....	44
Other Tax Matters	45
Tax Treatment of Note Premium	45
LEGAL MATTERS.....	45
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS	46
CONTINUING DISCLOSURE.....	46
MISCELLANEOUS.....	46
CERTIFICATE CONCERNING THIS OFFICIAL STATEMENT.....	47
APPENDIX A	General Information Regarding Manatee County, Florida
APPENDIX B	Comprehensive Annual Financial Report of The School District Of Manatee County, Florida For The Fiscal Year Ended June 30, 2011
APPENDIX C	Year to Date Finance Report Through the Period Ending April 30, 2012 (unaudited)
APPENDIX D	Form of Resolution
APPENDIX E	Form of Legal Opinion
APPENDIX F	Form of Continuing Disclosure Certificate

OFFICIAL STATEMENT

relating to

\$50,000,000

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
Tax Anticipation Notes, Series 2012**

INTRODUCTION

This Official Statement, including the cover page and the appendices, is provided by the School Board of Manatee County, Florida (the "School Board"), the governing body of the School District of Manatee County, Florida (the "District"), a public body corporate and politic established and existing pursuant to Article IX, Section 4 of the Florida Constitution and the laws of the State of Florida (the "State"), including, particularly, Chapter 1001, Florida Statutes, as amended, in connection with the issuance and sale of the District's \$50,000,000 Tax Anticipation Notes, Series 2012 (the "Notes"). The Notes are being issued pursuant to Section 1011.13, Florida Statutes, as amended, and a resolution adopted by the School Board on June 25, 2012 (the "Resolution"), in anticipation of the receipt by the District of certain revenues during the fiscal year commenced July 1, 2012, and ending June 30, 2013 (the "2012/2013 Fiscal Year"). See "SECURITY FOR THE NOTES" herein. The issuance of the Notes is consistent and in accordance with the District's annual financial planning procedures. The proceeds of the Notes may only be used to pay operating expenditures incurred or accrued during the 2012/2013 Fiscal Year.

The District derives its revenues primarily from State educational funds and from ad valorem taxes levied by the District on taxable property located in Manatee County, Florida (the "County") for the support of public schools. The Notes are special obligations of the District and are secured as to principal and interest by a pledge of the receipts from the ad valorem property taxes levied for the purpose of operations during the 2012/2013 Fiscal Year. If necessary, the Notes shall additionally be payable from, but not secured by, all legally available funds of the District derived from sources other than ad valorem taxation. See "SECURITY FOR THE NOTES" herein.

Pursuant to the Resolution, the District covenants to deposit said ad valorem tax receipts in a payment fund (the "Note Payment Fund") to be maintained and monitored by the District, on particular dates and in specified amounts until the amount so deposited equals the principal of and interest on the Notes due at maturity. See "SECURITY FOR THE NOTES" herein.

The District has covenanted and agreed for the benefit of the holders of the Notes to provide notices of certain material events pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "SEC"). See "CONTINUING DISCLOSURE" herein.

This Official Statement contains information concerning the District, the School Board, their finances, the sources of payment of the Notes and certain provisions contained in the Notes and the Resolution. All references herein to the Resolution, other agreements, documents and laws are qualified in their entirety by reference to the Resolution and each such agreement, document or law, and all references to the Notes are further qualified by reference to the definitive form thereof and information with respect thereto contained in the Resolution. The form of the Resolution is attached hereto as Appendix D. All capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution, unless the context clearly indicates a different meaning is intended.

DESCRIPTION OF THE NOTES

The Notes are authorized to be issued pursuant to the provisions of Section 1011.13, Florida Statutes, as amended, and the Resolution. The Notes will be dated the date of issuance of the Notes (August 7, 2012) and will mature May 1, 2013. The Notes will be issued in denominations of \$5,000 or any integral multiples thereof. Interest on the Notes (calculated on a 360-day year basis consisting of twelve 30-day months) will be payable at maturity. Both the principal of, and interest on, the Notes shall be payable upon presentation and surrender at the office of the Director of Finance of the District, as Registrar and Paying Agent.

Purpose of Issue

The Note proceeds will be used to pay operating expenses of the District prior to the receipt of budgeted revenues. Imbalances in the District's cash flow result from the timing of the receipt of ad valorem property taxes.

No Optional Redemption

The Notes are not subject to redemption at the option of the School Board prior to their stated maturity dates.

BOOK-ENTRY-ONLY SYSTEM

THE FOLLOWING INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY ("DTC") AND DTC'S BOOK-ENTRY-ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DISTRICT BELIEVES TO BE RELIABLE, BUT THE DISTRICT TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC, New York, New York, will act as securities depository for the Notes. The Note will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Note certificate will be issued for each issue of the Notes, each in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for

DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the Notes on DTC’s records. The ownership interest of each actual purchaser of each Note (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Notes, except in the event that use of the book-entry system for the Notes is discontinued.

To facilitate subsequent transfers, all the Notes deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Notes; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Notes, such as redemptions, tenders, defaults, and proposed amendments to the Note documents. For example, Beneficial Owners of the Notes may wish to ascertain that the nominee holding the Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Notes unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

The District will make payments of principal of, premium, if any, and interest on the Notes to DTC or such other nominee, as may be requested by an authorized representative of DTC, as registered

owner of the Notes. Distributions, and dividend payments on the Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the School Board or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Notes at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor depository is not obtained, the Note certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, the Note certificates will be printed and delivered to DTC.

NEITHER THE SCHOOL BOARD NOR THE DISTRICT WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT, (2) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL OF OR INTEREST ON THE NOTES, (3) THE DELIVERY BY DTC OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO NOTEHOLDERS UNDER THE TERMS OF THE RESOLUTION, OR (4) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY CEDE & CO., AS THE NOMINEE OF DTC, AS REGISTERED OWNER. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE NOTES, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE NOTEHOLDERS OR REGISTERED OWNERS OF THE NOTES SHALL MEAN CEDE & CO. AND SHALL NOT MEAN BENEFICIAL OWNERS OF THE NOTES.

Neither the School Board nor the District can give any assurances that DTC, DTC Participants or others will distribute payments of debt service on the Notes paid to DTC or its nominee as the registered owner, or any redemption or other notices to Beneficial Owners, or that they will do so on a timely basis, or that DTC will serve or act in a manner described in this Official Statement.

SECURITY FOR THE NOTES

General

The Notes are special obligations of the District, payable from (a) receipts of ad valorem taxes (the "Tax Receipts") collected by the Tax Collector of the County for the benefit of the District during the 2012/2013 Fiscal Year, but only to the extent such tax receipts are levied or legally available for payment

of operating expenses of the District and (b) amounts on deposit in the Note Payment Fund (collectively, the "Pledged Revenues"). Pledged Revenues do not include ad valorem taxes collected to pay the principal of and interest on bonds of the District issued pursuant to Sections 1010.40-1010.55, Florida Statutes, or to pay the principal of and interest on any obligations issued by the District pursuant to Section 1011.14, Florida Statutes, or otherwise levied pursuant to Section 1011.71(2), Florida Statutes. If necessary, the Notes are additionally payable from, but are not secured by, the Non-Ad Valorem Funds of the District (defined in the Resolution as all legally available funds of the District or School Board derived from sources other than ad valorem taxation).

NO OWNER OF ANY OF THE NOTES SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE SCHOOL BOARD, THE DISTRICT, THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, OR TAXATION IN ANY FORM ON ANY PROPERTY THEREIN FOR PAYMENT THEREOF, OR BE ENTITLED TO PAYMENT OF SUCH PRINCIPAL AND INTEREST FROM ANY OTHER FUNDS OF THE SCHOOL BOARD OR THE DISTRICT, EXCEPT FOR THE PLEDGED REVENUES AND ANY NON-AD VALOREM FUNDS DEPOSITED IN THE NOTE PAYMENT FUND.

The School Board may issue additional obligations (including additional installments of Notes) payable from and secured by a lien upon the Pledged Revenues on a parity with the Notes, and may issue obligations having a first lien upon moneys of the District other than the Pledged Revenues and the moneys on deposit in the Note Payment Fund. The School Board covenants in the Resolution that it will not issue any (i) indebtedness of any kind payable from the Pledged Revenues which indebtedness is secured by a lien upon the Pledged Revenues superior to that of the Notes, (ii) obligations (other than additional installments of Notes) payable from or secured by a lien on the moneys on deposit in the Note Payment Fund, and (iii) additional obligations having an equal lien upon the Pledged Revenues if the issuance of such additional indebtedness would violate the provisions of Section 1011.13(1), Florida Statutes, as amended.

Note Payment Fund

In accordance with the terms of the Resolution, the District has established a fund designated the "Note Payment Fund." The District will make or cause to be made deposits of the Pledged Revenues and other revenues in the amounts and by the dates provided in the Resolution, as summarized below, into the Note Payment Fund to ensure the timely payment of the principal of and interest on the Notes.

The Tax Receipts will be received periodically throughout the 2012/2013 Fiscal Year. Pursuant to the Resolution, the District has covenanted to deposit the Tax Receipts or Permitted Investments into the Note Payment Fund in sufficient amounts so that the balance on deposit therein (as of the dates shown) is as follows: \$16,911,111.11 by February 1, 2013 (approximately one-third of the total principal and interest due on the Notes), \$33,822,222.22 by March 1, 2013 (approximately two-thirds of the total principal and interest due on the Notes), and \$50,733,333.33 by April 1, 2013, so that the balance on deposit therein on April 1, 2013, or the first business day thereafter, will equal the amount of principal and interest on the Notes at maturity.

If, on April 1, 2013, or the first business day thereafter, and continuously thereafter, there is not on deposit in the Note Payment Fund an amount (including Permitted Investments and the income or earnings to be received thereon) equal to all principal of and interest on the Notes at maturity, the School

Board shall designate the Note Payment Fund as its depository for the receipt of Pledged Revenues and continue such designation until such time as the amount in the Note Payment Fund, together with the earnings to be received thereon, is equal to all principal of and interest on the Notes at maturity.

Moneys on deposit in the Note Payment Fund shall be held in trust by the District solely for the payment of the Notes. Pending disbursement upon the Maturity Date of the Notes, such moneys may only be invested, pursuant to the Resolution, in Permitted Investments maturing on or prior to the maturity date of the Notes. Earnings on investments held in the Note Payment Fund shall be retained and reinvested in the Note Payment Fund until the amount on deposit in the Note Payment Fund together with the earnings to be received thereon, is equal to the entire principal of and interest on the Notes at their maturity. Thereafter, such earnings may be withdrawn by the District and used in the District's discretion as provided by law except as provided in the Resolution.

The proceeds of the sale of the Notes are not pledged as security for the Notes and shall first be applied by the District to pay the costs of preparation and issuance of the Notes. The remaining proceeds from the sale of the Notes shall be used by the District to pay the lawful expenses of the District as the School Board shall direct. The holders of the Notes shall have no responsibility for the use of the proceeds of the Notes, and the use of such proceeds by the District shall in no way affect the rights of such Noteholders.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA

The District is a political subdivision of the State established under Article IX of the Florida Constitution. The School Board is organized under Article IX, Section 4 of the Florida Constitution and Chapter 1001, Part II, Florida Statutes, and is the governing body of the District. The geographic boundaries of the District are coterminous with those of the County. As of June 30, 2012, the District contained 53 schools, including 34 elementary schools, 10 middle schools, seven high schools and two alternative education schools and reported serving approximately 44,158 full-time equivalent ("FTE") students and 5,586 full-time employees, of which 2,601 were teachers. The District also contains 11 contract sites and 10 charter schools, eight of which are component units of the District. The District's enrollment is projected to grow by 827 students, or 1.87% for the 2012/2013 Fiscal Year.

Management of the schools of the District is independent of the County and the other local governments within the County. Property taxes levied by the School Board are assessed by the County Property Appraiser. The County Tax Collector collects ad valorem taxes for the School Board, but exercises no control over expenditures by the School Board. Further information concerning the County is contained in "APPENDIX A - General Information Regarding Manatee County, Florida."

The Organization and Powers of the School Board

The School Board is a body corporate existing under the laws of the State. The School Board is the governing body of the District, consisting of five members elected by separate districts for four year terms. Under existing law, the School Board's duties and powers include, but are not limited to, the development of policies and rules for the efficient operation of the District; the acquisition, maintenance and disposition of school property within the District; the development and adoption of a school program for the District; the establishment, organization and operation of schools, including vocational and evening schools; the establishment and operation of programs for gifted students and for students in

residential care facilities; the appointment, compensation, promotion, suspension and dismissal of employees; the establishment of courses of study and the provision of adequate instructional aides; and the establishment of a system to transport students to/from school or school-related activities.

The School Board also has broad financial responsibilities, including, but not limited to, the approval of the annual budget, adoption of the school tax levy and the establishment of a system of accounting and budgetary controls. The annual budget and accounting reports must be filed with the State of Department of Education.

The present members of the School Board and the expiration of their respective terms are as follows:

<u>Name</u>	<u>Term Expires</u>
Harry G. Kinnan, Chairman	November 2012
Karen Carpenter, Vice Chairman	November 2014
Robert C. Gause	November 2012
Barbara A. Harvey	November 2014
Julie Aranibar	November 2014

Superintendent of Schools

The Superintendent of Schools is appointed by the School Board and serves as ex-officio Secretary of the School Board. The Superintendent's powers include, but are not limited to, keeping the records of the School Board, acting as custodian for District property, directing preparation of long-term and annual school programs, directing the work of District personnel, making policy recommendations to the School Board in the area of child welfare, public transportation, school plant and District finance, and performing the additional duties assigned to him by law and the regulations of the State Department of Education. The Superintendent is appointed by the School Board for negotiable terms. His current contract was effective as of January 1, 2009 and will expire on December 31, 2014, unless sooner extended pursuant to the renewal provisions set forth in the contract.

Administration

Timothy McGonegal - Superintendent of Schools

Timothy McGonegal is the Superintendent of the District. He was appointed to the role of Superintendent on November 12, 2008. He has been employed with the District since January 2002, and was appointed most recently the Assistant Superintendent for Business Services from December 2004 until December 2008. His service with the District follows a 16 year career in Highlands County Schools as the Coordinator of Finance, Director of Finance, and Director of Business Services. As the Assistant Superintendent, Mr. McGonegal was the chief business official for the District, and supervised all budgeting, accounting, payroll, accounts payable, purchasing, food service, property records, and records retention activities.

Mr. McGonegal earned an A.A. Degree from St. Pete Junior College in 1978 and a Bachelor's degree in Accounting from the University of South Florida in 1980. Mr. McGonegal is a member of the American Institute of Certified Public Accountants.

From 1981 to 1985, Mr. McGonegal worked for the State as a Legislative Auditor with the Auditor General's Office. In that capacity, Mr. McGonegal audited 23 governmental agencies in southwest Florida, including school districts, community colleges, state prisons, state attorneys and public defenders. Mr. McGonegal has also served two terms as Director of the Florida Association of School Business Officials, and has been a past Sertoma Club Gold Coat President, and a past Chairman of the United Way of Highlands County.

Michael Boyer, CPA - Chief Financial Officer

Michael Boyer has been the Chief Financial Officer of the District since April, 2012. Mr. Boyer worked for 29 years in the private sector as Chief Financial Officer, Controller, Assistant Controller, Manager and Analyst. Mr. Boyer has worked in accounting since graduation, culminating with his current position as Chief Financial Officer for the District. Mr. Boyer earned a bachelor's degree in accounting from the University of South Florida. He graduated Summa Cum Laude with a Master of Business Administration from the Florida Metropolitan University.

Angela Fraser - Director of Finance

Angela Fraser has been the Director of Finance since July 2009 and was previously the Finance Manager for the District since June 2007. She earned a Bachelor of Science Degree in Accounting from the University of South Florida. Prior to joining the District's Finance Department, Ms. Fraser worked in the private sector as an Accounting Manager from May 1997 to June 2007.

Under the leadership and direction of Mr. McGonegal, Mr. Boyer and Ms. Fraser, the District has been awarded the Government Finance Officers Association 2010 *Distinguished Budget Presentation Award* as it has every budget year since 2004. In order to receive the budget award, the District had to satisfy nationally recognized guidelines for effective budget presentation. In addition, the District has been awarded the Association of School Business Officials International's Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report ("CAFR") for the last six fiscal years. The most recent award was for the fiscal year ended June 30, 2011. In order to receive this award the District had to meet nationally recognized guidelines to meet the primary objective of the program which is to promote high-quality school system financial reporting through the preparation of a CAFR.

Academics

The District offers students a complete range of instructional services ranging from basic and standard instructional programs to a full complement of vocational educational programs at high schools, and exceptional education for gifted children and also for children with learning disabilities. The exceptional student education programs are available at different school sites.

The elementary schools house pre-kindergarten through the 5th grade. The middle schools are comprised of grades 6 through 8. The high schools include grades 9 through 12, as well as vocational programs. Separate school sites house the District's alternative educational programs and a vocational school that offers vocational programs and a community high school program. Additionally, the District includes charter schools and contract sites.

The elementary school program emphasizes basic skills including reading, writing, language arts, and mathematics. A balanced curriculum also includes instruction in science, computer literacy, health, social studies, art, music and physical education.

The secondary school program begins with middle school curriculum centering on English, math, science, computer literacy and social studies. Students are encouraged to begin developing their strengths and interests through electives such as art, music, foreign languages and vocational exploratory programs.

High school programs are designed to meet the needs of the college bound as well as vocational students. All of the high schools are fully accredited by the Southern Association of Colleges and Schools. Students who plan to continue their education into college may take a broad range of college preparatory courses as well as advanced placement and honors courses.

Statistical Data

The following table presents a summary of general statistical data regarding the School Board.

Summary of Statistical Data Five-Year History

<u>School Year</u>	<u>Number of Schools</u>	<u>Number of Classroom Instructors</u>	<u>Unweighted Full-Time Equivalent Students</u>	<u>Average General Fund Expenditures per Student</u>
2011-2012	53	2,661	44,158	\$7,166
2010-2011	53	2,601	43,516	7,364
2009-2010	53	2,468	42,369	7,318
2008-2009	52	2,436	42,096	7,754
2007-2008	52	2,603	42,073	8,181
2006-2007	47	2,632	41,756	7,783

Source: School District of Manatee County, Florida Comprehensive Annual Financial Report for the Year Ended June 30, 2011; School Year 2011-2012 amounts from School District of Manatee County, Florida.

The District has projected the following FTE Enrollment for School Years 2011-12 through 2015-16:

<u>School Year</u>	<u>FTE Enrollment</u>	<u>Percentage Change</u>
2011-12	44,158*	--
2012-13	45,613	3.3%
2013-14	46,550	2.1
2014-15	47,346	1.7
2015-16	47,630	0.6

*Actual.

Source: District records and Office of Economic and Demographic Research.

Indebtedness

The following table summarizes the District's long-term debt outstanding as of July 1, 2012. Principal and interest on State Board of Education Bonds are secured by and payable from the State motor vehicle license taxes distributable to the District under State law. The responsibility for principal and interest payments, investment of funds, and reserve requirements for State Board of Education Bonds is administered by the State Board of Education and the State Board of Administration. Principal and interest payments on General Obligation Bonds, if any, administered by the School Board are secured by ad valorem taxes levied by the School Board as authorized by the electorate. Payments on the Revenue Bonds, if any, are secured by certain sales tax proceeds distributable to the School Board under the provisions of Chapter 212, Florida Statutes. Payments on Certificates of Participation, Qualified Zone Academy Bonds and Qualified School Construction Bonds are derived from certain ad valorem tax reserves of the District received pursuant to Section 1011.71(2), Florida Statutes. Such ad valorem tax revenues are not pledged to secure the Notes and are not available to pay debt service on the Notes.

School District of Manatee, Florida
Long-Term Debt by Issue
As of July 1, 2012 (unaudited)

<u>General Description</u>	<u>Amount Outstanding</u>
State School Bonds ⁽¹⁾ :	
Series 2002A	\$ 60,000
Series 2003A	755,000
Series 2005B	5,490,000
Series 2006A	1,290,000
Series 2009A	1,525,000
Series 2010A	2,265,000
Certificates of Participation:	
Series 2004-QZAB ⁽²⁾	1,306,000
Series 2005A	13,870,000
Series 2005-QZAB ⁽³⁾	1,327,455
Series 2007	49,380,000
Series 2008A	43,885,000
Series 2009A	45,200,000
Series 2010A-QSCB ⁽⁴⁾	21,600,000
Series 2011A	39,850,000
Revenue Bonds:	
Series 2003	20,065,000
Series 2005	16,750,000
Series 2012	<u>49,490,000</u>
 Total	 \$314,108,455

⁽¹⁾ Bonds are issued by the State Board of Education on behalf of the District and are secured by a pledge of the District's portion of the State assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for such Bonds.

⁽²⁾ On July 21, 2005, and on each July 21 thereafter through and including July 21, 2018 the District has made, and will continue to make, annual deposits of \$78,455. It is anticipated that such deposits, plus investment

earnings thereon, will be sufficient to pay the Series 2004-QZAB Certificates at maturity.

(3) On December 20, 2006, and on each December 20 thereafter, through and including December 20, 2021 the District has made, and will continue to make, annual deposits of \$67,616. It is anticipated that such deposits, plus investment earnings thereon, will be sufficient to pay the Series 2005-QZAB Certificates at maturity.

(4) On October 1, 2011, and on each October 1 thereafter, through and including October 1, 2029, the District has made, and will continue to make, annual deposits of \$1,136,842. It is anticipated that such deposits, plus investment earnings thereon, will be sufficient to pay the Series 2010A-QSCB Certificates at maturity.

Source: School District of Manatee County, Florida

Direct and Overlapping Debt

The following table presents a statement of direct and overlapping debt for the District.

Direct and Overlapping Debt Statement

	Debt <u>Outstanding</u>	Percentage of Total Taxable Assessed <u>Valuation</u> ⁽²⁾	<u>Per Capita</u> ⁽³⁾
School District of Manatee County Debt ⁽¹⁾			
State School Bonds	\$ 11,385,000	0.046%	\$ 34.81
Bonds Payable	86,305,000	0.349	266.24
Certificates of Participation Payable	<u>216,418,455</u>	<u>0.876</u>	<u>667.61</u>
Total Direct Debt*	\$314,108,455	1.272%	\$968.86
Overlapping Debt ⁽¹⁾ :			
City of Anna Maria	1,149,000	0.005	3.54
City of Bradenton	24,977,264	0.101	77.05
City of Bradenton Beach	592,531	0.002	1.83
City of Longboat Key	5,140,000	0.021	15.86
City of Palmetto	6,290,948	0.025	19.41
Manatee County	<u>14,385,000</u>	<u>0.058</u>	<u>44.38</u>
Total Overlapping Debt*	\$52,534,743	0.213%	\$162.06
Total Direct and Overlapping Debt*	\$366,933,198	1.485%	\$1,131.92

* Numbers may not add due to rounding.

(1) Information for the District’s debt obtained from the District as of July 1, 2012. Information was obtained from the September 30, 2010 financial statements of each respective governmental entity.

(2) Based upon the adjusted taxable value of \$24,702,285,364 as certified by the County Property Appraiser on June 29, 2012.

(3) Based upon the population estimate of 324,168, as estimated in the Manatee County, Florida, Comprehensive Annual Financial Report for the Fiscal year Ended September 30, 2011.

Source: School District of Manatee County, Florida Comprehensive Annual Financial Report for the Year Ended June 30, 2011; School Board of Manatee County, Florida.

Accounting and Funds

Section 11.45, Florida Statutes, permits the use of independent auditors by the District two out of every three fiscal years with the State’s Auditor General’s office auditing the financial operations of the

District at least once every three fiscal years. The District's financial statements for the fiscal year ended June 30, 2011 were audited by Mauldin & Jenkins, LLC. See "APPENDIX B - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2011" attached hereto.

Accounting policies conform with generally accepted accounting principles applicable to state and local government units. Fund financial statements report detailed information about the District in the governmental, proprietary and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

Resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The several individual generic funds are grouped in the financial statements of the report into governmental funds, and proprietary and fiduciary fund types as follows.

Governmental Fund Types

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

Special Revenue Fund - ARRA Economic Stimulus Funds - to account for the financial resources received through the American Recovery and Reinvestment Act. This fund was included as a major fund due to the public interest in these funds.

Debt Service - Other Funds - to account for and report on the payment of principal, interest, and related costs on the sales tax revenue bond issues, certificate of participations issues, and other debt service issues.

Capital Projects - Other Funds - to account for other capital financial resources such as Sales Tax Proceeds, Impact Fees, Sales Tax Revenue Bonds, etc.

Proprietary and Fiduciary Fund Types

Internal Service Funds - to account for the District's individual self-insurance programs.

Private-Purpose Trust Funds - to account for financial fees and other moneys for which principal and income benefit individuals or private organizations.

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

Basis of Accounting

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

The government-wide financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Property taxes, sales taxes, state education funding, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for employee health insurance premiums and workers' compensation premiums. Operating expenses include insurance claims and excess coverage premiums. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budget Process

State law requires the School Board to adopt in each fiscal year a tentative budget and a final budget, each of which is required to be balanced with available funds. Revenues derived from ad valorem property taxes are budgeted, as required by State law, on the application of millage levies to 96 percent of the non-exempt assessed value of property in the County.

The Superintendent is responsible for recommending the tentative budget to the School Board. State law further requires the School Board to advertise its intent to adopt the tentative budget, including a proposed tax millage, within 29 days after certification of taxable property by the County Property Appraiser, which is required by law to occur by July 1, unless extended.

The School Board is required to hold a public hearing on the tentative budget and the proposed tax millage within five days, but not earlier than two days, after advertisement. At the hearing, the School Board adopts a tentative budget and a resolution stating the millage rate to be levied, and sets the date for the public hearing on the final budget. Following the hearing on the tentative budget, all property owners are notified by the County Property Appraiser, usually in mid-August, of the date, time and place of the hearing on the final budget; the proposed millage rate; and the millage rate which would have had to be levied to raise the same ad valorem property tax revenue as was raised in the preceding year.

A public hearing and adoption of the final budget and tax millage are required within 80 days, but not earlier than 65 days, after the taxable property certification by the County Property Appraiser. This public hearing usually occurs early in September.

In no event may the millage rate adopted at the final budget hearing exceed the millage rate adopted at the tentative budget hearing unless each taxpayer within the District is sent notice by mail of the taxes under the tentative adopted millage rate and the taxes under the higher rate to be adopted at the final budget hearing. The final budget is submitted to the State Department of Education. After the final budget hearing, the School Board must certify the final millage rate to the County Tax Collector, the County Property Appraiser and the State Department of Revenue. The District is preparing its tentative 2012/2013 Fiscal Year budget which will be considered at a public hearing held on July 30, 2012 and is considering its final budget for the 2012/2013 Fiscal Year on September 10, 2012. See "REVENUES OF THE DISTRICT - Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes - Budget Constraints" herein.

Auditing System

In addition to local internal audits, other budgets reviews are conducted. The State Department of Education conducts regular financial compliance reviews of each school district to ensure that local school districts comply with state regulations. In conjunction with this review, the Financial Management Section of the State Department of Education reviews the cost reporting system of each school district to ensure that the Financial and Program Costs Accounting and Reporting for Florida Schools is being properly implemented by the District.

The District formed the Audit Planning and Review committee (the "Audit Committee") on December 20, 2001, in accordance with the Office of Program Policy and Governmental Accountability ("OPPAGA"). The Audit Committee consists of five members. The Office of the Auditor General ("OAG") performs audits every third year. The District engages a private auditing firm to complete the District's audit on years the OAG does not perform the audit. In addition, the School Board has an Internal Audit Department, including a Construction Auditor.

General Fund Operations

The District's general fund revenues are derived from federal and State appropriations and local sources. The tables on the following pages summarize results of operations for the General Fund for the audited fiscal years ended June 30, 2008, 2009, 2010 and 2011, and for the budgeted fiscal year ended June 30, 2012.

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School District of Manatee County, Florida
Summary of Revenues and Expenses – General Fund

	Fiscal Year Ended June 30, 2008 <u>(Audited)</u>	Fiscal Year Ended June 30, 2009 <u>(Audited)</u>	Fiscal Year Ended June 30, 2010 <u>(Audited)</u>	Fiscal Year Ended June 30, 2011 <u>(Audited)</u>	Fiscal Year Ending June 30, 2012 <u>(Budgeted)</u>
Revenue:					
Federal Direct	\$ 386,704	\$ 587,208	\$ 501,945	\$ 520,309	\$ 529,260
Federal Through State	1,066,344	1,044,930	1,406,165	1,596,528	1,254,837
State	119,141,723	117,187,307	105,199,911	127,783,587	129,440,553
Local	<u>196,792,780</u>	<u>189,895,049</u>	<u>186,181,219</u>	<u>170,821,938</u>	<u>169,370,687</u>
Total Revenue	\$317,387,551	\$308,714,494	\$293,289,240	\$300,722,362	\$300,595,337
Expenditures:					
Current-Education:					
Instruction	\$211,795,306	\$199,429,221	\$200,452,493	\$197,288,417	\$199,375,760
Pupil Personnel Services	15,241,884	15,862,899	7,973,093	15,961,889	14,994,325
Instructional Media Services	4,902,711	4,231,150	839,925	4,123,084	3,747,906
Curriculum	8,419,089	8,714,300	6,142,863	6,453,065	5,899,512
Instructional Staff Training	4,194,352	3,896,151	1,080,066	2,326,110	1,421,190
Instructional Technology	242,911	233,264	234,914	209,585	839,465
Board	1,149,933	1,605,822	1,819,381	1,796,219	1,311,189
General Administration	1,586,344	1,230,453	1,269,313	1,112,607	1,002,856
School Administration	24,314,200	22,243,109	22,560,676	22,503,809	20,906,028
Facility Acquisition & Construction	1,502,129	1,323,413	1,392,145	1,430,040	2,455,276
Fiscal Services	1,975,832	1,604,724	1,680,592	1,955,191	1,755,553
Central Services	9,468,444	8,248,816	8,298,346	6,158,629	6,695,213
Transportation	13,211,019	12,387,662	10,749,070	11,333,553	11,506,137
Operation of Plant	29,805,437	29,895,312	29,877,353	32,124,379	31,416,179
Maintenance of Plant	10,478,014	9,571,654	9,545,091	9,851,492	8,997,518
Administrative Technology Services	4,442,643	4,081,164	4,408,660	4,811,483	4,574,101
Community Services	94,248	112,840	104,367	50,828	69,813
Fixed Capital Outlay:					
Facility Acquisition & Construction	21,476	---	---	---	---
Other Capital Outlay	1,350,914	492,822	456,821	550,108	---
Debt Service:					
Interest and Fiscal Charges	---	<u>1,232,081</u>	<u>1,160,344</u>	<u>405,822</u>	<u>763,465</u>
Total Expenditures:	\$344,196,886	\$326,396,857	\$ 310,045,513	\$320,446,310	\$317,731,486
Excess (Deficiency) of Revenue over Expenditures					
	\$(26,809,335)	\$(17,682,363)	\$(16,756,273)	\$(19,723,948)	\$(17,136,148)
Other Financing Sources (Uses):					
Other Financing Sources	\$ ---	\$ 3,240	\$ 157,177	\$ 4,247	\$ 154,659
Other Financing Uses	165,399	15,080	---	---	---
Transfers In	22,790,115	20,869,025	16,078,344	15,643,347	16,058,313
Transfers Out	---	---	---	---	<u>(14,000)</u>
Total Other Financing Sources (Uses):	\$ 22,955,514	\$ 21,007,345	\$ 16,235,521	\$ 15,647,594	\$ 16,198,972
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)					
	\$ 3,853,821)	\$ 3,324,982	\$ (520,752)	\$ (4,076,354)	\$ (937,176)
Beginning Fund Balance	11,920,032	8,066,211	11,391,193	10,870,441	6,794,087
Ending Fund Balance	\$ 8,066,211	\$ 11,391,193	\$ 10,870,441	\$ 6,794,087	\$ 5,856,911

Sources: School District of Manatee County, Florida Comprehensive Annual Financial Report for the Year Ended June 30, 2008-2011; School District of Manatee County, Florida Annual Budget 2011/2012.

General Fund Balance Requirements

Section 1011.051, Florida Statutes, entitled "Guidelines for general funds," requires that if a school district's unreserved General Fund balance in the approved operating budget is projected to fall below 3% of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. The section further requires that if the unreserved General Fund balance is projected to fall below two percent (2%) of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification of a balance below two percent, if the Commissioner of Education determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to Florida Statutes pertaining thereto, the Commissioner of Education shall appoint a financial emergency board that may take certain delineated steps to assist a district school board in complying with the General Fund requirements.

The School Board has established a policy that the unreserved fund balance will be from 3% to 5% of estimated revenues. To meet the 3% and 5% thresholds, the unreserved fund balance would need to be \$9 million and \$14.9 million, respectively. The unreserved General Fund balance for the past three fiscal years is as follows:

<u>Fiscal Year</u>	<u>Unreserved General Fund Balance</u>	<u>Percentage of General Fund Revenues</u>
2012	\$ 5,900,000	1.9%
2011	3,400,000	1.1
2010	10,870,441	3.7

Source: School District of Manatee County, Florida Finance Department.

See "APPENDIX B - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2011" attached hereto, including the "Management's Discussion and Analysis (MD&A)" and the table entitled "Fund Balances of Governmental Funds Last Ten Years" therein for a further description of the School Board's General Fund and historic changes to the fund balance including recent reductions thereto. In the 2011/2012 Fiscal Year, the District's General Fund balance fell below the 2% threshold identified in section 1011.051, Florida Statutes. The District notified the Commissioner of Education of such occurrence along with the actions taken by the School Board to restore the General Fund balance to the 3% threshold. The Commissioner of Education found the School Board's actions were reasonably expected to avoid a financial emergency.

In addition, pursuant to the American Recovery and Reinvestment Act of 2009 (the "Recovery Act"), the School Board received \$15,054,920 and \$14,765,042 for the 2009/2010 and 2010/2011 Fiscal Years, respectively, in Recovery Act funds, which provided the flexibility to transfer expenditures, primarily salaries and fringe benefits from the General Fund to a Special Revenue Fund. The School Board does not anticipate receiving any further Recovery Act funds.

Cash and Investments

On June 30, 2011, the District held cash and investments totaling approximately \$23,344,173 and \$6,757,767, respectively, in its General Fund.

Cash Management

The 2011/2012 Fiscal Year cash flow presented in the following table was prepared from financial records of the District. The following second table presents a projected General Fund cash flow for the 2012/2013 Fiscal Year. The cash flow is based on the 2012/2013 Fiscal Year preliminary budget and historical experience adjusted to reflect current economic conditions. The 2012/2013 Fiscal Year cash flow projection is based on the disbursement requirements for the entire fiscal year, including certain disbursements which could take place in the 2012/2013 Fiscal Year, but which are not in 2012/2013 Fiscal Year preliminary budget expenditures, such as certain advances to other funds and provisions for contingencies. Revenue projections reflect the anticipation dates of receipt of funds provided under the Florida Education Finance Program and other state programs, and the expected timing of receipt of tax revenues collected by the County for the District. Ad valorem taxes shown in these tables reflect the general operating levy.

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SCHOOL BOARD OF MANATEE COUNTY, FLORIDA
General Fund Cash Flow
Fiscal Year July 1, 2011 through June 30, 2012

	July 11 Actual	Through August 18th Actual	After August 18th Actual	September 11 Actual	October 11 Actual	Through November 18th Actual	After November 18th Actual	December 11 Actual	January 12 Actual	February 12 Actual	March 12 Actual	April 12 Actual	May 12 Projected	June 12 Projected	Total
Beginning Balance	\$30,101,940	\$31,881,197	\$21,286,355	\$20,614,668	\$55,421,303	\$44,303,078	\$30,778,787	\$30,747,071	\$139,255,267	\$130,608,799	\$105,193,856	\$77,391,655	\$53,158,945	\$23,683,431	
Receipts:															
Federal Revenues	(387,568)	-	440,258	56,155	220,277	-	84,127	38,393	392,612	66,169	(191,402)	41,213	104,478	1,175,754	2,040,467
State Revenues:															
Fl. Education Finance Program	6,016,337	2,862,565	2,409,055	5,271,620	5,271,620	-	5,271,620	5,271,620	4,561,342	4,561,342	4,561,342	4,561,342	4,123,698	4,123,696	58,867,196
Workforce Development	711,806	-	711,806	711,806	711,806	-	711,806	711,806	711,806	711,806	711,806	711,806	711,806	711,808	8,541,674
CO&DS W/H Admin Expense	1,871	-	1,871	1,871	1,871	-	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	22,452
Teacher Lead	44,980	-	44,980	44,980	44,980	-	45,168	44,980	44,980	44,980	44,980	44,980	44,980	44,980	539,951
Instructional Material	307,277	-	307,277	307,277	307,277	-	307,277	307,277	307,277	307,277	307,277	307,277	307,277	307,277	3,687,324
State License Tax	29,296	-	3,347	2,289	3,361	-	81,585	96,101	64,775	12,859	13,383	15,141	5,651	4,913	332,701
Lottery	-	-	-	-	-	-	-	-	-	-	-	-	72,689	72,689	145,378
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class Size Reduction	4,032,573	-	4,032,573	4,032,573	4,032,573	-	4,032,573	4,032,573	4,214,948	4,214,943	4,073,376	4,262,149	4,169,768	4,162,978	49,293,600
School Recognition Funds	-	-	-	-	-	-	-	-	-	1,670,141	-	-	-	-	1,670,141
Excellent Teaching	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Voluntary Pre-Kindergarten	-	-	131,965	83,111	162,671	-	148,941	136,929	89,878	140,529	145,802	124,906	134,789	116,655	1,416,177
Other Pre-K Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public School Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Teacher Training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Service Schools	(3,240)	-	3,240	-	3,840	-	15,626	15,626	6,771	18,746	15,626	15,626	15,626	18,795	126,285
Other State Revenues	(75,179)	-	38,836	59,549	102,747	-	19,729	92,067	20,593	11,807	53,415	74,228	56,748	114,822	569,362
Local Revenues:															
Ad Valorem Tax	-	-	1,242	163,732	91,708	-	1,793,766	124,023,168	6,991,672	5,771,153	3,557,548	7,095,062	4,233,066	7,570,251	161,292,368
Interest	1,582	-	433	642,703	(656)	-	456	10,444	20,592	18,667	21,182	19,177	5,913	50,000	790,494
Other Local Revenues	(235,954)	-	752,441	603,769	1,036,182	300,000	116,987	533,065	867,405	647,549	1,365,131	693,621	840,263	1,135,655	8,656,114
Transfer In	115,949	-	443,671	366,069	3,199,388	88,190	257,722	145,037	201,380	209,454	179,137	107,509	3,344,949	9,928,784	18,587,238
Note Proceeds	-	500,000	-	49,500,000	-	-	-	-	-	-	-	-	-	-	50,000,000
Total Receipts	10,559,730	3,362,565	9,322,995	61,847,505	15,189,644	388,190	12,889,256	135,460,958	18,497,903	18,409,294	14,860,475	18,075,909	18,173,571	29,540,928	366,578,922
Disbursements:															
Salaries	2,701,614	5,515,871	6,259,232	16,537,467	16,623,904	8,507,517	8,507,517	18,058,466	16,709,609	16,852,706	16,254,415	16,466,735	32,740,207	19,517,225	201,252,483
Benefits	607,902	662,975	1,815,177	4,265,952	4,458,602	2,321,615	2,321,615	4,589,360	4,585,847	4,324,955	4,242,573	4,251,635	8,947,822	5,163,702	52,559,733
Other Disbursements	5,470,958	7,778,560	1,917,988	6,236,308	5,224,808	3,082,349	2,092,840	4,334,937	5,818,914	5,745,651	5,264,761	4,689,322	5,961,056	6,332,658	69,951,111
Transfer Outs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Note Proceeds	-	-	2,285	1,143	556	-	-	-	-	16,900,926	16,900,926	16,900,926	-	-	50,706,762
Total Disbursements	8,780,473	13,957,406	9,994,683	27,040,869	26,307,869	13,911,481	12,921,972	26,982,762	27,114,370	43,824,238	42,662,676	42,308,619	47,649,085	31,013,585	\$374,470,088
Ending Balance	\$31,881,197	\$21,286,355	\$20,614,668	\$55,421,303	\$44,303,078	\$30,779,787	\$30,747,071	\$139,225,267	\$130,608,799	\$105,193,856	\$77,391,654	\$53,159,945	\$23,683,431	\$22,210,774	

Source: Finance Office of the School Board of Manatee County, Florida
Amounts may not add due to rounding.

SCHOOL BOARD OF MANATEE COUNTY
General Fund Cash Flow
Fiscal Year July 1, 2012 through June 30, 2013

	July 12 Projected	Through August 17th Projected	After August 17th Projected	September 12 Projected	October 12 Projected	Through November 16 Projected	After November 16 Projected	December 12 Projected	January 13 Projected	February 13 Projected	March 13 Projected	April 13 Projected	May 13 Projected	June 13 Projected	Total
Beginning Balance	\$22,210,774	\$17,357,761	\$2,249,491	\$50,589,262	34,363,016	22,835,136	10,326,006	12,758,998	\$107,763,222	\$85,697,509	\$62,699,716	\$38,455,619	\$31,939,139	\$18,337,792	
Receipts:															
Federal Revenues	143,750	-	143,750	143,750	143,750	-	143,750	143,750	143,750	143,750	143,750	143,750	143,750	143,750	1,725,000
State Revenues:															
Fl. Education Finance Program	6,791,629	2,395,815	4,395,815	6,791,629	6,791,629	2,395,815	4,395,815	6,791,629	6,791,629	6,791,629	6,791,629	6,791,629	6,791,629	6,791,629	81,499,553
Workforce Development	718,493	-	718,493	718,493	718,493	-	718,493	718,493	718,493	718,493	718,493	718,493	718,493	718,493	8,621,911
CO&DS W/H Admin Expense	1,871	-	1,871	1,871	1,871	-	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	22,452
Teacher Lead	44,951	-	44,951	44,951	44,951	-	44,951	44,951	44,951	44,951	44,951	44,951	44,951	44,951	539,407
Instructional Material	301,527	-	301,527	301,527	301,527	-	301,527	301,527	301,527	301,527	301,527	301,527	301,527	301,527	3,618,325
State License Tax	27,500	-	27,500	27,500	27,500	-	27,500	27,500	27,500	27,500	27,500	27,500	27,500	27,500	330,000
Lottery	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Class Size Reduction	4,249,579	-	4,249,579	4,249,579	4,249,579	-	4,249,579	4,249,579	4,249,579	4,249,579	4,249,579	4,249,579	4,249,579	4,249,579	50,994,950
School Recognition Funds	-	-	-	-	1,014,014	-	-	-	-	1,014,014	-	-	-	-	2,028,028
Excellent Teaching	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Voluntary Pre-Kindergarten	365	-	58,166	51,289	834	-	116,340	244,662	179,680	111,443	111,104	107,087	102,375	116,655	1,200,000
Other Pre-K Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public School Technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Teacher Training	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Full Service Schools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other State Revenues	12,096	-	12,096	12,096	12,096	-	12,096	12,096	12,096	12,096	12,096	12,096	12,096	12,096	145,157
Local Revenues:															
Ad Valorem Tax	-	-	-	-	-	-	4,653,916	107,291,095	9,024,951	7,219,961	5,775,969	4,620,775	7,393,240	4,435,944	150,415,850
Interest	62,500	-	62,500	62,500	62,500	-	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	750,000
Other Local Revenues	458,750	-	458,750	458,750	458,750	-	458,750	458,750	458,750	458,750	458,750	458,750	458,750	458,750	5,505,000
Transfer In	115,949	-	443,671	366,069	3,199,388	-	345,912	145,037	201,380	209,454	179,137	2,988,109	211,600	6,753,688	15,159,394
Note Proceeds	-	500,000	49,500,000	-	-	-	-	-	-	-	-	-	-	-	50,000,000
Total Receipts	12,928,960	2,895,815	60,418,669	13,230,005	17,026,882	2,395,815	15,533,000	120,493,440	22,218,657	21,367,519	18,878,856	20,528,617	20,519,861	24,118,933	372,555,027
Disbursements:															
Salaries	8,701,614	8,582,871	8,326,232	16,671,467	16,757,904	8,612,213	7,536,820	16,192,466	16,843,609	16,986,706	16,388,415	16,778,191	20,866,532	15,524,406	194,769,446
Benefits	1,607,902	1,795,412	1,833,177	4,546,976	4,570,551	2,440,102	2,239,128	4,961,813	4,621,847	4,632,954	4,469,776	4,576,084	7,354,978	4,258,318	53,909,018
Other Disbursements	7,470,958	7,625,802	1,917,988	8,236,308	7,224,808	3,852,629	3,322,560	4,334,937	5,818,914	5,745,651	5,264,761	5,689,322	5,898,197	5,856,464	78,259,300
Transfer Outs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Note Proceeds	1,500	-	1,500	1,500	1,500	-	1,500	-	17,000,000	17,000,000	17,000,000	1,500	1,500	1,500	51,012,000
Total Disbursements	17,781,973	18,004,084	12,078,897	29,456,251	28,554,762	14,904,945	13,100,008	25,489,215	44,284,370	44,365,311	43,122,952	27,045,097	34,121,208	25,640,689	377,949,764
Ending Balance	\$17,357,761	\$2,249,491	\$50,589,262	\$34,363,016	\$22,835,136	10,326,006	12,758,998	\$107,763,222	\$88,697,509	\$62,699,716	\$38,455,619	\$31,939,139	\$18,337,792	\$16,816,037	

Source: Finance Office of the School Board of Manatee County, Florida
Amounts may not add due to rounding.

REVENUES OF THE DISTRICT

The District derives its revenues from certain State and local sources. The major categories of these revenue sources are briefly described under the following sub-headings.

Local Revenue Sources

Local revenue for school district support is derived almost entirely from real and tangible personal property taxes described in "AD VALOREM TAXATION" herein. School districts in the State are permitted to levy ad valorem property taxes separately for (i) operational purposes, (ii) the payment of debt service, and (iii) capital outlays and maintenance of school facilities. The amount of each such levy is subject to various constitutional and statutory limitations. In addition, the District earns interest on cash invested and collects other miscellaneous revenues.

For operational purpose, the Florida Legislature annually places requirements on each school district to levy a millage rate that is defined by law to be the "district required local effort" for those school districts desiring to participate in the allocation of state funds available to school districts. The District's expects the required local effort will be 5.485 mills for the 2012/2013 Fiscal Year. The required local effort was 5.712 mills for the 2011/2012 Fiscal Year. School boards are also authorized to levy a "discretionary millage" for operations, not to exceed an amount established annually by the Florida Legislature. The discretionary millage is expected to be 0.748 mills for the 2012/2013 Fiscal Year and was 0.748 mills for the 2011/2012 Fiscal Year. Pursuant to Article VII of the Florida Constitution, the School Board may not levy ad valorem taxes, exclusive of voted taxes levied for the payment of bonds, in excess of 10 mills. The School Board has levied 7.960 nonvoted mills for the 2011/2012 Fiscal Year.

Budgeted revenues from ad valorem taxes are based on applying millage levies to ninety-six percent (96%) of the non-exempt assessed valuation of real and personal property. Historically, the local taxes have been received at less than one hundred percent (100%) of assessed valuation due to the discounts for early payment. The County usually collects approximately ninety-six percent (96%) of the levied taxes. Ad valorem tax receipts for operating purposes are budgeted to be approximately \$150.4 million for the 2012/2013 Fiscal Year. As of May 31, 2012, the ad valorem tax receipts for operating purposes for the 2011/2012 Fiscal Year, equaled \$153.7 million. Ad valorem tax receipts for operating purposes equaled \$177.5 million and \$162.1 million for the 2009/2010 Fiscal Years and 2010/2011 Fiscal Year, respectively.

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Historical millage rates (tax per \$1,000 of assessed value) are as follows:

	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013⁽⁴⁾</u>
Required Local Effort	5.0280	4.9910	5.2930	5.3430	5.7120	5.4850
Discretionary Local	0.5100	0.4980	0.7480	0.9980 ⁽¹⁾	0.7480 ⁽²⁾	0.7480
Supplemental Discretionary	0.1280	0.1330	0.0000 ⁽³⁾	0.0000 ⁽³⁾	0.0000 ⁽³⁾	0.0000 ⁽³⁾
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Capital Improvement	<u>2.0000</u>	<u>1.7500</u>	<u>1.5000</u>	<u>1.2500</u>	<u>1.5000</u>	<u>1.5000</u>
Total Millage	7.6660	7.3720	7.5410	7.5910	7.9600	7.7330

⁽¹⁾ Includes an additional 0.2500 mill discretionary critical needs levy.

⁽²⁾ Pursuant to changes in applicable law, for the 2011/2012 Fiscal year the District is not authorized to levy a discretionary critical needs millage.

⁽³⁾ Pursuant to changes in applicable law, for the 2009/2010, 2010/2011 and 2011/2012 Fiscal Years the District is not authorized to levy a supplemental discretionary millage.

⁽⁴⁾ Pursuant to the Department of Education First Conference Calculation 2012-2013 FEFP.

The District levies each year a non-voted, real and tangible personal property tax millage, known as the "Local Option Millage Levy," for capital outlay and maintenance purposes. Currently, this levy may be up to 1.5 mills for costs of construction, renovation, remodeling, maintenance and repair of educational plant; for the purchase, lease or lease-purchase of equipment, educational plants, and construction materials directly related to the delivery of student instruction; for the rental or lease of existing buildings, or space within existing buildings, originally constructed or used for purposes other than education, for conversion to use as educational facilities; for the opening day collection for the library media center of a new school; for the purchase, lease-purchase or lease of school buses; and for servicing of payments related to certificates of participation. The District is not required to levy any millage for capital outlay purposes in the future, but intends to levy 1.50 mills for the 2012/2013 Fiscal Year. The District levied 2.0 mills in the 2007/2008 Fiscal Year; 1.75 mills for the 2008/2009 Fiscal Year; 1.50 mills for the 2009/2010 Fiscal Year; and 1.25 mills for the 2010/2011 Fiscal Year. See "AD VALOREM TAXATION - Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes" herein for a description of the reduction of the lawful levy from 2.0 mills to 1.50 mills. The receipts of the Local Option Millage Levy are not pledged to the payment of the Notes.

In addition to the District levies, qualified electors, by referendum, may vote an additional millage levy for operational and capital outlay purposes, as prescribed by the Florida Constitution and applicable statutes. Before a school district may issue bonds, qualified electors within the district must approve a millage levy to pay the principal of and interest on such bonds. The School Board has not levied any debt service millage since the 1997/1998 Fiscal Year as it has no outstanding general obligation bonds.

In addition to the property taxes described above, the School Board receives Educational Facilities System Impact Fees (the "Impact Fees"). Pursuant to a County ordinance, Impact Fees are imposed on and collected for all new residential construction within the County. The Impact Fees collected are to be used solely for the purpose of providing growth necessitated construction improvements and additions to School Board facilities. Such funds may be used to pay, among other things, principal and interest, necessary reserves and costs of issuance for any bonds or other

indebtedness including certificates of participation issued to fund growth impacted improvements and additions to the School Board facilities. The District received Impact Fees of \$4,779,879 and \$134,478 for the 2008/2009 Fiscal Year and 2009/2010 Fiscal Year, respectively. In May 2009, the County suspended the levy of the Impact Fees for a two-year period commencing July 27, 2009 and ending July 27, 2011. As such, the District did not receive any Impact Fees for the 2010/2011 Fiscal Year. The District does not expect to receive Impact Fees for the 2012/2013 Fiscal Year and did not include any Impact Fees in the 2012/2013 Fiscal Year budget; regardless, Impact Fees are not available to pay debt service on the Notes.

State Revenue Sources

Operating Revenue. The three primary sources of educational funding from the State are (i) basic Florida Educational Finance Program (“FEFP”) receipts, (ii) FEFP categorical program receipts, and (iii) certain other specified revenue sources.

The major portion of State support is distributed under the provisions of the FEFP, which was enacted by the Florida Legislature in 1973. Basic FEFP funds are provided on a weighted full-time equivalent student (“FTE”) basis and through a formula that takes into account (i) varying program costs, (ii) cost differentials between districts, (iii) differences in per-student costs due to the density of student population, and (iv) the required level of local support. The program cost factors which are used to determine the level of each school district’s FEFP funding are determined by the Florida Legislature. The amount of FEFP funds disbursed by the State is adjusted four times during each year to reflect changes in FTE and in variables comprising the weighing formula. In addition, the level of State funding is adjusted during each year to compensate for increases or decreases in ad valorem tax revenue resulting from adjustments to the valuation of non-exempt property in the County. For the 2012/2013 Fiscal Year the District expects FEFP revenues to be approximately \$75.0 million. General Fund receipts from FEFP equaled \$49.9 million, \$48.1 million, \$48.0 million, \$68.1 million and \$61.8 million for the 2007/2008, 2008/2009, 2009/2010, 2010/2011 and 2011/2012 Fiscal Years, respectively.

FEFP categorical program receipts are lump sum appropriations from the State intended to supplement local school district revenues to enhance the delivery of educational and support services by each district. Among the larger categorical programs are the programs for class size reduction, school bus transportation and instructional material. Allocations for these categorical appropriations are based on funding formula and discretionary State Department of Education grants. The majority of the funds available require actual appropriation by the School Board for the purposes for which they were provided. For the 2012/2013 Fiscal Year the District expects state categorical aid to be approximately \$63.7 million. Total State categorical aid equaled \$59.8 million, 60.9 million, \$60.3 million, \$58.7 million and \$61.0 million for the 2007/2008, 2008/2009, 2009/2010, 2010/2011 and 2011/2012 Fiscal Years, respectively. For the 2011/2012 Fiscal Year, approximately \$51.0 million of such funds was dedicated to fund a portion of the costs related to the Class Size Legislation. See “RECENT LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES – Class Size Reduction” herein.

The District also receives State educational funding from a variety of miscellaneous State programs. These sources include State mobile home license tax revenues and the State Lottery.

Capital Outlay. The District expects to receive \$300,000 or approximately 100% of the total budget in state capital outlay revenues for the 2012/2013 Fiscal Year. State capital outlay revenues available to the District were \$2.0 million or approximately 3.2% of the District's total capital outlay revenues for the 2010/2011 Fiscal Year and \$300,000 or approximately 0.05% of the District's total budgeted capital outlay revenues for the 2011/2012 Fiscal Year.

The primary source of State educational funding contributions to the District's capital outlay requirements is the Florida Public Education Capital Outlay program ("PECO"). The method of allocation of funds to the district school boards is provided by state law based upon a statutory formula, components of which are the number of students in various districts and the proposed uses of the funds by the various districts. The Commissioner of Education administers the PECO program and allocates or reallocates funds as authorized by law. The District does not expect to receive any PECO funds in the 2012-2013 Fiscal Year. PECO funds distributed to the District were approximately \$7.6 million, \$1.6 million, \$7.0 million, \$1.7 million and \$1.2 million for the 2007/2008, 2008/2009, 2009/2010, 2010/2011 and 2011/2012 Fiscal Years, respectively.

The District also receives motor vehicle license revenues, also known as capital outlay and debt service ("CO&DS") funds. The District expects to receive approximately \$226,000 in CO&DS funds in the 2012/2013 Fiscal Year. CO&DS funds distributed to the District were \$240,897, \$405,529, \$355,691, \$279,791 and 218,639 in the 2007/2008, 2008/2009, 2009/2010, 2010/2011 and 2011/2012 Fiscal Years, respectively.

On November 24, 1997, the Governor of the State of Florida signed into law a bill creating the "Public School Capital Outlay Program Act" (the "Act"). Among the several programs established by the Act is the "Classrooms First Program," which provides for the issuance by the State of revenue bonds, the proceeds of which will be distributed to the various school districts based upon a formula similar to the formula used in allocating PECO funds. The proceeds of such revenue bonds must be applied by a school district for new construction, remodeling, renovation or major repairs, with a priority on construction of new, permanent classroom facilities. If a school district certifies that it has no unmet need for permanent classroom facilities or if its unmet needs are less than its proposed allocation of the revenue bond proceeds, it may choose to receive an annual distribution of state lottery revenues in lieu of all or a portion of its allocation of state bond proceeds. Such annual distribution must be used to construct, renovate, remodel, repair or maintain educational facilities. In addition, in order to receive any of such state funds, a school district must fully utilize state bonding capacity relating to its CO&DS funds allocation. In order to continue participation in the Classrooms First Program, the District may be required to utilize additional state bonds payable from CO&DS funds in the future. The District does not anticipate receiving notice of State bonds for the 2012/2013 Fiscal Year until August, 2012. The District received approximately \$1.155 million in July 2010. The District did not receive any funds from the issuance of additional State bonds in the 2008/2009, 2010/2011 and 2011/2012 Fiscal Years.

The District does not expect to receive any funds under the Class Size Reduction Lottery Revenue Bond Program in the 2012/2013 Fiscal Year. The District received funds under the Class Size Reduction Lottery Revenue Bond Program equal to approximately \$34.1 million and \$5.2 million in the 2007/2008 and 2008/2009 Fiscal Years, respectively. No such funds were received for the 2009/2010, 2010/2011 and 2011/2012 Fiscal Years. Funds under the Class Size Reduction Lottery Revenue Bond Program are

generated from the sale of State lottery bonds and are distributed to the various school districts based upon a formula similar to the formula used in allocating the PECO funds. Such funds may be used by a school district for any new capital projects that are not included in such school district's then current five-year capital plan. Additionally, funds allocated to a school district under the District Effort Recognition Grant Program, which allocates monies to those school districts utilizing certain low-cost construction and building methods in the construction of new schools, may be used to finance any capital project. The State Legislature did not appropriate any funds for the District Effort Recognition Grant Program in its budgets for the last eight Fiscal Years. Accordingly, the District does not expect to receive any funds under the District Effort Recognition Grant Program in the 2012/2013 Fiscal Year.

Under the Act the District may be entitled to receive other state revenues pursuant to other programs if the District achieves certain standards relating to its capital outlay efforts. It is not possible at this time to determine or estimate the amount of such state revenues, if any, that the District may receive in the future.

Special Revenue Sources

The District also receives certain local, State and federal moneys, substantially all of which are restricted for specific programs. Programs funded with these special revenues sources in the past include school food service operations and programs financed through the Individuals with Disabilities Education Act, the Education Consolidation and Improvement Act and other federally financed programs.

AD VALOREM TAXATION

Property Assessment

State law requires that all real and personal property be assessed at its just or fair market value. No ad valorem taxes may be levied by the State upon real estate or tangible personal property. Such taxes may be levied only by counties, school districts, municipalities and certain special districts. Railroad properties are centrally assessed at the State level.

Real property used for the following purposes is generally exempt from ad valorem taxation: religious, educational, charitable, scientific, literary, and governmental. In addition, there are special exemptions for widows, hospitals, homesteads, and homes for the aged and disabled veterans. Agricultural land, non-commercial recreational land, inventory, and livestock are assessed at less than 100% of fair market value.

Procedure for Property Assessment

The Property Appraiser of Manatee County (the "Property Appraiser") determines property valuation on real and tangible personal property as of January 1 of each year. The Property Appraiser determines the valuation of all real and personal property by July 1 of each year and notifies the County, the District, each municipality, and each other legally constituted special taxing district as to its just valuation, notes the legal adjustments and exemptions and the taxable valuation. The taxable valuation is

then used by each taxing body to calculate its ad valorem millage for the budget year. Each taxing body must advertise its budget, stating the proposed millage and hold public hearings on such budgets. Final budgets are determined by each taxing body, and the millage is certified to the Property Appraiser by October 1.

The County Property Appraiser determines property valuation on real and tangible personal property as of January 1 of each year. The County Property Appraiser determines the valuation of all real and personal property by July 1 of each year and notifies the County, the District, each municipality, and each other legally constituted special taxing district as to its just valuation, notes the legal adjustments and exemptions and the taxable valuation. The taxable valuation is then used by each taxing body to calculate its ad valorem millage for the budget year. Each taxing body must advertise its budget, stating the proposed millage and hold public hearings on such budgets. Final budgets are determined by each taxing body, and the millage is certified to the County Property Appraiser by October 1.

Concurrently, the County Property Appraiser notifies each property owner of the proposed valuation and the proposed millage on such property. If the individual property owner believes that his or her property has not been appraised at fair market value, the owner may file a petition with the Clerk of the Property Appraisal Adjustment Board (the "Adjustment Board"). The Adjustment Board consists of members of the County Commission and members of the School Board. The Adjustment Board holds public hearings on such petitions and may make adjustments to the valuations made by the County Property Appraiser, if such valuations were found not to be fair and at market value. The Adjustment Board must certify its decision with regard to all petitions and certify to the County Property Appraiser the valuation to be used. These changes are then made to the final tax roll.

In 2011, the Florida Legislature created Section 194.014, Florida Statutes, which requires that taxpayers appealing the assessed value or assigned classification of their property must make a required partial payment of taxes (generally equal to 75% of the ad valorem taxes due, less the applicable statutory discount, if any) with respect to properties that will have a petition pending on or after the delinquency date (normally April 1). The new statute further provides that taxpayer's failure to make the required partial payment before the delinquency date (normally April 1) will result in the denial of the taxpayer's petition.

Every person who has the legal title or beneficial title in equity to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is entitled to an exemption from ad valorem taxation by counties up to the assessed valuation of \$25,000 on the residence and contiguous real property. See "AD VALOREM TAXATION - Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes" herein for recent increases to such "homestead exemption".

The County Property Appraiser applies the final certified millage of each taxing body to the assessed valuation on each item of real and tangible personal property, and prepares the final tax roll which he certifies to the County Tax Collector by October 1. This permits the printing of tax bills for delivery on November 1 of each year. The tax bills contain all of the overlapping and underlying millages set by the various taxing bodies, so that all ad valorem taxes are collected by the County Tax Collector and distributed to the various taxing bodies.

Assessed Valuation

The adjusted taxable value of the District for the 2012/2013 Fiscal Year as certified by the County Property Appraiser on June 29, 2012 equaled \$24,702,285,364. The following table shows the total school taxable value in each of the past ten years.

District School Board of Manatee County, Florida Assessed and Estimated Projected Value of Taxable Property Last Ten Fiscal Years (Unaudited)

Fiscal Year	Just Value			Less: Exemptions	Total School Taxable Value	Total Direct Rate
	Real Property	Personal Property	Central Assessed			
2012	\$27,304,725,797	\$2,464,070,182	\$7,718,842	\$4,300,258,254	\$25,476,256,567	7.960%
2011	29,881,987,389	2,729,262,259	6,753,475	6,018,761,446	26,599,241,671	7.591
2010	35,315,585,698	2,842,782,571	9,162,416	7,730,254,175	30,437,276,510	7.541
2009	40,533,231,178	2,830,852,629	7,545,814	10,272,164,369	33,099,465,252	7.372
2008	44,737,819,806	2,688,268,180	7,320,747	12,904,943,831	34,528,464,902	7.666
2007	39,852,622,216	2,579,405,964	6,482,705	11,787,281,683	30,651,229,202	7.614
2006	31,744,642,359	2,032,463,918	6,384,125	9,006,651,627	24,776,838,775	7.933
2005	26,527,994,186	1,886,132,233	10,596,948	7,268,687,179	21,156,036,188	7.999
2004	22,702,620,085	1,920,697,616	9,381,124	6,051,174,281	18,581,524,544	8.296
2003	19,384,158,966	1,864,089,379	8,724,237	4,986,551,327	16,270,421,255	8.347
2002	16,654,859,576	1,790,124,206	5,338,699	4,090,163,971	14,360,158,510	8.327

Source: The School District of Manatee County, Florida Comprehensive Annual Financial Report for Fiscal Year ending June 30, 2011; 2011/2012 Fiscal Year figures provided by Manatee County, Florida, Finance Department.

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The County Tax Collector's Office maintains records of taxpayers on a parcel by parcel basis and not by the names of the individual taxpayers. A taxpayer may be listed multiple times if such taxpayer owns more than one parcel in the County. No single taxpayer in the County pays as much as 3% of the total ad valorem taxes levied. The following table is a list of the ten highest ad valorem commercial taxpayers.

**List of 10 Highest Ad Valorem
Principal Property Taxpayers (Unaudited)**

2010-2011 Fiscal Year <u>Taxpayer</u>	<u>Taxable Value</u>	Percentage of Total <u>Taxable Value</u>
Florida Power and Light Corp.	\$ 758,915,836	2.853%
Tropicana Products, Inc.	314,100,624	1.181
Gulfstream Natural Gas System LLC	169,935,069	0.639
Verizon Florida, Inc.	130,550,002	0.491
Gulf Coast Factory Shops	98,726,964	0.371
Mosaic Fertilizer, LLC	88,990,175	0.335
Peace River Electric Coop, Inc.	84,203,187	0.317
Manatee Memorial Hospital	83,429,183	0.314
Brighthouse Networks	69,734,217	0.262
Wal-Mart Stores, Inc.	<u>6,563,108</u>	<u>0.250</u>
Total	<u>\$1,865,148,365</u>	<u>7.013%</u>

Source: The School District of Manatee County, Florida Comprehensive Annual Financial Report for Fiscal Year ending June 30, 2011.

Procedures for Tax Collection and Distribution

All real and tangible personal property taxes are due and payable on November 1 of each year, or as soon thereafter as the tax roll is certified and delivered to the County Tax Collector. The County Tax Collector mails a notice to each property owner on the tax roll for the taxes levied by the County, the School Board, municipalities within the County and other taxing authorities. Taxes may be paid upon receipt of such notice, with discounts at the rate of 4% if paid in the month of November; 3% if paid in the month of December; 2% if paid in the month of January and 1% if paid in the month of February. Taxes paid in the month of March are without discount. All unpaid taxes on real and personal property become delinquent on April 1 of the year following the year in which taxes were levied. Delinquent real property taxes bear interest at the rate of 18% per year from April 1 until a tax certificate is sold at auction, from which time the interest rate shall be as bid by the buyer of the tax certificate. Delinquent tangible personal property taxes also bear interest at the rate of 18% per year from April 1 until paid. Delinquent personal property taxes must be advertised within 45 days after delinquency, and after May 1, the property is subject to warrant, levy, seizure and sale.

On or before June 1 or the sixtieth day after the date of delinquency, whichever is later, the County Tax Collector must advertise once each week for three weeks and must sell tax certificates on all real property with delinquent taxes. The tax certificates are sold to those bidding the lowest interest rate.

Such certificates include the amount of delinquent taxes, the penalty interest accrued thereon and the cost of advertising. Delinquent tax certificates not sold at auction become the property of the County. State law provides that real property tax liens are superior to all other liens, except prior Internal Revenue Service liens.

To redeem a tax certificate, the owner of the property must pay all delinquent taxes, the interest that accrued prior to the date of the sale of the tax certificate, charges incurred in connection with the sale of the tax certificate, omitted taxes, if any, and interest at the rate shown on the tax certificate (or interest at the rate of 5%, whichever is higher) from the date of the sale of the tax certificate to the date of redemption. If such tax certificates or liens are not redeemed by the property owner within two years, the holder of the tax certificates can cause the property to be sold to pay off the outstanding certificates and the interest thereon. Provisions are also made for the collection of delinquent tangible personal property taxes, but in a different manner which includes the possible seizure of the tangible personal property.

Section 197.016(2), Florida Statutes, requires the County Tax Collector to distribute the taxes collected, to each governmental unit levying the tax. Such distribution is to be made four times during the first two months after the tax roll comes into its possession, and once per month thereafter.

**School District of Manatee County, Florida
Property Tax Levies and Taxes Collections
Last Ten Fiscal Years
(Unaudited)**

<u>Fiscal Year</u>	<u>Total Tax Levy</u>	<u>Total Tax Collections</u>	<u>Percent of Levy</u>
2012	\$163,812,329	\$154,990,101	94.61%
2011	200,699,079	194,577,703	96.95
2010	229,524,151	221,732,499	96.61
2009	245,510,550	239,454,309	97.53
2008	263,684,926	254,749,233	96.61
2007	233,125,665	225,224,219	96.61
2006	195,423,780	188,057,797	96.23
2005	169,185,573	164,102,980	97.00
2004	154,134,286	146,976,772	95.36
2003	135,795,965	131,174,324	96.60
2002	119,577,040	115,195,094	96.34

Source: School District of Manatee 2011/2012 Fiscal Year figures provided by the School District of Manatee County, Florida, Finance Department.

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Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes

During recent years, various other legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in the State. Many of these proposals sought to provide for new or increased exemptions to ad valorem taxation, limit the amount of revenues that local governments could generate from ad valorem taxation or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at recent, historical levels. Additionally, there have been certain proposals seeking to reduce the “required local effort” millage for school districts and to replace such millage with other revenue source(s) or to require that certain percentages of school district funding be spent on particular activities. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would, or might apply to, or have a material adverse effect upon, the District or its finances.

Several Constitutional and Legislative amendments affecting Ad Valorem Taxes have been approved by voters in the past including the following.

Save Our Homes Amendment. By voter referendum held on November 3, 1992, Article VII, Section 4 of the Florida Constitution was amended by adding thereto a subsection which, in effect, limits the increases in assessed just value of homestead property to the lesser of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U. S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. Further, the amendment provides that (1) no assessment shall exceed just value, (2) after any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status, (3) new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead, and (4) changes, additions, reductions or improvements to homestead shall initially be assessed as provided for by general law, and thereafter as provided in the amendment. The effective date of the amendment was January 5, 1993 and, pursuant to a ruling by the Supreme Court of the State, it began to affect homestead property valuations commencing January 1, 1995, with 1994 assessed values being the base year for determining compliance.

In the November 7, 2006 general election, the voters of the State approved Amendments 6 and 7 to the Florida Constitution, which provide for an increase in the homestead (ad valorem tax) exemption to \$50,000 from \$25,000 for certain low-income seniors effective January 1, 2007 and provide a discount from the amount of ad valorem taxes for certain permanently disabled veterans effective December 7, 2006, respectively.

Constitutional Amendments Related to Ad Valorem Exemptions. On January 29, 2008, in a special election held in conjunction with the State’s presidential primary, the requisite number of voters approved amendments to the Florida Constitution exempting certain portions of a property’s assessed value from taxation. The following is a brief summary of certain important provisions contained in such amendments:

1. Provides for an additional exemption for the assessed value of homestead property between \$50,000 and \$75,000, thus doubling the existing homestead exemption for property with an assessed value equal to or greater than \$75,000. This exemption does not apply to school district taxes.

2. Permits owners of homestead property to transfer their "Save Our Homes" benefit (up to \$500,000) to a new homestead property purchased within two years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their "Save Our Homes" benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead. As discussed above, the Save Our Homes amendment generally limits annual increases in ad valorem tax assessments for those properties with homestead exemptions to the lesser of three percent (3%) or the annual rate of inflation. This exemption applies to all taxes, including school district taxes.

3. Exempts from ad valorem taxation \$25,000 of the assessed value of property subject to tangible personal property tax. This limitation applies to all taxes, including school district taxes.

4. Limits increases in the assessed value of non-homestead property to 10% per year, subject to certain adjustments. The cap on increases would be in effect for a 10 year period, subject to extension by an affirmative vote of electors. This limitation does not apply to school district taxes.

The amendments were effective for the 2008 tax year (2008/2009 Fiscal Year for local governments). While certain members of the State Legislature publicly indicated that they would seek to replace the ad valorem revenues lost by school districts with other revenue sources, the State Legislature approved significant budget cuts for education during its recent legislative sessions, with the exception of the 2012 Regular Session. See "AD VALOREM TAXATION - Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes – Budget Constraints" herein. At this time, it is impossible to estimate with any certainty the level of impact that the constitutional amendments will have on the District, but the impact could be substantial.

Over the last few years, the Save Our Homes assessment cap and portability provisions described above have been subject to legal challenge. The plaintiffs in such cases have argued that the Save Our Homes assessment cap constitutes an unlawful residency requirement for tax benefits on substantially similar property in violation of the equal protection provisions of the Florida Constitution and the Privileges and Immunities Clause of the Fourteenth Amendment to the United States Constitution. The plaintiffs also argued that the portability provision simply extends the unconstitutionality of the tax shelters granted to long-term homeowners by Save Our Homes. The courts in each case have rejected such constitutional arguments and upheld the constitutionality of such provisions; however, there is no assurance that any future challenges to such provisions will not be successful. Any potential impact on the School District or its finances as a result of such challenges cannot be ascertained at this time.

Exemption for Deployed Military Personnel. In the November 2010 General Election voters approved a constitutional amendment which provides an additional homestead exemption for deployed military personnel. The exemption equals the percentage of days during the prior calendar year that the

military homeowner was deployed outside of the United States in support of military operations designated by the legislature. This constitutional amendment took effect on January 1, 2011. At this time, it is impossible to estimate with any certainty the level of impact that the constitutional amendment will have on the District.

Other Proposals Affecting Ad Valorem Taxation. During the State Legislature's 2011 Regular Session, it passed House Joint Resolution 381 ("HJR 381"). Among other things, HJR 381 (1) authorizes the State Legislature to prohibit by general law the increase of assessed value for property whose fair market value declined over the prior year; (2) reduces the limitation on annual increases of non-homestead property from 10% to 5% (the 5% cap sunsets in 2023); and (3) provides an additional homestead exemption of 50% (reduced to 0% in five years) of just value of the property for first-time homeowners. The additional homestead exemption for first-time homeowners does not apply to school property taxes. Such proposal will be placed on the November 2012 ballot and requires approval by 60% of the voters. At present, it is uncertain if this proposal will be approved by the voters. If approved, the impact of this proposal on the District's finances cannot be accurately ascertained.

Reduction in Local Option Millage Levy. During the 2008 session, the State Legislature amended Section 1011.71(2), Florida Statutes, to reduce the maximum millage rate that school districts may levy for capital outlay and maintenance purposes (also known as the "Local Option Millage Levy") from 2.0 mills to 1.75 mills commencing in 2008-09 Fiscal Year. In conjunction with such reduction, the State's Commissioner of Education increased the amount of the required local effort for each school district in the State, which resulted in a shift of the millage (and associated tax revenues) from capital outlay and maintenance purposes to operational purposes. However, if the revenues generated from the reduced Local Option Millage Levy are insufficient to make payments under a lease-purchase agreement entered into prior to June 30, 2008, an amount equal to the revenue generated from 0.50 mills of the operating millage levy may be used to make such lease payments or for critical capital outlay needs.

Further Reduction in Local Option Millage Levy. Section 1011.71, Florida Statutes, was amended in the 2009, 2010 and 2011 legislative sessions and provides for the following: (i) a reduction of the maximum Local Option Millage Levy from 1.75 mills to 1.50 mills; (ii) a waiver of the three-fourths limit on use of proceeds from the Local Option Millage Levy for lease-purchase agreements entered into before June 30, 2009, for the 2009/2010 Fiscal Year; and (iii) if the revenue from 1.50 mills is insufficient to make the payments due under a lease-purchase agreement entered into prior to June 30, 2009, or to meet other critical fixed capital outlay needs, authorization for school districts to levy up to 0.25 mills for capital improvement needs in lieu of an equivalent amount of the discretionary mills for operations as provided in the State General Appropriation Act. The District is levied an additional 0.25 mills for capital purposes for the 2010/2011 Fiscal Year pursuant to the authorization described in clause (iii) above.

On March 9, 2012, the State Legislature passed House Bill 5101 ("HB 5101"), which becomes effective July 1, 2012. HB 5101, among other things, provides authority to school districts to be able to exceed the three-fourths limit for lease-purchase agreements entered into prior to June 30, 2009. When HB 5101 becomes effective, the District will be authorized to use more than three-fourths of the proceeds from the Local Option Millage Levy for payments due under lease-purchase agreements entered into before June 30, 2009.

Recent Fluctuations in Taxable Assessed Valuation. Budgeted revenues from ad valorem taxes are based on applying millage levies to 96 percent of the non-exempt assessed valuation of real and personal property within the County. For information relating to the levy of ad valorem taxes, see “AD VALOREM TAXATION” herein. The County Property Appraiser projects a decline in the assessed value of property subject to taxation by the District for the 2012/2013 Fiscal Year. The District’s budget for the 2012/2013 Fiscal Year assumes a decline in assessed property values of 2.9% from the prior year, or approximately \$834 million. These declines in assessed valuation are likely to have a negative impact on revenues of the District from ad valorem taxes, including revenues from the Local Option Millage Levy. Even with the projected declines in assessed property valuation, the District projects that will be able to collect revenues sufficient to make principal and interest payments related to the Notes.

Budget Constraints. The District receives a substantial portion of its operational and capital revenues from State sources. A significantly large percentage of such State revenues is generated from the levy of the State sales tax. The State is currently experiencing significant shortfalls in sales tax revenues, which has resulted in significant budget cuts to both the State and District budgets. The State Legislature has been reluctant to create new sources of revenues through the levy of new taxes or the elimination of certain exemptions from the payment of sales taxes.

Since 2007, the State Legislature has significantly reduced the State’s budget as a result of the ongoing economic downturn. This reduction has resulted in the District losing a significant amount in State revenues. Specifically, the State’s budget for 2011/2012 Fiscal year reduced education funding by \$1.35 billion or 7.96% from the 2010/2011 Fiscal Year. This resulted in a reduction in funding of \$20.8 million to the School District. Nonetheless, the District adopted a balanced budget for the 2011/2012 Fiscal year.

On March 9, 2012, the State Legislature passed the State Budget for the 2012/2013 Fiscal Year. Included in the adopted budget is a \$597 million increase in State education funding compared to the 2011/2012 Fiscal Year. However, taking into account Federal Education Jobs funds carried-forward from the 2010/2011 Fiscal Year and used in the 2011/2012 Fiscal Year to make up for the recent decreases in State education funding, the overall increase in funding for education in the State for the 2012/2013 Fiscal Year is approximately \$42 million. The District expects a net increase of approximately \$103.76 in overall funding per student.

RECENT LEGISLATIVE CHANGES AFFECTING DISTRICT REVENUES

Class Size Reduction

In the general election on November 5, 2002, the voters of the State approved two amendments to the State Constitution that affect the School Board’s operations. Amendment 9 to the State Constitution requires that the State Legislature provide funding for sufficient classrooms so that class sizes can be reduced to certain constitutional class size maximums by the beginning of the 2011 school year. Section 1003.03, Florida Statutes, implements Amendment 9 (together with Amendment 9, “Class Size Legislation”).

The Class Size Legislation establishes constitutional class size maximums limiting students per

class to no more than 18 for pre-kindergarten through third grade, 22 for grades four through eight and 25 for grades nine through 12. These maximums were required to be implemented by the beginning of the 2011 school year. Upon adoption, school districts that exceed these class size maximums were required to reduce the average number of students per class in each of these grade groupings by at least two students each year, beginning with the 2002/2003 Fiscal Year. For the 2003/2004 Fiscal Year through the 2005/2006 Fiscal Year, compliance for each of the grade groupings was calculated to be the average at the district level. For the 2006/2007 Fiscal Year through the 2008/2009 Fiscal Year, compliance was determined by the average on a school-by-school basis. For the 2009/2010 Fiscal Year and thereafter, except as otherwise provided below, compliance was to be determined on an individual classroom level.

The Class Size Legislation further creates an "Operating Categorical Fund for Class Size Reduction," the "Classroom for Kids Program," the "District Effort Recognition Grant Program" and the "Class Size Reduction Lottery Revenue Bond Program" to provide funding programs for capital outlays and operating expenditures necessary in relation to these mandated class size reductions.

The Class Size Legislation requires each school board to consider implementing various policies and methods to meet these constitutional class sizes, including encouraging dual enrollment courses, encouraging the Florida Virtual School, maximizing instructional staff, reducing construction costs, using joint-use facilities, implementing alternative class scheduling, redrawing attendance zones, implementing evening and multiple sessions and implementing year-round and non-traditional calendars.

During its 2009 session, the State legislature enacted, and the Governor signed into law, legislation delaying implementation of the mandated class size reductions for one year. Such legislation generally provided that compliance with the Class Size Legislation would be determined on a school-by-school basis through and including the 2009/2010 Fiscal Year, and that final compliance on an individual classroom basis would be delayed until the 2010/2011 Fiscal Year. In the event a school district is not in compliance with such requirements, the legislation provides that the State shall reduce categorical funds due to such school district for operational purposes.

While the Class Size Legislation suggests that the State Legislature, and not local school districts, is generally responsible for the cost of compliance, it is uncertain what effect implementation might have upon the District or the School Board. The Class Size Legislation is largely focused upon funding of capital outlays and facility needs. There can be no assurance that these funds will be sufficient to meet the capital and facility needs of the District required by the Class Size Legislation. Further, there can be no assurance that the District will have funds sufficient to meet the capital and facility needs of the District required by the Class Size Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

The District did not meet the constitutional class size maximums on a school by school basis for the 2010/2011 Fiscal Year and a fine of approximately \$258,000 was levied on the School Board by the Florida Department of Education. The School Board has submitted its plan to comply with the class size maximums during the 2011/2012 Fiscal Year and the penalty was reduced to approximately \$64,500. The District did not meet the constitutional class size maximums for the 2011/2012 Fiscal Year and a fine of approximately \$191,594 was levied on the School Board by the Florida Department of Education. There can be no assurance that the District will be able to comply with each of the individual class size

mandates in the future. The Florida Department of Education may impose penalties in the future that would result in withholding from funds to be distributed to the School Board.

Pre-K Programs

The second amendment to the Florida Constitution approved by the voters in 2002 relates to a statewide voluntary pre-kindergarten program. During the 2004-A special session, the Florida Legislature passed House Bill 1-A, codified in Chapter 1002, Part V, Florida Statutes, which creates a statewide Voluntary Pre-kindergarten Education Program (together with the Constitutional amendment, the "Pre-K Legislation"). Among other things, the Pre-K Legislation provides eligibility and enrollment requirements, authorizes parents to enroll their children in a school-year pre-kindergarten ("Pre-K") program delivered by a private Pre-K provider, a summer program delivered by a public school or private Pre-K provider or, if offered in a school district that meets class-size reduction requirements, a school year Pre-K program delivered by a public school. The Pre-K Legislation also requires school districts to deliver summer Pre-K programs and permits school districts to deliver school-year Pre-K programs. Additionally, the Pre-K Legislation appropriates State funds to finance the Pre-K programs and provides the method for calculating the funds allocated to each Pre-K program provider. There can be no assurance that the State Legislature will provide funds sufficient to meet the capital and facility needs of the District required by the Pre-K Legislation. Further, there can be no assurance that the District will have funds sufficient to meet the capital and facility needs of the District required by the Pre-K Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

Limitation on State Revenues

In the 1994 general election, voters of the State approved an amendment to the Florida Constitution which is commonly referred to as the "Limitation On State Revenues Amendment." This amendment provides that state revenues collected for any fiscal year shall be limited to state revenues allowed under the amendment for the prior fiscal year plus an adjustment for growth. Growth is defined as an amount equal to the average annual rate of growth in the State personal income over the most recent twenty quarters times the state revenues allowed under the amendment for the prior fiscal year. State revenues collected for any fiscal year in excess of this limitation are required to be transferred to a budget stabilization fund until the fund reaches the maximum balance specified in the amendment to the Florida Constitution, and thereafter is required to be refunded to taxpayers as provided by general law. The limitation on state revenues imposed by the amendment may be increased by the State Legislature, by a two-thirds vote in each house.

The term "state revenues," as used in the amendment, means taxes, fees, licenses, and charges for services imposed by the legislature on individuals, businesses, or agencies outside state government. However, the term "state revenues" does not include: (1) revenues that are necessary to meet the requirements set forth in documents authorizing the issuance of bonds by the State; (2) revenues that are used to provide matching funds for the federal Medicaid program with the exception of the revenues used to support the Public Medical Assistance Trust Fund or its successor program and with the exception of State matching funds used to fund elective expansions made after July 1, 1994; (3) proceeds from the State lottery returned as prizes; (4) receipts of the Florida Hurricane Catastrophe Fund; (5)

balances carried forward from prior fiscal years; (6) taxes, licenses, fees and charges for services imposed by local, regional, or school district governing bodies, or (7) revenue from taxes, licenses, fees and charges for services required to be imposed by any amendment or revision to the Florida Constitution after July 1, 1994. This amendment took effect on January 1, 1995, and was first applicable to the State's fiscal year 1995-1996.

In its 2011 Regular Session, the State Legislature enacted Senate Joint Resolution 958 ("SJR 958"). SJR 958 amends Article VII, Section 1 of the Florida Constitution and creates Article VII, Section 19 and Article XII, Section 32 of the Florida Constitution. SJR 958 (1) replaces the existing state revenue limitation based on State personal income growth (as described above) with a new state revenue limitation based on changes in population and inflation; (2) requires excess revenues to be deposited into the Budget Stabilization Fund to support public education or returned to taxpayers; (3) adds fines and revenues used to pay debt service on bonds issued after July 1, 2012 to the state revenues subject to the limitation; (4) authorizes the State Legislature to increase the revenue limitation by a supermajority vote; and (5) authorizes the State Legislature to place a proposed increase before the voters, which would require approval of 60% of the voters. SJR 958 will be on the ballot in the 2012 general election or at an earlier election authorized by law. If approved by 60% of the voters, the new state revenue limitation will be phased in starting in state fiscal year 2014-1015. Overtime the new state revenue limitation is more likely to constrain state revenues than the current state revenue limitation; however, the potential impact on the Board or its finances cannot be ascertained at this time.

To the extent Pledged Revenues or any portion thereof, constitute "state revenues" which are subject to and limited by the Limitation on State Revenues Amendment, the future distribution of increases in such Pledged Revenues or any portion thereof to the School Board may be adversely affected by the Limitation on the State Revenues Amendment. Whether the limitation will have practical impact in the future is not known.

Establishment of the K-12 Public School Facility Funding Task Force

HB 5101 establishes the K-12 Public School Facility Funding Task Force (the "Task Force"). The Task Force will convene no later than July 31, 2012, for the purpose of examining all relevant factors in order to make recommendations to the State Legislature for more equitable facility funding for public and charter schools. The issues to be considered by the Task Force include, but are not limited to: (a) charter school facility funding needs; (b) existing funding and revenue sources available for fixed capital outlay needs for charter and public schools; (c) long-term debt for school facilities; (d) class size requirements and the impacts of such requirements of facilities funding needs; and (e) school district facilities utilization. The Task Force is required to complete its work and submit its recommendations to the Governor and State Legislature by December 1, 2012.

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PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS

The information relating to the Florida Retirement System ("FRS") contained herein has been obtained from the FRS Annual Reports available at www.dms.myflorida.com and the Florida Comprehensive Annual Financial Reports available at http://www.myfloridacfo.com/aadir/statewide_financial_reporting. No representation is made by the School Board as to the accuracy or adequacy of such information or that there has not been any material adverse change in such information subsequent to the date of such information.

Florida Retirement System

Substantially all full and part time employees of the Board are eligible to participate in the FRS. The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The State Board of Administration ("SBA") manages the FRS. The SBA is governed by a three-member Board of Trustees which includes the State's elected governor, chief financial officer and attorney general, which function as chairman, treasurer, and secretary, respectively. FRS membership is required for all employees filling a regularly established position in a state agency, county, city agency, state university, state community college, or district school board. Cities, municipalities, special districts, charter schools and metropolitan planning organizations have the option of participating in the FRS; however, participation is irrevocable after the entity elects to participate.

As of June 30, 2011, the FRS had 1,097,450 total members, including 318,341 retirees and beneficiaries (excluding general revenue and teachers' retirement system survivor benefit); 90,271 terminated vested participants; 45,092 DROP (as hereinafter defined) participants; 479,153 active vested participants; and 164,593 active non-vested participants. These members are categorized into five classes of membership: (1) Senior Management Service Class ("SMSC") members which include senior management level positions in state and local governments and assistant state attorneys, prosecutors and public defenders; (2) Special Risk Class which includes positions such as law enforcement officers, firefighters, correctional officers, emergency medical technicians and paramedics; (3) Special Risk Administrative Support Class which include non-special risk law enforcement, firefighting, emergency medical care or correctional administrative support positions within a FRS special risk-employing agency; (4) Elected Officers' Class ("EOC") which includes members who are elected state and city officers and the elected officers of cities and special districts that choose to place their officials in this class; and (5) Regular Class members includes members that do not qualify for membership in the other classes.

For those members who enrolled in the FRS defined benefit plan (the "FRS Pension Plan") prior to July 1, 2011, benefits under the FRS Pension Plan vest after six years of service for all membership classes. Regular Class, SMSC and EOC members are eligible for normal retirement with six or more years of creditable service and an age 62 or higher, or 30 years of creditable service regardless of age. Special Risk Class and Special Risk Administrative Support Class members are eligible for normal retirement with six or more years of special risk class service and an age 55 or higher, or 25 years of special risk service regardless of age. With up to four years of active duty wartime service and a total of 25 years of service including special risk service, the retirement age drops to age 52. Without at least six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the retirement requirements of the Regular Class. Regardless of class, a member may take early retirement

any time after vesting within 20 years of normal retirement age; however, there is a five percent benefit reduction for each year prior to normal retirement age. The State Constitution prohibits increasing benefits without concurrently providing for funding the increase on a sound actuarial basis.

The FRS Pension Plan calculates its benefits on the basis of age, average final compensation, creditable years of service and accrual value by membership class. Members are also eligible for in-line-of-duty or regular disability and survivors' benefits.

Subject to provisions of Section 121.091, Florida Statutes, the Defined Retirement Option Program (the "DROP") permits employees eligible for normal retirement under the FRS to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a period not to exceed 60 months while the member's benefits accumulate in the FRS Trust Fund. Authorized instructional personnel may participate in the DROP for up to 36 additional months beyond their initial 60-month participation period. For those members who entered the DROP prior to July 1, 2011, such member's benefits will earn monthly interest at an equivalent annual rate of 6.50%. For those members who entered the DROP on and after July 1, 2011, the annual interest rate shall equal 1.3% per year. Authorized instructional personnel may participate in the DROP for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. As of June 30, 2011, the FRS Trust Fund projected \$2,543,635,828 in accumulated benefits and interest for 36,890 current and prior DROP participants.

The FRS is a cost-sharing multiple-employer public-employee retirement system with two primary plans. The Department of Management Services, Division of Retirement administers the FRS Pension Plan and the State Board of Administration invests the assets of the FRS Pension Plan held in the FRS Trust Fund. Administration costs of the FRS Pension Plan are funded through investment earnings of the FRS Trust Fund. Reporting of the FRS is on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the obligation is incurred.

The SBA administers the Public Employee Optional Retirement Program (the "FRS Investment Plan"), an alternative defined contribution plan available to all FRS members. Retirement benefits are based upon the value of the member's account upon retirement. Regardless of membership class, FRS Investment Plan contributions vest after one year of service. If a member elects to transfer amounts from the FRS Pension Plan to that member's the FRS Investment Plan account, the member must meet the six-year vesting requirement for any such transferred funds and associated earnings. The FRS Investment Plan is funded by employer contributions that are based on salary. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Administration costs of the FRS Investment Plan are funded through a 0.05% employer contribution and forfeited benefits. Disability coverage is provided under the FRS Investment Plan. Members of the FRS Investment Plan vest after eight years for non-duty related disability benefits and may elect to surrender their account balance to the FRS Trust Fund to receive guaranteed monthly benefits under the FRS Pension Plan, or members may keep their account balance to fund future retirement needs in lieu of guaranteed monthly benefit payments. The member may rollover vested funds to another qualified plan, structure a periodic payment under the FRS Investment Plan, receive a lump-sum distribution or leave the funds invested for future distribution.

Participating employers must comply with the statutory contribution requirements. Section 121.031(3), Florida Statutes, requires an annual actuarial valuation of the FRS Pension Plan. Employer contribution rates are based on a level percentage of payrolls and are determined using the entry-age actuarial cost method. The School District is required to contribute to the FRS an amount equal to a variable percentage of each employee's salary, where the percentage is based upon the employee's statutory classification. The statutory classifications and percentages that affect the District for the 2011/2012 Fiscal Year are as follows:

Class or Plan	Percent of Gross Salary	
	<u>Employee</u>	<u>Employer^(A)</u>
Regular	3.00	4.91
Elected County Officers	3.00	11.14
Senior Management Service	3.00	6.27
Deferred Retirement Option Program	3.00	4.42
Reemployed Retiree ^(B)		

^(A) Employer rates include 1.11 percent for the postemployment health insurance supplement. Also, employer rates, other than for DROP participants, include 0.03 percent for administrative costs of the FRS Investment Plan.

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

Source: School District of Manatee County, Florida Finance Department.

The District's liability for participation in the FRS is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions to the FRS for the 2008/2009, 2009/2010, 2010/2011 and 2011/2012 Fiscal Years totaled \$22,095,392, \$22,131,849, \$24,806,302 and \$10,683,822 (unaudited), respectively, which were equal to the required contributions for each fiscal year. The District's required contribution to the FRS Pension Plan for the 2012/2013 Fiscal Year is estimated to be \$10,505,318 (unaudited). There were 858 employees of the School District participating in the FRS Investment Plan during the 2011/2012 Fiscal Year. Required contributions made to the FRS Investment Plan totaled \$2,726,891 and \$1,278,646 (unaudited) for the 2010/2011 and 2011/2012 Fiscal Years, respectively. The District's required contribution to the FRS Investment Plan for the 2012/2013 Fiscal Year is estimated to be \$1,297,407. Effective July 1, 2011, all members of FRS will be required to contribute 3% of their gross compensation toward their retirement.

Senate Bill 2100

The State Legislature passed Senate Bill 2100 ("SB 2100") during its 2011 session and was signed by Governor Rick Scott on May 20, 2011. SB 2100 makes significant changes to the FRS with respect to employee contributions and employer contributions, among other items. Effective July 1, 2011, all members of FRS will be required to contribute 3% of their gross compensation toward their retirement. In addition, the legislation reduces the required employer contribution rates for each membership class and subclass of the FRS. For fiscal year ended June 30, 2011, contribution rates ranged from 10.77% to 23.25% of annual covered payroll. Under SB 2100, employer contribution rates range from 4.91% to 14.10% of annual covered payroll. The savings resulting from such reduced contributions will be used to partially offset the reduction in State education funding for the 2011/2012 Fiscal Year. See "AD VALOREM TAXATION - Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem

Taxes” herein. Additionally, the bill eliminates the cost of living adjustment for all FRS employees for service earned on or after July 1, 2011, although the bill does contemplate reinstatement of the adjustment in 2016 under certain circumstances.

Although no further action is required on the part of the State Legislature to implement the amendments in SB 2100, on June 20, 2011, the Florida Education Association and the Police Benevolent Association, joined by the Florida Public Services Union, a chapter of the Service Employees International Union and Teamsters Local 385 (collectively, the “FRS Plaintiffs”), filed a lawsuit in Circuit Court in Tallahassee, Florida challenging the above described legislative changes with respect to existing FRS members. The lawsuit alleges SB 2100 unlawfully impairs state employee contracts, constitutes a taking of private property without full compensation and violates government workers constitutional right to collective bargaining. On March 6, 2012, the Circuit Court granted the FRS Plaintiffs’ motion for summary judgment finding there is no genuine issue as to any material fact. The Circuit Court held the challenged portions of SB 2100 constituted an unconstitutional impairment of the FRS Plaintiffs’ contract with the State by changing the FRS from a noncontributory plan with a cost-of-living adjustment to a contributory plan without a cost-of-living adjustment. The Circuit Court also held the mandatory 3% contribution to the FRS and the elimination of the cost-of-living adjustment constituted a taking of private property for a public use without full compensation being paid. Finally, the Circuit Court held SB 2100 abridges the right of public employees to collectively bargain over wages, hours and other terms or conditions of employment. Governor Scott issued a statement that the State will appeal the Circuit Court decision, which will result in an automatic stay of the decision. As such, there will be no immediate impact on the District’s budget. However, if the FRS Plaintiffs are ultimately successful on appeal, the impact to the District’s finances could be substantial given the current State economy and level of education funding. See “AD VALOREM TAXATION - Constitutional Amendments and Legislative Initiatives Affecting Ad Valorem Taxes” herein.

SB 2100 makes other changes to the FRS that only apply to employees who initially enroll on or after July 1, 2011, including: (1) the average final compensation upon which retirement benefits are calculated will be based on the eight highest (formerly five highest) fiscal years of compensation prior to retirement; (2) the DROP is maintained but the interest accrual rate will be reduced from 6.5% to 1.3%; (3) the normal retirement age is increased from 62 to 65; and (4) the years of creditable service is increased from 30 to 33 and the vesting period is increased to eight years (formerly six).

Other Post Employment Benefits

In addition to its contributions under the State’s retirement plan described above, the District provides other postemployment benefits (“OPEB”) for certain of its retired employees in the form of both an implicit rate subsidy, by providing access to health insurance plans requiring the use of a single “blended” or “common” rate for both active and retired employees, as well as a small co-payment of premiums on a quarterly basis.

The Other Postemployment Benefits Plan (the “OPEB Plan”) is a single-employer defined benefit plan administered by the District pursuant to the provisions of Section 112.0801, Florida Statutes. Under the OPEB Plan, former employees who retire from the District and eligible dependents, may continue to participate in the District’s health and hospitalization plan for medical, prescriptions, and life insurance

coverages. The District subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The rates paid by retirees eligible for Medicare are reduced by the Medicare premium. The OPEB Plan does not issue a stand-alone report and is not included in the report of a Public Employee Retirement system or another entity.

Benefit provisions for the OPEB Plan are pursuant to provisions of Section 112.081, Florida Statutes, and are amended through negotiations between the District and the respective employee unions. The District funds this postemployment benefit on a pay-as-you go basis. For the 2010/2011 Fiscal Year, 586 retirees received other postemployment benefits. For the 2010/2011 Fiscal year, the District provided required contributions of \$2,762,015 toward the annual OPEB cost, net of retiree contributions. The District provided required contributions of \$2,762,015 (unaudited) toward the annual OPEB cost, net of retiree contributions for the 2011/2012 Fiscal Year. The District is expected to provide a required contribution of \$2,762,015 (unaudited) toward the annual OPEB cost for the 2012/2013 Fiscal Year, net of retiree contributions.

Special Termination Benefits

On March 20, 1995, the School Board approved a One-time Only Retirement Incentive Plan (the "MOTORIP"). This plan provided that eligible employees who elected to retire by June 30, 1995, be paid special termination benefits. The MOTORIP was offered to members of the instructional and classified bargaining units and administrative personnel who signed an agreement to participate in the MOTORIP, who agreed to retire from employment under the provisions of the FRS, and who met certain age and length of service requirements. One hundred fifty-nine (159) employees elected to participate in the MOTORIP. Special termination benefits included payment for 100 percent of accrued sick and vacation leave, either a bonus based on 25 percent of the retiree's final year's compensation or an amount to compensate the employee for the FRS early retirement penalty, single coverage for health insurance, and a specified amount of life insurance. The MOTORIP provided that the accrued sick and vacation leave, bonus pay, and the FRS early retirement penalty be paid out to the retirees and to a third-party administrator over a period of five years. The premiums for health insurance are to be paid for a period of eight years, while the premiums for the life insurance are to be paid out over the respective retiree's life. The District reported no expenditures during the 2010/2011 Fiscal Year for the cash payments of special termination benefits. However, the District reported a liability of \$96,876 in the Statement of Net Assets representing the present value of the estimated future payments under the MOTORIP. For the 2011/2012 Fiscal Year, the District reported no expenditures for the cash payments of special termination benefits; however, the District reported a liability of \$86,112 (unaudited) in the Statement of Net Assets representing the present value of the estimated future payments under the MOTORIP. The District does not expect to report expenditures for the 2012/2013 Fiscal Year, for the cash payments of special termination benefits. The District expects to report a liability of \$75,348 (unaudited) in the Statement of Net Assets representing the present value of the estimated future payments under the MOTORIP for the 2012/2013 Fiscal Year.

LITIGATION

Concurrently with the delivery of the Notes, the School Board Attorney will deliver an opinion substantially to the effect that there is no litigation or other proceedings pending or, to the best of his knowledge, threatened against the District that seeks to restrain or enjoin the issuance or delivery of the Notes or this Official Statement or questioning or affecting the validity of the Notes, the Official Statement or the proceedings of the District with respect to the authorization, sale, execution or issuance of the Notes or the transactions contemplated by this Official Statement or any other agreement or instrument to which the District is a party in connection therewith and which is used or contemplated for use in the transactions contemplated by this Official Statement and neither the creation, organization nor existence of the District is being contested.

The District is involved in certain litigation and disputes incidental to its operations. Upon the basis of information presently available, the School Board Attorney believes that there are substantial defenses to such litigation and the disputes and that, in any event, any ultimate liability, in excess of applicable insurance coverage, resulting therefrom will not materially adversely affect the financial position or results of operations of the District.

NOTEHOLDER'S RISK

The District has prepared an operating budget and set a millage rate that it anticipates will be sufficient to pay all expenses incurred in operating the District's schools, including repayment of the Notes. Although Florida Statutes require the District to adopt a balanced budget, in the event expenditures exceed the amount budgeted therefor or the delinquency on tax payments exceeds that of previous years, the Notes and/or the interest thereon may not be paid in full at maturity.

FINANCIAL STATEMENTS

Excerpted pages from the Audited Financial Statements of the District for the fiscal year ended June 30, 2011, are appended hereto as Appendix B and have been audited by Mauldin & Jenkins, LLC (the "Auditor"), independent certified public accountants, as set in its report dated December 15, 2011, which report is also appended hereto. The audited financial statements are attached hereto as an available public record and the Auditor's consent to such inclusion was not requested. The Auditor has not performed any services in connection herewith on the offering of the Notes.

Additionally, included as Appendix C to this Official Statement is the Year to Date Finance Report Through the Period Ending April 30, 2012 (unaudited). The figures contained in the finance report have not been audited and are therefore subject to change.

UNDERWRITING

The Notes are being purchased by the Underwriter, J.P. Morgan Securities, LLC ("J.P. Morgan"), at an aggregate purchase price of \$50,654,000.00 (which consists of the par amount of the Notes, plus a note premium of \$655,000.00 and less underwriter's discount of \$1,000.00). The offer of the Underwriter to purchase the Notes provides for purchase of all of the Notes if any are purchased.

The Underwriter may offer to sell the Notes to certain dealers (including dealers depositing the Notes into investment trusts) and others at prices lower than the public offering prices stated on the cover page hereof. The initial public offering prices may be changed from time to time by the Underwriter.

J.P. Morgan has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of UBS Financial Services Inc. ("UBSFS") and Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain securities offerings, including the Notes, at the original issue prices. Pursuant to each Dealer Agreement (if applicable to the Notes transaction), each of UBSFS and CS&Co. will purchase the Notes from J.P. Morgan at the original issue price less a negotiated portion of the selling concession applicable to any Notes that such firm sells.

FINANCIAL ADVISOR

The District has retained Public Financial Management, Inc., Orlando, Florida, as financial advisor (the "Financial Advisor") with respect to the issuance and sale of the Notes. The Financial Advisor assisted in the preparation of the Official Statement, and in other matters relating to the planning, structuring, and issuance of the Notes, and has provided additional advice. The Financial Advisor is not obligated to undertake nor has undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

NOTE RATING

Moody's Investors Service ("Moody's") has assigned its municipal bond rating of "MIG 1" to the Notes. An explanation of the significance of the ratings may be obtained only from Moody's. There is no assurance that the rating will be in effect for any given period of time or that it will not be revised downward, suspended or withdrawn entirely by Moody's if in its judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of the rating given the Notes may have an adverse effect on the liquidity or market of the Notes. Such rating reflects only the views of such organization and any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same, at the following address: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

TAX EXEMPTION

Opinion of Note Counsel

In the opinion of Note Counsel, the form of which is included as Appendix E hereto, under existing statutes, regulations, rulings and court decisions, the interest on the Notes is excludable from gross income of the owners thereof and is not a specific item of tax preference for federal income tax purposes. Such interest, however, will be includable in the calculation of a corporation's alternative minimum taxable income. Failure by the District to comply subsequent to the issuance of the Notes with

certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), regarding the use, expenditure and investment of bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States may cause interest on the Notes to become includable in gross income for federal income tax purposes retroactive to their date of issue. The District has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Notes for purposes of federal income taxation. In rendering its opinion, Note Counsel has assumed continuing compliance with such covenants.

Internal Revenue Code of 1986

The Code contains a number of provisions that apply to the Notes, including among other things, restrictions relating to the use of investment of the proceeds of the Notes and the payment of certain arbitrage earnings in excess of the "yield" on the Notes to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Notes being included in gross income for federal income tax purposes retroactive to their date of issue.

Financial Institutions

Banks and thrift institutions are generally unable to deduct any portion of the interest expense allocable to purchasing or carrying tax-exempt obligations (except "qualified tax-exempt obligations") if such interest costs are incurred in taxable years ending after December 31, 1986, with respect to bonds after August 7, 1986. An exception is provided for "qualified tax exempt obligations" specifically designated as such by the issuer. The District has not designated the Notes as qualified tax-exempt obligations under Section 265(b)(3) of the Code.

Collateral Tax Consequences

Except as described above, Note Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Notes. Prospective purchasers of Notes should be aware that the ownership of Notes may result in other collateral federal tax consequences. For example, ownership of the Notes may result in collateral tax consequences to various types of corporations relating to (1) the branch profits tax, (2) the environmental tax, and (3) the inclusion of interest on the Notes in passive income for certain Subchapter S corporations. In addition, the interest on the Notes may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE NOTES AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE NOTEHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE NOTEHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Other Tax Matters

Interest on the Notes may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Notes should consult their own tax advisors as to the income tax status of interest on the Notes in their particular state and local jurisdictions.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Notes. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Notes. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Notes and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Notes.

Tax Treatment of Note Premium

The Notes were offered at a price in excess of the principal amount thereof. Under the Code, the excess of the cost basis of a note over the amount payable at maturity or earlier call date is generally characterized as "note premium." For federal income tax purposes, a portion of the note premium on the Notes in each taxable year will reduce the cost basis of the owner thereof (i.e., be amortized), but may not be deducted. The amount of amortizable note premium attributable to each taxable year is determined on an actuarial basis at a constant interest rate compounded on each interest payment date. Special rules apply in the case of an owner who holds a Note as inventory, stock in trade or for sale to customers in the ordinary course of business.

Owners of Notes should consult their own tax advisors with respect to the precise determination for federal income tax purposes of the annual amount of amortizable note premium, the treatment of such note premium upon the sale or other disposition of Notes and with respect to the state and local tax consequences of owning and disposing of Notes.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Notes are subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Note Counsel, whose approving opinion (a form of which is attached hereto as Appendix E) will be available at the time of delivery of the Notes. The actual legal opinion to be delivered by Note Counsel may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Note Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date. Certain legal matters will be passed on for the School Board by its counsel, John W. Bowen, Esq., Bradenton, Florida and by Bryant Miller Olive P.A., Tampa, Florida, Disclosure Counsel.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the District make a full and fair disclosure of any bonds or other debt obligations of such entity that have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which the District served only as a conduit issuer). The District is not and has not since December 31, 1975, been in default as to payment of principal and interest on its bonds, notes, or other debt obligations.

CONTINUING DISCLOSURE

The District has agreed and undertaken for the benefit of Noteholders, to provide notices of the occurrence of certain enumerated events, if material. Such undertaking shall only apply so long as the Notes remain outstanding. The covenant shall also terminate upon the termination of the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12(b)(5) (the "Rule") by legislative, judicial or administrative action. The notices of material events will be filed by the District or its dissemination agent with the Electronic Municipal Market Access ("EMMA") system as required by the Rule and as described in the Continuing Disclosure Certificate attached hereto as APPENDIX F. The specific nature of the information to be contained in the notices of material events are described in APPENDIX F attached hereto.

With respect to the Notes, no party other than the School Board is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. Due to an inadvertent oversight, the filing of the District's annual report for two prior issues has been past due by approximately two months for at least the past two years. The District fully anticipates timely satisfying all future obligations in connection therewith.

MISCELLANEOUS

The information contained above is subject to change without notice and no implication is to be derived therefrom or from the sale of the Notes that there has been no change in the affairs of the District from the date hereof.

The Official Statement is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or the holders of any of the Notes.

Further information regarding the District is available upon request from the School District of Manatee County, Florida, Assistant Superintendent for Business Services, 215 Manatee Avenue W., Bradenton, Florida 34205.

CERTIFICATE CONCERNING THIS OFFICIAL STATEMENT

Concurrently with the delivery of the Notes, the Chairman of the Board and the Superintendent will furnish a certificate to the effect that, to the best of their knowledge, this Official Statement, as of the date of delivery of the Notes, does not contain any untrue statement of a material fact and does not omit to state a material fact which should be included therein for the purpose for which the Official Statement is to be used, or which is necessary to make not misleading, in the light of the circumstances for which they were made, the statements contained therein.

**SCHOOL DISTRICT OF MANATEE
COUNTY, FLORIDA**

By: /s/ Harry G. Kinnan
Chairman

By: /s/ Timothy McGonegal
Superintendent

APPENDIX A

**GENERAL INFORMATION REGARDING
MANATEE COUNTY, FLORIDA**

GENERAL INFORMATION REGARDING MANATEE COUNTY, FLORIDA

General Information

Manatee County, founded in 1856, encompasses approximately 741 square miles and is located approximately half way down the west coast of Florida. The County is bounded on the north by Hillsborough County, on the south by Sarasota County, on the east by Hardee and DeSoto Counties, and on the west by the Gulf of Mexico. The County is located in the Tampa Bay metro region, and encompasses the cities of Anna Maria, Bradenton, Bradenton Beach, Holmes Beach, Longboat Key, Palmetto, and numerous communities in the unincorporated area of the County, such as Lakewood Ranch, Ellenton and Parrish. The 2011 population of the County was 324,168 persons. Bradenton, the largest city in the County, is the County Seat.

There are approximately 150 miles of waterfront land in the County, including more than 27 miles of Gulf beaches. Temperatures range from an average low of approximately 50 degrees in January to an average high of approximately 91 degrees in August. Other natural advantages include an abundance of mineral deposits and unique soils suitable for agriculture. These factors have allowed Manatee County to maintain an even and steady economic growth rate through the years and have enabled the County to develop a year-round tourist industry.

Access to major arterial highway networks, public transportation and international airports makes travel in and out of the County easy and efficient. It is home to Florida's closest deep-water port to Mexico, Port Manatee, and offers an excellent transportation linkage. Interstate 75 is the primary north-south access road to the County. Interstate 275, State Road 64 and State Road 70 are the major east-west access roads to the County. Interstate 275 utilizes the skyway bridge to St. Petersburg and Tampa. This access makes it easy for travelers to commute to and visit nearby cities and towns. The Sarasota-Bradenton Airport, located on the Manatee-Sarasota County line, provides air service for the County. More than 1.5 million travelers pass through its terminals each year for both business and leisure travel. Four major air carriers and three commuter airlines provide scheduled commercial service to numerous metropolitan areas in the north, midwest, west, and internationally.

County Government

The County is governed by a seven-member Board of County Commissioners (the "Board"), elected for staggered terms of four years. In addition to the members of the Board, there are five elected County Officials: Tax Collector, Property Appraiser, Supervisor of Elections, Clerk of the Circuit Court and Sheriff. The County is managed by an Administrator who is the chief administrative officer, and has the authority to hire all department heads, subject to the approval of the Board.

The County provides a variety of services characteristic of local multi-purpose governments including: roads, building and maintenance, engineering, animal control, social services programs, planning and zoning, environmental protection, utilities, fire and welfare, children's services, civil defense, veterans services, traffic control and others. The Board provides and oversees expenditures of

such operations. There were approximately 3,274 government-wide employees as of September 30, 2011.

The Clerk of the Circuit Court, as Chief Financial Officer for the Manatee County Board of County Commissioners, has received for the County the Certificate of Achievement for Excellence in Financial Reporting for each Fiscal Year since September 30, 1979 and each report generated is prepared in accordance with the Government Finance Officers Association and the America Institute of Certified Public Accountants (AICPA) guidelines. Additionally, the Government Finance Officers Association of the U.S. and Canada has awarded the "1984 Award for Excellence in Financial Management" to the Clerk of the Circuit Court, R.B. "Chips" Shore. The Award for Excellence is the highest form of professional recognition in the area of accounting and financial reporting and its attainment represents a significant accomplishment for the County.

Population

The County has experienced a very rapid population growth in recent years. The 2010 U.S. Census listed the County population at 322,833 persons. As can be seen in the following table, the population of the County has more than tripled since 1970. The 2010 Census also reported that of the 322,833 persons living in the County, 22.8% were age 65 and over. The population's median age is 43. The County population is projected to be 358,400 in the year 2015, 387,000 in the year 2020 and 418,500 in the year 2030.

	<u>Manatee County</u>	
	<u>Population</u>	<u>% Increase</u>
2010 Federal Census	322,833	22%
2000 Federal Census	264,002	25
1990 Federal Census	211,707	43
1980 Federal Census	148,445	53
1970 Federal Census	97,115	40
1960 Federal Census	69,168	99
1950 Federal Census	34,704	33
1940 Federal Census	26,098	-

Source: 2010 U.S. Bureau of the Census.

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**Manatee County, Florida
Population for the Last Ten Fiscal Years**

<u>Date</u>	<u>Population</u>	<u>Increase</u>
2011	324,168	1.85
2010	318,176	(3.64)
2009	330,201	2.11
2008	323,374	2.37
2007	315,890	1.54
2006	311,102	3.59
2005	300,298	2.20
2004	293,837	2.42
2003	286,884	4.93
2002	273,408	1.99
2001	268,071	3.92

Source: Manatee County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2011.

Economy

The County's building industry base is diversified, with the three largest industry sectors being services, retail and manufacturing. The County also has a strong tourism and agricultural base.

**Manatee County, Florida
Economic Indicators**

<u>Year</u>	<u>Per Capita Income⁽¹⁾</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>	<u>Property Value⁽²⁾</u>
2011	\$39.2	44,175	10.9%	\$30,972,222,000
2010	42.0	43,000	12.6	32,618,003,000
2009	43.2	42,500	12.7	38,180,597,000
2008	42.3	42,500	7.4	43,570,796,000
2007	37.3	42,500	4.2	47,349,467,000
2006	35.3	42,200	2.7	42,449,640,000
2005	34.1	42,350	3.2	33,580,815,000
2004	32.8	41,000	3.4	28,424,723,000
2003	31.6	39,800	4.1	24,632,699,000
2002	31.8	38,600	4.3	21,157,405,000

⁽¹⁾ In thousands

⁽²⁾ Estimated actual value represents the total net taxable assessed value plus the value of (a) tax exempt properties (i.e. governmental and institutional), (b) exemptions (i.e. \$25,000 homestead exemption) and (c) the 1992 Florida Constitution amendment known as "Save Our Homes" (or Amendment 10 Cap).

Source: Manatee County, Florida Comprehensive Annual Financial Report for Fiscal Year Ended September 30, 2011.

Tourism

The proximity of the Gulf beaches and the favorable climate in the County provide the basis for a year-round tourist industry. Miles and miles of white beaches, water sports, premier golf courses, and proximity to major tourist attractions make the island communities of Anna Maria, Bradenton Beach, Holmes Beach, and Longboat Key, prime vacation spots.

Sports enthusiasts have more than 40 local golf courses, an abundance of parks with playing fields, and the IMG/Bollettieri Tennis, Baseball, and Golf Academies. Professional sports, such as baseball, football and hockey, are only an hour or less away. The County hosts spring training for the Pittsburgh Pirates baseball team. Additionally, the County and Tampa Bay offer a wide variety of cultural experiences, including dining at award winning restaurants, local pubs, or beachside cafes; touring "Broadway" plays and other world class performing acts; viewing art at the Ringling Museum, historical exhibits at the St. Petersburg Museum, or science exhibits at the Museum of Science and Industry. Festivals, visual and performing arts, and cultural events abound in the County.

There are numerous motels and retail service establishments in the County to serve the tourist trade. According to the Florida Department of Business and Professional Regulation, as of July 5, 2011, there were 71 licensed hotels and motels in the County having a total of approximately 3,508 rooms.

Employment

A substantial number of manufacturing firms which produce a wide variety of products are located in the County. The more important industries in terms of employment are citrus processing, fiberglass boats, truck bodies and trailers, aluminum fabrication including outdoor furniture, doors and windows and agricultural chemicals. Aircraft components and electronics firms are among the major employers in the area. The table below lists the ten largest public/private employers in the County and the estimated employment by each employer as of September 2011.

	<u>Employer</u>	<u>Type of Business</u>	<u>Employees</u>
1.	Manatee County School Board	Public Education	5,300
2.	Manatee County Government	Government	1,734
3.	Beall's Inc.	Corporate headquarters & distribution	1,671
4.	Manatee Memorial Hospital	Healthcare	1,400
5.	Tropicana Products, Inc.	Orange juice and juice beverages	1,300
6.	Blake Medical Center	Hospital	1,156
7.	Manatee County Sheriff's Dept.	Law Enforcement	1,096
8.	Publix	Grocery store	839
9.	State College of Florida Manatee Sarasota	Public Education	485
10.	Hoveround Corp.	Manufacturing	484

Source: Manatee County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2011.

Port Manatee

Port Manatee is one of Florida's largest and fastest growing deepwater seaports. Located in the eastern Gulf of Mexico at the entrance to Tampa Bay, Port Manatee is the closest U.S. deepwater seaport to the Panama Canal – providing shippers with speedy access to Pacific Rim markets. The port and its partners move approximately 9 million tons of containerized, breakbulk, bulk and project cargo each year including fresh produce, forestry products, petroleum products, citrus juice products, fertilizer, steel, aluminum, automobiles, cement, aggregate and more. Port Manatee is Fresh Del Monte Produce's second largest U. S. port facility and is also the Southeast's leading forestry products importer.

As a leading economic engine, Port Manatee adds more than \$2.3 billion dollars annually in regional economic impact and supports more than 20,000 jobs.

Port Manatee is a dependent special district created by the Florida Legislature in 1967. The port is governed by the Manatee County Port Authority – a seven-member oversight board which sets policy and oversees major expenditures for the port. Manatee County Port Authority members serve four-year staggered terms with an annual election of officers. While the Manatee County Port Authority is comprised of the same seven members as the elected Manatee County Commission – each governing body has a separate set of officers and financial accountability. Port Manatee is not a unit of Manatee County Government and does not receive ad-valorem tax support from the citizens of the County.

Port Manatee has more than one million square feet of public warehouse and office space, featuring 207,000 square feet of refrigerated space, including 30,000 square feet of freezer space. The port offers nearly one-and-one-half miles of berthing for ships. Another 1,584 feet of deepwater berthing is set for completion in 2013 with the 584 foot extension of Berth 12.

Port Manatee offers exceptional highway and interstate connections with 60-mph access to Interstate 75 and Interstate 275. Trucks leaving Port Manatee reach I-75 and I-275 in less than four minutes via U.S. Highway 41 without encountering a single stoplight. Operating 24 hours a day to accommodate customer needs, Port Manatee's Class III railroad connects to CSX rail lines with two switch engines (1,600 and 1,700 horsepower) and nine miles of standard gauge track, 20 switches, nine crossings and 300-car capacity.

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Property Taxes

**Property Taxes
Manatee County, Florida
Assessed Valuations, Taxes Levied and Collected
Last Ten Fiscal Years
(amounts expressed in thousands)**

<u>Fiscal Year</u>	<u>Taxable Assessed Value</u>	<u>Tax Levy</u>	<u>Tax Collection</u>	<u>Percent of Levy Collected</u>
2011	\$23,756,729	\$169,855	\$163,616	96.33%
2010	24,844,685	195,948	188,804	96.35
2009	28,673,792	213,749	209,226	97.88
2008	33,493,766	234,771	226,545	96.50
2007	34,453,086	245,455	237,045	96.57
2006	30,735,678	203,156	196,357	96.65
2005	24,759,022	177,096	170,689	96.38
2004	21,156,037	155,774	149,274	95.83
2003	18,583,897	137,397	131,508	95.71
2002	16,227,554	117,583	112,834	95.96

2011 County Total Assessed Valuation \$30,972,222,000

Source: Manatee County, Florida, Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2011.

Property tax levies, based on assessed values as of January 1st, become due and payable on November 1st of each year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Accordingly, taxes collected will never be 100 percent of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1st of each year. Property taxes receivable and corresponding reserve for uncollectible property taxes are not included in the financial statements as there are no delinquent taxes as of September 30, 2011.

APPENDIX B

**COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE
SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Comprehensive Annual Financial Report

The School District of
 Manatee County, Florida
 for the Fiscal Year Ended June 30, 2011



School District of Manatee County
 Bradenton, Florida



B-1

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2011

Table of Contents

Table of Contents i

Introductory Section

Letter of Transmittal vii
 School Board Members xv
 List of Principal Officials - Appointed xvi
 Organizational Chart xvii
 Certificate of Excellence xviii

Financial Section

Independent Auditor's Report 1
 Management's Discussion and Analysis 3

Basic Financial Statements

Government-wide Financial Statements:
 Statement of Net Assets 11
 Statement of Activities 12

Fund Financial Statements:
 Balance Sheet – Governmental Funds 14
 Reconciliation of the Governmental Funds Balance Sheet to the
 Government-wide Statement of Net Assets 17
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Governmental Funds 18
 Reconciliation of the Governmental Funds Statement of
 Revenues, Expenditures, and Changes in Fund Balances to the
 Government-wide Statement of Activities 23
 Budgetary Comparison Statement – General Fund 24
 Budgetary Comparison Statement – Major Special Revenue Fund 28
 Statement of Fund Net Assets – Proprietary Funds 30
 Statement of Revenues, Expenses, and Changes in
 Fund Net Assets – Proprietary Funds 31

Basic Financial Statements (continued)

Statement of Cash Flows – Proprietary Funds.....32
 Statement of Fiduciary Net Assets – Fiduciary Funds.....33
 Statement of Changes in Fiduciary Net Assets – Fiduciary Funds34
 Notes to Financial Statements35

Required Supplementary Information

Other Postemployment Benefits – Schedule of Funding Progress63
 Other Postemployment Benefits – Schedule of Employer Contributions... ..64

**Other Supplemental Information:
 Combining and Individual Fund Statements and Schedules**

Nonmajor Governmental Funds:
 Nonmajor Governmental Funds..... 65-71
 Combining Balance Sheet – Nonmajor Governmental Funds.....66
 Combining Statement of Revenues, Expenditures, and Changes in
 Fund Balances – Nonmajor Governmental Funds.....68
 Governmental Fund Types:
 General Fund..... 72-80
 Comparative Balance Sheets73
 Comparative Statements of Revenues, Expenditures, and
 Changes in Fund Balances.....74
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual.....76
 Special Revenue Funds..... 81-91
 Combining Balance Sheet.....82
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances.....83
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – ARRA Economic Stimulus Fund85
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – Federal Contracted Programs Fund.....88
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – Food Services Fund91
 Debt Service Funds..... 93-98
 Combining Balance Sheet.....94
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances.....95
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – Other Debt Service Fund.....96

**Other Supplemental Information:
 Combining and Individual Fund Statements and Schedules (continued)**

Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – State Board of Education Bonds Fund.....97
 Schedule of Revenues, Expenditures, and Changes in Fund Balances –
 Budget to Actual – Section 1011.14/1011.15, Florida Statutes, Loans Fund98
 Capital Projects Funds..... 99-109
 Combining Balance Sheet.....100
 Combining Statement of Revenues, Expenditures, and
 Changes in Fund Balances.....102
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – Capital Projects Fund.....104
 Schedule of Revenues, Expenditures, and Changes in Fund
 Balances – Budget to Actual – Section 1011.71 (2), Florida Statutes,
 Local Capital Improvement Tax – Capital Projects Fund.....105
 Schedule of Revenues, Expenditures, and Changes in Fund
 Balances – Budget to Actual – Section 1011.14/1011.15, Florida Statutes,
 Loan Fund.....106
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – State Board of Education Bonds Fund.....107
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – Public Education Capital Projects Fund108
 Schedule of Revenues, Expenditures, and Changes in
 Fund Balances – Budget to Actual – Capital Outlay and Debt Service Fund.....109
 Proprietary Fund Types:
 Internal Service Funds..... 111-114
 Combining Statements of Fund Net Assets.....112
 Combining Statement of Revenues, Expenses, and
 Changes in Fund Net Assets113
 Combining Statement of Cash Flows.....114
 Fiduciary Fund Types:
 Fiduciary Funds..... 115-118
 Combining Statement of Fiduciary Net Assets116
 Combining Statement of Changes in Fiduciary Net Assets117
 Statement of Changes in Assets and Liabilities.....118
 Other Schedules:
 Component Units..... 119-130
 Combining Statement of Net Assets.....120
 Combining Statement of Activities122
 Combining Statement of Activities – Manatee School for the Arts123
 Combining Statement of Activities – Manatee School of Arts and Sciences, Inc.,.....124
 Combining Statement of Activities – Bradenton Charter School125

**Other Supplemental Information:
Combining and Individual Fund Statements and Schedules (continued)**

Combining Statement of Activities – Imagine Charter School at North Manatee126
 Combining Statement of Activities – Imagine School at Lakewood Ranch.....127
 Combining Statement of Activities – Oasis Middle School, Inc128
 Combining Statement of Activities – Team Success A School of Excellence, Inc.129
 Combining Statement of Activities – Palmetto Charter School, Inc.130

Statistical Section

Schedule 1 – Net Assets by Component132
 Schedule 2 – Expenses, Program Revenues, and Net (Expense)/Revenue134
 Schedule 3 – General Revenues and Total Change in Net Assets136
 Schedule 4 – Fund Balances of Governmental Funds138
 Schedule 5 – Governmental Funds Revenues140
 Schedule 6 – Governmental Funds Expenditures and Debt Service Ratio142
 Schedule 7 – Other Financing Sources and Uses and Net Change in Fund
 Balances, Governmental Funds144
 Schedule 8 – Assessed and Estimated Actual Value of Taxable Property147
 Schedule 9 – Property Tax Rates Direct and Overlapping Governments148
 Schedule 10 – Principal Property Tax Payers150
 Schedule 11 – Property Tax Levies and Collections151
 Schedule 12 – Ratios of Outstanding Debt by Type152
 Schedule 13 – Direct and Overlapping Governmental Activities Debt153
 Schedule 14 – Anticipated Capital Outlay Millage Levy Required to Cover
 Certificates of Participation Payments154
 Schedule 15 – Historical Sales Surtax Collection155
 Schedule 16 – Demographic and Economic Statistics156
 Schedule 17 – Principal Employers157
 Schedule 18 – Schedule of Selected Operating Information Grades K-12159
 Schedule 19 – School Building Information and Full-Time Equivalent
 Enrollment Data160
 Schedule 20 – Number of Personnel164
 Schedule 21 – Teachers Base Salaries165
 Schedule 22 – Public Education Capital Outlay and Capital Outlay and Debt
 Service Funds166

Reports and Schedules

Independent Auditor’s Report on Internal Control Over Financial
 Reporting and on Compliance and Other Matters Based on an
 Audit of Financial Statements Performed in Accordance with
Government Auditing Standards167

Independent Auditor’s Report on Compliance with Requirements
 Applicable to Each Major Program and on Internal Control
 Over Compliance in Accordance with OMB Circular A-133169
 Schedule of Expenditures of Federal Awards171
 Schedule of Findings and Questioned Costs173
 Summary Schedule of Prior Audit Findings175
 Management Letter177
 Management Response181
 Impact Fee Notarized Affidavit183

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SCHOOL BOARD

Harry G. Kinnan
Chair

Karen Carpenter
Vice Chair

Julie B. Aranibar

Robert C. Gause

Barbara A. Harvey

SUPERINTENDENT

Tim McGonegal, Ed.D.

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SCHOOL DISTRICT OF MANATEE COUNTY

December 15, 2011

Dear Chair, Members of the School Board, and the Citizens of Manatee County:

We are pleased to submit to you the Comprehensive Annual Financial Report (the "CAFR") of the School District of Manatee County (the "District"). This CAFR, which includes an unqualified opinion from the Florida Auditor General's Office, conforms to accounting principles generally accepted in the United States (the "GAAP") as applicable to governmental entities. Responsibility for the accuracy, completeness and fairness of the information presented, including all disclosures, rests with the District's management. This report will provide the taxpayers of the school district with comprehensive financial data in a format enabling them to gain an understanding of the financial affairs and standing of the District.

To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect district assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The comprehensive annual financial report is presented in three sections as follows:

1. The Introductory Section, which contains the Letter of Transmittal, List of Principal Officials and an Organizational Chart of the District.
2. The Financial Section, which includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements, required supplementary information, and other supplemental information.

The basic financial statements and notes provide an overview of the District's financial position and operating results. The other supplemental information provides more detailed information relative to the basic financial statements which includes combining statements for nonmajor governmental funds, combining statements for each fund type, budget to actual statements for all governmental funds, and combining statements for the discretely presented component units.

3. The Statistical Section presents on a multi-year basis, selected social and economic data, financial trends and the fiscal capacity of the District.

Reports and Schedules required by *Governmental Auditing Standards*, OMB Circular A-133, and the Florida Auditor General, follow the three sections identified above.

Profile of the School District

The District and its governing body were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered, and supervised by the District in accordance with Chapter 1001.30, Florida Statutes. The District consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Manatee County. The Superintendent of Schools is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules, and District policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District by Section 1010.01, Florida Statutes, as prescribed by the State Board of Education.

The geographic boundaries of the District are those of Manatee County. The County encompasses a 740 square mile area located in west central Florida and is approximately 33 miles south of the city of Tampa. The County operates under a constitution adopted in 1921 and has a current estimated population of 322,833 persons. Within its borders are six municipalities: Anna Maria, Bradenton, Bradenton Beach, Holmes Beach, Longboat Key and Palmetto.

During the 2010-2011 fiscal year, the District operated 53 schools, including 34 elementary schools, 10 middle schools, 7 high schools, 2 alternative education schools, 14 contract sites including 3 Department of Juvenile Justice sites, and 8 charter schools that are component units of the District and reported serving approximately 43,516 unweighted full-time equivalent students.

The District serves students from infants through adults. Students in the District represent a diverse community of learners, including a variety of ethnic and cultural backgrounds. The student population breaks down as follows: 52.1 percent White Non-Hispanic, 28.9 percent Hispanic, 14.6 percent Black Non-Hispanic and 4.4 percent are Asian/ Pacific Islander or other.

In addition to the various educational programs offered to K-12 students, the District offers pre-kindergarten services including: programs for babies or teen parents who are progressing toward achieving high school diplomas; programs for special education infants and toddlers below the age of three; pre-kindergarten programs for three and four year old disabled students; programs for eligible low income, at risk students; and voluntary pre-kindergarten services for four year-old students.

The District also offers programs for adults to learn the necessary skills in order to enter the workforce or increase opportunities for advancement in current positions. Also, students from foreign countries have the opportunity to learn communication skills through the District's English Language Learner (ELL) programs, and all citizens can take fee supported courses to increase personal development in various subjects such as computers, photography and personal financial planning.

This CAFR includes all funds of the District, the Manatee School Board Leasing Corporation, the Manatee Education Foundation, Inc. (the "Foundation") and eight charter schools, which comprise the reporting entity. The Manatee School Board Leasing Corporation was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. The Foundation's purpose is exclusively educational and charitable for the constituents of Manatee County. The charter schools are public schools operating under performance contracts with the District. The Foundation and charter schools are included in the CAFR as discretely presented component units.

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

Single Audit

The independent audit of the basic financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget (the "OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The standards governing Single Audit engagements require the independent certified public accountants to report not only on the fair presentation of the basic financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

Independent Audit

Section 11.45, Florida Statutes, requires an annual audit by independent certified public accountants. Mauldin & Jenkins conducted the audit of the District's basic financial statements for the fiscal year ended June 30, 2011. Their report on the basic financial statements is included in the Financial Section of the CAFR.

Economic Condition and Outlook

The County is part of the Sarasota-Bradenton-Venice Metropolitan Statistical Area (MSA) that includes Manatee and Sarasota Counties. Since 2000, the population of Manatee County increased 22.3 percent to approximately 322,833. The Florida Price Level Index prepared for the Florida Department of Education now ranks Manatee County 16th out of 67 counties in the State. In the 2005-2006 fiscal year, Manatee County ranked 21st in the State.

The County is evolving from a primarily rural agricultural area to fast growing urban business environment, including residential construction, retail trade, transportation and distribution, and high-tech manufacturing. The County's strategic development has attracted an impressive array of headquarters, manufacturers, and distribution centers. Large distributors, such as Bealls Department Stores and SYSCO Food Services, have found the County's location a significant business benefit. The County is also attracting high-value tenants such as Natural Prosthetic Dental Lab Inc., Wide World Security Inc., and Mustang Vacuum Systems.

The District recognizes that continued enhancement of the local economy is of mutual benefit to both the school district and Manatee County, and an excellent system of public education is a significant factor in attracting new business and industry to the county. The District remains the area's largest employer, employing almost 5,586 full and part-time employees, mostly teachers.

Student enrollment is expected to increase 2,565 students by fiscal year 2013-14. The ages of our school buildings range from 2-79 years old. Most of the facilities have experienced significant capital improvements over the last ten years. A more detailed schedule regarding the District's school building information and enrollment is provided in the statistical section.

Major Initiatives

EdVantage: Inspiring our students to learn, dream, and achieve great things is a very worthy goal. EdVantage is the result of over 6,000 hours of teamwork performed by more than 190 Manatee County community leaders and School District employees who took on the task of redefining the path of education for our students. During that time the District developed a mission statement, identified strategic objectives necessary to carry out that mission, and established core values to lead the District through the mission. The strategic planning team also identified six strategies to accomplish the EdVantage mission. This cumulative and continuous effort resulted in the creation of the District's mission statement: *"The mission of the Manatee County School District is to inspire our students with a passion for learning, empowered to pursue their dreams confidently and creatively while contributing to our community, nation, and world."*

The District's core values believe that everyone contributes and is responsible for our student's success. We believe that: all people have value and can add value; embracing diversity strengthens communities; family is the first and most powerful influence on a person's life; individuals are responsible for their choices and actions; honesty and integrity are vital; and that lifelong learning is essential for individuals and communities to flourish.

Strategic objectives were identified as necessary steps to achieve our goals. Those objectives were by the year 2015 each student will: continually demonstrate enthusiasm for the self-directed pursuit of knowledge; continually participate in democratic processes; and actively engage in global outreach.

Six strategies have been developed to accomplish the EdVantage mission. Those strategies are Leadership, Trust, Curriculum, Partnerships, and Mandates. During the 2010-2011 fiscal year, the District continued the process of implementing these strategies through the use of end results, action plans and the measurement of those end results through a rigorous review process.

Accomplishments - One of the ways to judge a school district is to compare the results of its students on national and statewide testing and the accomplishments of its staff. The District believes that its students and staff have performed well based on various tests and accomplishments.

The District's student test scores, which is only one way to demonstrate success, show that the District's students compare favorably to students across the state and nation. The District also demonstrates success by the number of teachers that have successfully completed the rigorous and time-intensive program of the National Board of Professional Teaching Standards. There are 219 teachers that have achieved this highly esteemed national certification that requires, among other things, a portfolio of information regarding teaching styles, examples of work performed by students, and successfully passing an examination. Teachers who gain this certification are provided incentives including salary bonuses.

Community involvement is a very important part of the District's accomplishments as well as a primary strategy of our Strategic Plan. Thirteen elementary and middle schools received the Florida Department of Education's *Five Star School Award*. This award is presented annually to schools that have shown outstanding involvement with business partners, families and volunteers and have an active School Advisory Council. The Foundation supported the students, teachers and programs of the District with over \$488,900 in classroom grants, scholarships for students and employees, curriculum and academic contests and recognition events.

The District's success is not limited to the instructional area. The District received its' seventh Distinguished Budget Presentation Award from the Government Finance Officers Association for the fiscal year 2010-11 budget document.

Financial Reporting

This is the tenth year the District prepared financial statements following the Governmental Accounting Standards Board (GASB) Statement 34, "Basic Financial Statements – and Managements' Discussion and Analysis – for State and Local Governments." GASB Statement 34 created new basic financial statements for reporting on the District's financial activities.

The most significant changes in the reporting model are the requirements for the presentation of MD&A, major fund (instead of fund type) reporting and government-wide financial statements. Major fund reporting assures that users of the basic financial statements will be provided with statements covering each of the most significant individual governmental funds. The government-wide statement of net assets and the government-wide statement of activities provide the first overview of governments in their entirety ever required by GAAP.

Of particular significance, the statement of activities presents costs of services information for general government services information for the first time. GASB believes that this cost of services information will be of great value to users of government financial statements over the long-term. GASB also recognizes that presenting this information is a dramatic shift from what governments are accustomed to providing and users are accustomed to receiving.

Internal Controls

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

Budgetary Controls

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

Budgetary information is integrated into the accounting system; and to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and encumbrances outstanding are honored in the subsequent year's appropriations.

In order to provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the District adopts a District staffing plan that establishes teaching positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

Cash Management and Investments

The intention of the cash management system is to limit the amount of funds placed in accounts where low or no interest is paid. Idle cash is invested in various instruments with various maturity dates, depending on the anticipated future cash requirements.

The overall strategy of holding deposits and making investments is to expose the District to a minimum amount of credit and market risk. The majority of bank balances as of the balance sheet date are insured or collateralized with securities held by the District or its agent in the District's name.

Pension and Other Post Employment Benefits

The Florida Retirement System, a State-administered cost-sharing multiple-employer defined benefit retirement plan (the "DBRP"), covers all regular employees of the District. The DBRP provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein DBRP eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of the DBRP. Benefits vest at specified numbers of years of service depending upon the employee's classification. The DBRP also includes an early retirement provision, but imposes a penalty for each year a member retires before the specified retirement age. The DBRP provides retirement, disability, and death benefits and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

A Deferred Retirement Option Program (the "DROP") was established, effective July 1, 1998, subject to provisions of Section 121.091, Florida Statutes. It permits employees eligible for normal retirement under the DBRP to defer receipt of monthly benefit payments while continuing employment with a Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 60 months (96 months for teachers under certain conditions) after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

Risk Management

The District is self-insured for medical, dental, life insurance, workers compensation, general and automobile liability, with outside contractors providing various administrative services. Each of the District's funds compensates the applicable Internal Service Fund based upon its personnel staffing levels. Resources have been or will be accumulated in order to meet potential losses.

Acknowledgements

The Association of School Business Officials, International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. This was the fifth year that the District received this prestigious award. In order to be awarded the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements. The Certificate of Excellence is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Excellence program requirements and we are submitting it to ASBO to determine its eligibility for another certificate.

The preparation of the CAFR was made possible by the dedicated service of the entire staff of the District's Finance Department and the audit staff of Mauldin and Jenkins, LLC, whose hard work and excellence once more prevails. Each member of the department and the audit staff has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we would like to thank the members of the District for their leadership and support in planning and conducting the financial operations of the District, in an accountable and progressive manner. We also thank the citizens of Manatee County whose cooperation, support and assistance have contributed greatly to the operation of this innovative school system.

Sincerely yours,



Tim McGonegal
Superintendent of Schools



Angela Fraser
Director of Finance



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THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA SCHOOL BOARD MEMBERS

Mr. Robert C. Gause, Vice Chair
Member from District 4
Member since November 2006
Current term expires November 2012

Mr. Harry G. Kinnan
Member from District 2
Member since November 1996
Current term expires November 2012

Ms. Barbara A. Harvey
Member from District 1
Member since November 1998
Current term expires November 2014

Ms. Karen Carpenter
Member from District 5
Member since November 2010
Current term expires November 2014

Ms. Julie Aranibar
Member from District 3
Member since November 2010
Current term expires November 2014

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
LIST OF PRINCIPAL OFFICIALS, APPOINTED**

Tim McGonegal, Superintendent

Lynette Edwards, Assistant Superintendent for Curriculum and Instruction

Jim Drake, Assistant Superintendent for Business Service

Scott Martin, Assistant Superintendent for District Support Services

Dr. Lynn Gillman, Executive Director, Academics

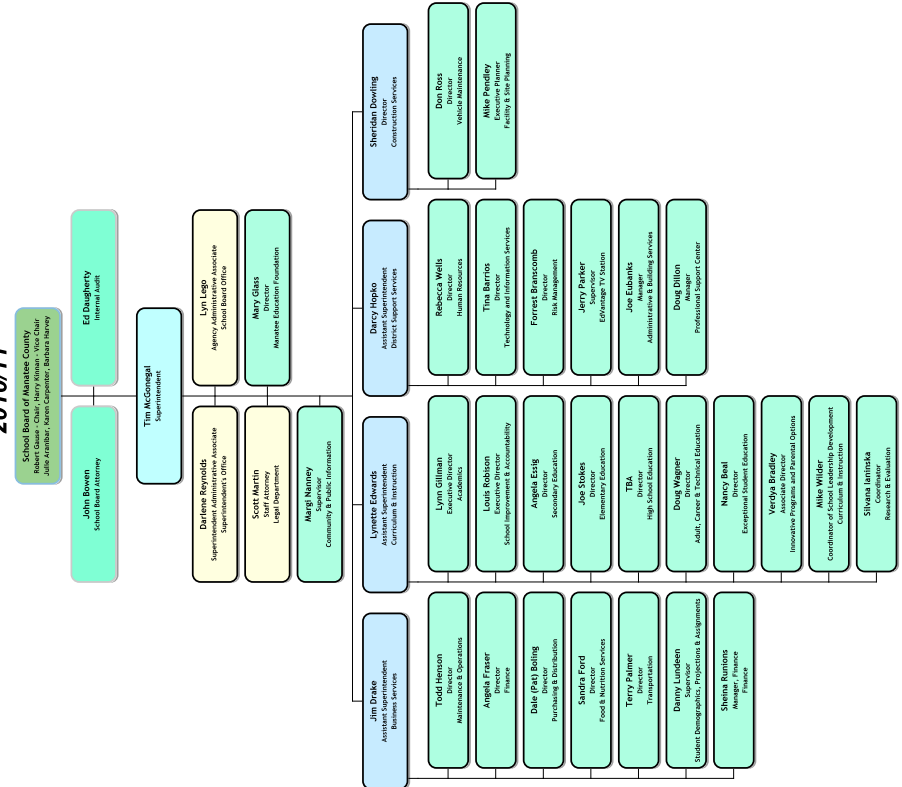
Angela Fraser, Director, Finance

Becky Wells, Director, Human Resources and Employee Relations

Dr. Louis Robison, Executive Director, School Improvement and Accountability



**School District of Manatee County
2010/11**





This Certificate of Excellence in Financial Reporting is presented to

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

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

President

Executive Director



INDEPENDENT AUDITOR'S REPORT

School Board and Superintendent
School District of Manatee County, Florida
Bradenton, Florida

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of the School District of Manatee County, Florida (the "District"), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; Developmental Center-Manatee, Inc., d/b/a Bradenton Charter School; Imagine-Manatee County, LLC, d/b/a Imagine Charter School at North Manatee; Imagine-East Manatee County, LLC d/b/a Imagine School at Lakewood Ranch; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; and Team Success A School of Excellence, Inc. which are reported as aggregate discretely presented component units. Those financial statements, which represent 85%, 62% and 89%, respectively, of the assets, net assets and revenues of the aggregate discretely presented component units, were audited by other auditors whose reports have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the reports of the other auditors, provides a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison for the General Fund and the ARRA Economic Stimulus Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, the District implemented Governmental Accounting Standards Board (GASB) Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, effective July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2011, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 10 and other post-employment benefit information on pages 63 and 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The prior year comparative financial information has been derived from the District's financial statements for the year ended June 30, 2010. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included is based solely on the report of the other auditors. The auditor's report, dated December 13, 2010, expressed an unqualified opinion on the fund statements and schedules in relation to the basic financial statements taken as a whole.

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

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 15, 2011

Management of the School District of Manatee County, Florida (the "District") has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the District's financial activities, (c) identify changes in the District's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the District's financial statements.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$603,376,355.
- The District's total net assets decreased by \$12,595,247.
- As of the close of the current fiscal year, the District's governmental funds reported combined fund balances of \$74,784,360, an increase of \$10,650,373, in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,394,697, or 1.06 percent of total general fund expenditures. The unassigned fund balance is available for spending at the District's discretion.
- The District's total debt increased by \$35,709,293, during the current fiscal year. This increase is primarily attributed to the issuance of \$21,600,000 in Qualified School Construction Bonds and \$39,850,000 in Certificates of Participation, less the redemption of principal.

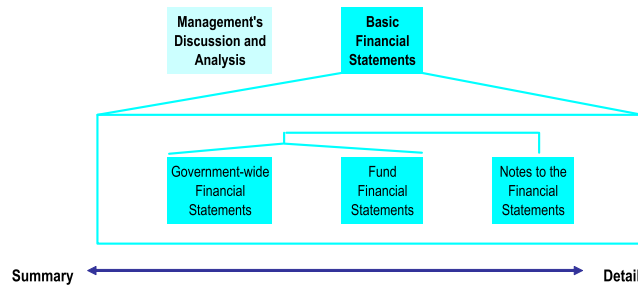
Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required supplementary information and other supplemental information in addition to the basic financial statements themselves.

The government-wide financial statements provide both long-term and short-term information about the District's overall financial status. The subsequent statements are fund financial statements that focus on individual parts of the District and provide greater detail of the District's operations than the government-wide statements. Additionally the basic financial statements include notes, which explain some of the information in the statements and provide more detailed data.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

The illustration below shows how the various parts of the financial section are arranged and relate to one another.



B-12

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities provides information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the above government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government activities of the District include such functions as instruction, pupil personnel services, administration, pupil transportation, maintenance, and other items. The District does not report any business-type activities.

The government-wide financial statements include not only the District itself (known as the primary government), but also eight charter schools and the Manatee Education Foundation, Inc. for which the District is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Manatee School Board Leasing Corporation (the "Leasing Corporation"), although legally separate, was formed to facilitate

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and Leasing Corporation, the Leasing Corporation has been included as a blended component unit of the primary government.

The government-wide financial statements can be found on pages 11 through 13 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be put into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund. In addition a special revenue fund, debt service fund, and capital projects fund are reported as major funds and are presented in the same manner. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund and the major special revenue fund to demonstrate compliance with this budget on pages 24 through 29 of this report.

The basic governmental fund financial statements can be found on pages 14 through 29 of this report.

Proprietary Funds. The District maintains one proprietary fund type. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses the internal service funds to account for its self-insurance programs.

Proprietary funds provide the same type of information as the government-wide financial statement, only in more detail. The proprietary fund financial statements provide separate information for the District's self-insurance programs. The two internal service funds are combined in a single, aggregated presentation in the proprietary fund financial statements on pages 30 through 32 of this report. Individual fund data for the internal service funds is provided in the form of combining statements in the other supplemental information.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

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

The basic fiduciary fund financial statements can be found on pages 33 and 34 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 35 through 61 of this report.

Required Supplementary Information. This report presents certain required supplementary information on the District's progress in funding its obligation to provide postemployment benefits to its employees. This information is reported on pages 63 and 64.

Other Supplemental Information. The combining statements for nonmajor governmental funds are presented immediately following the notes to financial statements. Combining and individual fund statements and schedules can be found on pages 65 through 130 of this report.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$603,376,355, at the close of the most recent fiscal year.

The largest portion of the District's net assets (95.3 percent) is its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire the assets which is still outstanding. The District uses these capital assets to educate the students of Manatee County, Florida; consequently, these assets are not available for future spending. Although the District's investment in 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.

	2011	2010
Current and Other Assets	\$ 114,104,722	\$ 94,603,795
Capital Assets	<u>926,851,576</u>	<u>915,604,015</u>
Total Assets	<u>1,040,956,298</u>	<u>1,010,207,810</u>
Current Liabilities	35,429,451	38,993,257
Noncurrent Liabilities	<u>402,150,492</u>	<u>355,242,950</u>
Total Liabilities	<u>437,579,943</u>	<u>394,236,207</u>
Net Assets (Deficit)		
Invested in Capital Assets, Net of Related Debt	574,859,168	621,774,042
Restricted	68,753,892	32,270,834
Unrestricted (Deficit)	<u>(40,236,705)</u>	<u>(38,073,274)</u>
Total Net Assets	<u>\$ 603,376,355</u>	<u>\$ 615,971,602</u>

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

An additional portion of the District's net assets (11.39 percent) represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the District is able to report positive balances in all categories of net assets except for a negative \$40,236,705, in unrestricted net assets. The negative \$40,236,705 in unrestricted assets was the result of accruing \$24,926,618, in compensated absences payable and \$15,812,739, in other post-employment benefit obligations.

The key elements of the changes in the District's net assets for the fiscal years ended June 30, 2011, and June 30, 2010, are as follows:

	June 30, 2011	June 30, 2010
Revenues:		
Program Revenues:		
Charge for Services	\$ 9,493,071	\$ 8,884,983
Operating Grants and Contributions	16,894,768	13,950,219
Capital Grants and Contributions	2,054,111	9,012,298
General Revenues:		
Property Taxes Levied for Operational Purposes	162,116,389	177,473,980
Property Taxes Levied for Capital Purposes	32,016,130	44,092,922
Other Taxes	21,740,639	20,324,150
Florida Education Finance Program	68,140,035	47,989,579
Grants and Contributions not Restricted to Specific Programs	131,351,546	112,602,161
Other Federal Sources		
Other State Sources		
Unrestricted Interest Earnings	402,194	719,160
Miscellaneous	<u>4,888,230</u>	<u>7,192,451</u>
Total Revenues	<u>449,097,113</u>	<u>442,241,903</u>
Functions/Program Expenses:		
Instruction	247,356,445	227,896,238
Pupil Personnel Services	19,906,521	19,566,581
Instructional Media Services	4,203,610	4,294,490
Instruction and Curriculum Development	11,231,694	12,223,936
Instructional Staff Training Services	6,073,391	5,961,289
Instruction Related Technology	182,746	239,234
Board of Education	1,749,074	1,844,674
General Administration	3,034,769	3,540,863
School Administration	22,818,648	22,998,836
Facilities Acquisition & Construction	42,914,299	51,188,083
Fiscal Services	1,936,651	1,716,416
Food Services	19,269,688	19,380,697
Central Services	6,471,184	8,611,562
Pupil Transportation Services	12,950,943	12,403,970
Operation of Plant	32,222,865	30,312,714
Maintenance of Plant	10,293,274	10,112,521
Administrative Technology Services	4,910,841	4,486,653
Community Services	92,845	123,293
Interest on Long-Term Debt	13,654,444	13,879,177
Unallocated Depreciation/Amortization Expense	<u>418,428</u>	<u>422,746</u>
Total Expenses	<u>461,692,360</u>	<u>451,203,973</u>
Decrease in Net Assets	(12,595,247)	(8,962,070)
Net Assets, Beginning of Year	<u>615,971,602</u>	<u>624,933,672</u>
Net Assets, Ending of Year	<u>\$ 603,376,355</u>	<u>\$ 615,971,602</u>

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

The total governmental net assets decreased by \$12,595,247, during the current fiscal year. Most of this decrease represents the degree to which expenses made in the current fiscal year depleted prior year net assets.

Governmental Activities. Governmental activities decreased the District's net assets by \$12,595,247, thereby accounting for all of the total reduction in the net assets of the District. In the prior year, net assets decreased by \$8,962,070. The key elements in the difference between the two years are as follows:

- Property taxes decreased by \$27,434,383, or 12.38 percent during the year. Most of this decrease is due to lower taxable assessed values.
- For the most part, increases in expenses closely paralleled inflation.

Financial Analysis of the Government's Funds

Major Governmental Funds

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$3,394,697, while total fund balance reached \$6,794,087. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance represents 1.06 percent of total general fund expenditures, while total fund balance represents 2.12 percent of that same amount. The remainder of fund balance is not available for new spending because it has already been committed to (1) liquidate contracts and purchase orders outstanding at year end, \$1,579,405; (2) fund specific state categorical programs, \$132,154; and (3) fund inventory and prepaid amounts, \$1,687,831. The fund balance of the District's General Fund decreased by \$4,076,354 during the current fiscal year. A key factor in this decrease was unmet revenue projections and reduced transfers in.

The ARRA Economic Stimulus Fund is used to account for the activities of the various American Reinvestment and Recovery Act (ARRA) federal programs according to the specifications and requirements of each funding source.

The Other Debt Service Fund is used to account for the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues and other debt issues. This fund ended with a fund balance restricted for debt service of \$924,300. This is an increase of \$268,703 from the prior fiscal year.

The Capital Projects Other Capital Projects Fund is used to account for the financial resources generated by various sources. Included in the this fund were Certificates of Participation proceeds, Impact Fees, Class Size Reduction, Sales Tax revenues, Effort Recognition and other capital outlay funded projects. The fund balance for this fund at the fiscal year end, which was all restricted for capital projects, was \$42,423,279, an increase of \$18,289,052, from the prior year fiscal year. The key factor for this increase in fund balance is the unspent proceeds of the long-term debt issued during the 2010-2011 fiscal year. It should be noted that \$39,758,333, of the total fund balance has been encumbered for specific engineering and construction contracts for projects in progress at year-end.

Proprietary Funds. The District's Proprietary Fund provides the same type of information found in the government-wide financial statements. Net assets at the end of the current fiscal year for the District's Self-Insurance programs were a negative \$8,354,444. The total increase in the District's Self-Insurance program's net assets was \$2,596,742. A key element of this increase was an increased Board contribution for health insurance premiums.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

General Fund Budgetary Highlights

The District's budget is prepared in accordance with Florida Statutes and is based on the modified accrual basis of accounting, which is the same basis as is used to account for actual transactions. The most significant budgeted fund is the General Fund.

At year end the District had a positive budget variance of approximately \$13.58 million. The primary reasons for this variance are explained below:

- Salaries and benefits were under expended by approximately \$1.63 million.
- Purchased services were under expended by approximately \$0.77 million.
- Energy services and other expenditures were under expended by approximately \$.40 million.
- Several schools and departments under spent their materials and supplies budget for the year by approximately \$9.72 million. Any unused budget for the schools is carried over to the following year.
- Capital outlay expenditures were approximately \$1.07 million less than expected.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for the governmental activities as of June 30, 2011, totals to \$926,851,576, (net of accumulated depreciation). This investment in capital assets includes land; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; audio-visual materials and computer software, and construction in progress. The total increase in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$11,247,561 or 1.22 percent.

Major capital asset events during the current fiscal year included completion of the construction on one new elementary school, completion of a major renovation/remodeling at one elementary school, and the completion of an addition at one high school, as well as, the completion of a major renovation/remodeling at another high school. In addition, these events also include the continuation of construction on a new building at a high school, a replacement elementary school and technical institute, a new high school auditorium and major remodeling, renovations, and new construction at two of the District's elementary schools and at one of the District's ancillary facilities.

**District School Board of Manatee County, Florida's Capital Assets
(net of accumulated depreciation)**

	Governmental Activities	
	June 30, 2011	June 30, 2010
Land	\$ 50,252,727	\$ 49,972,231
Improvements Other Than Buildings	13,855,492	13,236,592
Buildings and Fixed Equipment	826,579,350	783,943,428
Furniture, Fixtures, and Equipment	14,359,178	15,368,189
Motor Vehicles	5,613,178	7,323,347
Property Under Capital Lease	11,935	20,886
Construction in Progress	14,281,903	44,680,445
Audio-Visual Materials and Computer Software	1,897,813	1,058,897
Total	\$ 926,851,576	\$ 915,604,015

Additional information on the District's capital assets can be found in Note 4 of the Notes to the Financial Statements.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2011
(UNAUDITED)**

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF NET ASSETS
June 30, 2011**

Long-Term Debt. At the end of the current fiscal year, the District had total debt outstanding of \$333,123,455. Of this amount, \$12,335,000, comprises debt backed by the full faith and credit of the State of Florida. The remaining debt consists of \$225,898,455, in certificates of participation and \$94,890,000, in sales tax revenue bonds. The sales tax revenue bonds are supported by the pledge of the District's portion of infrastructure sales tax.

New long-term debt issued during the current fiscal year included State of Florida Bonds Series 2010A in the amount of \$2,385,000, which partially refunded the outstanding Series 2002A State of Florida Bonds. In addition, the Board issued Qualified School Construction Bonds in the amount of \$21,600,000, for the replacement of the Davis Building at Manatee High School and Certificates of Participation in the amount of \$39,850,000, for the replacement of Manatee Technical Institute on State Road 70.

During the current fiscal year, the District paid \$21,570,000, for principal payments on long-term debt as follows:

State School Bonds	\$	1,005,000
Other Debt Service:		
Sales Tax Revenue Bonds		11,435,000
Certificates of Participation		<u>9,130,000</u>
 Total Principal Payments	 \$	 <u>21,570,000</u>

Additional information on the District's long-term debt can be found in Notes 6 through 10 of the Notes to the Financial Statements.

Economic Factors for the Future

For the fiscal year 2010-2011, the District has experienced slightly higher student FTE over the 2009-2010 fiscal year. Based on known development and anticipated activities in and throughout the County, the District expects a similar annual growth rate in the foreseeable future.

At the time these financial statements were prepared, the District was not aware of material instances that could significantly affect its financial condition in the future that had not already been contemplated.

Requests for Information

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Manatee County Schools, 215 Manatee Avenue West, Bradenton, Florida 34205.

	<u>Primary Government</u>		<u>Component Units</u>
	<u>Governmental Activities</u>		
ASSETS			
Cash and Cash Equivalents	\$ 23,860,013	\$	2,959,483
Investments	12,083,658		-
Accounts Receivable	2,117,366		348,974
Due from Other Agencies	10,547,299		150,445
Deposits Receivable	-		78,846
Inventories	1,836,544		-
Prepaid Items	1,243,529		276,117
Deferred Charges	4,295,071		1,054,828
Other Assets	-		2,537
Restricted Assets:			
Cash and Cash Equivalents	58,121,242		2,592,983
Other Noncurrent Assets	-		13,293
Capital Assets (net of accumulated depreciation):			
Land	50,252,727		1,802,980
Construction in Progress	14,281,903		1,277,623
Improvements Other Than Buildings	13,855,492		-
Buildings and Fixed Equipment	826,579,350		10,452,033
Furniture, Fixtures, and Equipment	14,359,178		1,123,825
Motor Vehicles	5,613,178		294,116
Property Under Capital Leases	11,935		9,001
Computer Software	1,897,813		15,245
Total Assets	1,040,956,298		22,452,329
LIABILITIES			
Salaries and Benefits Payable	10,174,118		1,462,929
Payroll Deductions and Withholdings Payable	118,113		-
Accounts Payable	7,329,998		925,507
Construction Contracts Payable	897,557		-
Construction Contracts Payable - Retainage	1,712,297		-
Due to Other Agencies	337,691		2,211
Matured Debt Payable	9,130,000		-
Matured Interest Payable	4,142,014		-
Accrued Interest Payable	1,371,567		-
Unearned Revenue	216,096		132,131
Long-Term Liabilities:			
Portion Due or Payable Within One Year:			
Notes Payable	13,500,000		357,818
Bonds Payable	12,885,000		249,211
Capital Leases Payable	-		5,667
Certificates of Participation Payable	9,480,000		-
Compensated Absences Payable	1,250,000		7,500
Estimated Insurance Claims Payable	2,114,312		-
Early Retirement Plan Payable	10,784		-
Other Long Term Liabilities	-		137,369
Portion Due or Payable After One Year:			
Notes Payable	-		680,112
Bonds Payable	97,438,360		11,421,473
Capital Leases Payable	-		7,078
Certificates of Participation Payable	218,689,048		-
Compensated Absences Payable	23,676,618		21,097
Other Postemployment Benefits Payable	15,812,739		-
Estimated Insurance Claims Payable	7,207,539		-
Early Retirement Plan Payable	86,112		-
Other Long Term Liabilities	-		1,007,566
Total Liabilities	437,579,943		16,417,699
NET ASSETS (DEFICIT)			
Invested in Capital Assets, Net of Related Debt	574,859,168		2,182,710
Restricted for:			
Capital Projects	62,163,573		-
Debt Services	1,252,749		-
Food Service	3,626,011		-
State Required Carryover Programs	132,154		-
Other Purposes	1,579,405		3,127,298
Unrestricted (Deficit)	(40,236,705)		724,652
Total Net Assets	\$ 603,376,355	\$	6,034,660

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

B-15

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2011

B-16

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units
					Governmental Activities	Component Units
Primary Government:						
Governmental Activities:						
Instruction	\$ 247,356,445	\$ 2,245,882	\$ -	\$ -	\$ (245,110,563)	\$ -
Pupil Personnel Services	19,906,521	-	-	-	(19,906,521)	-
Instructional Media Services	4,203,610	-	-	-	(4,203,610)	-
Instruction and Curriculum Development Services	11,231,694	-	-	-	(11,231,694)	-
Instructional Staff Training Services	6,073,391	-	-	-	(6,073,391)	-
Instructional Related Technology	182,746	-	-	-	(182,746)	-
School Board	1,749,074	-	-	-	(1,749,074)	-
General Administration	3,034,769	-	-	-	(3,034,769)	-
School Administration	22,818,648	-	-	-	(22,818,648)	-
Facilities Services	42,914,299	-	-	471,259	(42,443,040)	-
Fiscal Services	1,936,651	-	-	-	(1,936,651)	-
Food Services	19,269,688	6,227,467	15,142,755	-	2,100,534	-
Central Services	6,471,184	88,837	-	-	(6,382,347)	-
Pupil Transportation Services	12,950,943	930,885	-	-	(12,020,058)	-
Operation of Plant	32,222,865	-	-	-	(32,222,865)	-
Maintenance of Plant	10,293,274	-	1,752,013	-	(8,541,261)	-
Administrative Technology Services	4,910,841	-	-	-	(4,910,841)	-
Community Services	92,845	-	-	-	(92,845)	-
Unallocated Interest on Long-Term Debt	13,654,444	-	-	1,582,852	(12,071,592)	-
Unallocated Depreciation/Amortization*	418,428	-	-	-	(418,428)	-
Total Governmental Activities	461,692,360	9,493,071	16,894,768	2,054,111	(433,250,410)	-
Total Primary Government	\$ 461,692,360	\$ 9,493,071	\$ 16,894,768	\$ 2,054,111	(433,250,410)	-
Component Units:						
Charter Schools/Manatee County Schools Foundation, Inc	\$ 26,218,153	\$ 1,526,242	\$ 2,600,472	\$ 245,310	-	(21,846,129)
General Revenues:						
Taxes:						
Property Taxes, Levied for Operational Purposes					162,116,389	-
Property Taxes, Levied for Capital Projects					32,016,130	-
Sales Taxes					21,740,639	-
Grants and Contributions Not Restricted to Specific Programs					199,491,581	22,066,113
Unrestricted Investment Earnings					402,194	41,687
Miscellaneous					4,888,230	48,386
Total General Revenues					420,655,163	22,156,186
Changes in Net Assets					(12,595,247)	310,057
Net Assets - Beginning					615,971,602	5,724,603
Net Assets - Ending					\$ 603,376,355	\$ 6,034,660

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

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

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2011**

	General Fund	Special Revenue - ARRA Economic Stimulus Fund	Debt Service - Other Debt Service Fund	Capital Projects - Other Capital Projects Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 23,344,173	\$ -	\$ -	\$ -	\$ 515,840	\$ 23,860,013
Cash and Cash Equivalents with Fiscal Agent	-	-	14,206,027	43,915,215	-	58,121,242
Investments	6,757,767	-	-	441,552	4,884,339	12,083,658
Accounts Receivable	896,362	-	-	-	11,787	908,149
Due from Other Funds	-	-	-	-	17,938,799	17,938,799
Due from Other Agencies	2,055,585	4,325,881	460,560	1,721,781	1,983,492	10,547,299
Inventories	888,604	-	-	-	947,940	1,836,544
Prepaid Items	1,243,529	-	-	-	-	1,243,529
Total Assets	\$ 35,186,020	\$ 4,325,881	\$ 14,666,587	\$ 46,078,548	\$ 26,282,197	\$ 126,539,233
LIABILITIES AND FUND BALANCES						
Liabilities:						
Salaries and Wages Payable	\$ 10,174,118	\$ -	\$ -	\$ -	\$ -	\$ 10,174,118
Payroll Deductions and Withholdings Payable	118,113	-	-	-	-	118,113
Accounts Payable	2,959,217	118,369	-	298,683	708,679	4,084,948
Construction Contracts Payable	28,030	-	-	869,527	-	897,557
Construction Contract Retainage Payable	-	-	-	1,712,297	-	1,712,297
Sales Tax Payable	1,900	-	-	-	-	1,900
Due to Other Funds	15,110,555	4,207,512	470,273	774,762	376,518	20,939,620
Due to Other Agencies	-	-	-	-	338,210	338,210
Matured Debt Payable	-	-	9,130,000	-	-	9,130,000
Matured Interest Payable	-	-	4,142,014	-	-	4,142,014
Deferred Revenue	-	-	-	-	216,096	216,096
Total Liabilities	28,391,933	4,325,881	13,742,287	3,655,269	1,639,503	51,754,873
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Prepaid Items	444,302	-	-	-	-	444,302
Inventories	1,243,529	-	-	-	947,940	2,191,469
Restricted	-	-	-	-	-	-
State Required Carryover Programs	132,154	-	-	-	-	132,154
Food Services	-	-	-	-	3,626,011	3,626,011
Debt Service	-	-	924,300	-	328,449	1,252,749
Capital Projects	-	-	-	42,423,279	19,740,294	62,163,573
Assigned	-	-	-	-	-	-
Encumbrances	1,579,405	-	-	-	-	1,579,405
Unassigned	3,394,697	-	-	-	-	3,394,697
Total Fund Balances	6,794,087	-	924,300	42,423,279	24,642,694	74,784,360
Total Liabilities and Fund Balances	\$ 35,186,020	\$ 4,325,881	\$ 14,666,587	\$ 46,078,548	\$ 26,282,197	\$ 126,539,233

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



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**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS
June 30, 2011**

Total Fund Balances - Governmental Funds	\$	74,784,360
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		926,851,576
Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due.		(1,371,567)
Debt issuance costs are not expensed in the government-wide statements, but are reported as deferred charges, and amortized over the life of the debt.		4,295,071
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		(8,354,444)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Notes Payable	(13,500,000)	
Bonds Payable	(110,323,360)	
Certificates of Participation Payable	(228,169,048)	
Early Retirement Plan Payable	(96,876)	
Other Postemployment Benefits Payable	(15,812,739)	
Compensated Absences Payable	(24,926,618)	
	(392,828,641)	(392,828,641)
Total Net Assets - Governmental Activities	\$	603,376,355

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

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011**

	General Fund	Special Revenue - ARRA Economic Stimulus Fund	Debt Service - Other Debt Service Fund	Capital Projects - Other Capital Projects Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Federal Direct Sources:						
Reserve Officer Training Corps (ROTC)	\$ 517,394	\$ -	\$ -	\$ -	\$ -	\$ 517,394
Other Federal Direct Sources	2,915	-	460,560	130,927	2,554,496	3,148,898
Miscellaneous Federal Direct	-	-	-	-	2,632,457	2,632,457
Total Federal Direct Sources	520,309	-	460,560	130,927	5,186,953	6,298,749
Federal Through State and Local Sources:						
Medicaid	1,486,611	-	-	-	-	1,486,611
Food Service	-	-	-	-	14,850,131	14,850,131
Job Training Partnership Act	36,700	-	-	-	-	36,700
Other Federal Through Local Sources	65,000	-	-	-	-	65,000
Other Federal Through State Sources	8,217	34,681,099	-	-	27,652,218	62,341,534
Total Federal Through State and Local Sources	1,596,528	34,681,099	-	-	42,502,349	78,779,976
State Sources:						
Florida Education Finance Program	68,140,035	-	-	-	-	68,140,035
Categorical/Earmarked Programs	58,677,643	-	-	-	-	58,677,643
District Discretionary Lottery Funds	165,092	-	-	-	-	165,092
Food Service	-	-	-	-	292,624	292,624
CO&DS Withheld for Bond Administrative Expenses	27,430	-	-	-	-	27,430
CO&DS Withheld for SBE/COBI Bond	-	-	-	-	1,582,622	1,582,622
CO&DS Distribution	-	-	-	-	218,639	218,639
Public Education Capital Outlay	-	-	-	-	1,752,013	1,752,013
Charter School Capital Outlay	-	-	-	113,181	-	113,181
Other State Sources	773,387	-	-	1,422,394	-	1,422,394
Total State Sources	127,783,587	-	-	58,849	19,819	852,055
Local Sources:						
Ad Valorem Taxes	162,116,389	-	-	-	-	162,116,389
Sales Taxes	-	-	-	-	32,016,130	194,132,519
Food Service	-	-	-	21,740,639	-	21,740,639
Interest Income	353,664	-	18,918	-	6,204,275	6,204,275
Impact Fees	-	-	-	16,441	13,164	402,187
Other Local Sources	8,351,885	-	-	33,570	-	33,570
Total Local Sources	170,821,938	-	18,918	-	5,266,985	13,818,870
Total Revenues	300,722,362.00	34,681,099.00	479,478.00	21,790,650	43,500,554	236,132,060
				23,516,001	95,055,573	454,454,513

(Continued)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2011

	General Fund	Special Revenue - ARRA Economic Stimulus Fund	Debt Service - Other Debt Service Fund	Capital Projects - Other Capital Projects Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
EXPENDITURES						
Current:						
Instruction	\$ 197,288,417	\$ 31,533,221	\$ -	\$ -	\$ 17,850,015	\$ 246,671,653
Pupil Personnel Services	15,961,889	362,029	-	-	3,415,693	19,739,611
Instructional Media Services	4,123,084	-	-	-	-	4,123,084
Instruction and Curriculum Development Services	6,453,065	555,827	-	-	4,236,286	11,245,178
Instructional Staff Training Services	2,326,110	766,206	-	-	2,925,953	6,018,269
Instruction Related Technology	209,585	-	-	-	-	209,585
School Board	1,796,219	-	-	-	-	1,796,219
General Administration	1,112,607	1,085,579	-	-	1,035,363	3,233,549
School Administration	22,503,809	-	-	-	12,219	22,516,028
Facilities Services	1,430,040	-	-	3,909,056	10,863,803	16,202,899
Fiscal Services	1,955,191	-	-	-	3,580	1,958,771
Food Services	-	-	-	-	18,742,272	18,742,272
Central Services	6,158,629	34,632	-	-	155,711	6,348,972
Pupil Transportation Services	11,333,553	97,152	-	-	1,549,667	12,980,372
Operation of Plant	32,124,379	-	-	-	10,753	32,135,132
Maintenance of Plant	9,851,492	-	-	-	-	9,851,492
Administrative Technology Services	4,811,483	-	-	-	-	4,811,483
Community Services	50,828	-	-	-	-	50,828
Capital Outlay:	-	-	-	-	-	-
Facilities Acquisition & Construction	-	-	-	33,698,906	4,472,299	38,171,205
Other Capital Outlay	550,108	246,453	-	1,985,622	4,277,275	7,059,458
Debt Service:	-	-	-	-	-	-
Principal	-	-	20,565,000	-	12,505,000	33,070,000
Interest and Fiscal Charges	405,622	-	13,799,052	-	929,300	15,134,174
Total Expenditures	320,446,310	34,681,099	34,364,052	39,593,584	82,985,189	512,070,234
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,723,948)	-	(33,884,574)	(16,077,583)	12,070,384	(57,615,721)
OTHER FINANCING SOURCES (USES)						
Loan Proceeds	-	-	-	-	5,000,000	5,000,000
Bonds Issued	-	-	-	-	1,769,268	1,769,268
Premium on Bonds Issued	-	-	-	-	170,650	170,650
Refunding Bonds Issued	-	-	-	-	600,000	600,000
Premium on Refunding Bonds Issued	-	-	-	-	97,423	97,423
Discount on Certificates of Participation Issued	-	-	-	(125,954)	-	(125,954)
Certificates of Participation Issued	-	-	836,440	60,613,560	-	61,450,000
Payments to Refunded Bond Escrow Agent	-	-	-	-	-	-
Loss Recoveries	4,247	-	-	-	-	4,247
Transfers In	15,643,347	-	33,316,837	-	11,840,721	60,800,905
Transfers Out	-	-	-	(26,120,971)	(34,679,934)	(60,800,905)
Total Other Financing Sources (Uses)	15,647,594	-	34,153,277	34,366,635	(15,901,412)	68,266,094
Net Change in Fund Balances	(4,076,354)	-	268,703	18,289,052	(3,831,028)	10,650,373
Fund Balances, Beginning	10,870,441	-	655,597	24,134,227	28,473,722	64,133,987
Fund Balances, Ending	\$ 6,794,087	\$ -	\$ 924,300	\$ 42,423,279	\$ 24,642,694	\$ 74,784,360

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



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**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2011**

Net Change in Fund Balances - Governmental Funds	\$	10,650,373
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 and amortization expense. This is the amount by which capital outlays exceed depreciation in the current period.		
Capital Outlays	\$ 38,586,876	
Less Depreciation	<u>(27,365,088)</u>	11,221,788
Donated capital assets are reported as revenues on the statement of activities, however, they do not provide current financial resources and are not reported as revenues in the governmental funds.		
		84,446
In the governmental funds, the costs of capital assets was recognized as an expenditure in the year purchased. Thus the change in net assets differs from the changes in fund balances by the undepreciated cost of the disposed assets.		
		(58,673)
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayments exceeded proceeds in the current period.		
Bonds Issued	(1,769,268)	
Premium on Bonds Issued	(170,650)	
Refunding Bonds Issued	(600,000)	
Premium on Refunding Bonds Issued	(97,423)	
Certificates of Participation Issued	(61,450,000)	
Discount on Certificates of Participation Issued	125,954	
Loan Proceeds	(5,000,000)	
Payments to Bond Escrow Agent	655,000	
Principal Payments on Revenue Anticipation Notes	11,500,000	
Principal Payments on Bonds	12,440,000	
Principal Payments on Certificates of Participation	<u>9,130,000</u>	(35,236,387)
Governmental funds report debt issuance costs as expenditures. However, in the statement of activities, these costs are amortized over the term of the debt.		
		460,612
Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds.		
Amortization of Deferred Cost of Refunding	(31,227)	
Amortization of Discount on Debt	(36,626)	
Amortization of Premium on Debt	725,994	
Change in Accrued Interest Payable	35,156	
Change in Other Postemployment Benefits Payable	(3,374,113)	
Change in Compensated Absences Payable	353,096	
Change in Early Retirement Plan Payable	<u>13,572</u>	(2,314,148)
Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The change in net assets of internal service funds is reported with governmental activities.		
Internal Service Funds - Change in Net Assets		<u>2,596,742</u>
Change in Net Assets - Governmental Activities	\$	<u>(12,595,247)</u>

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

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BUDGETARY COMPARISON STATEMENT -
GENERAL FUND
For the Fiscal Year Ended June 30, 2011**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Officers (ROTC)	\$ 475,000	\$ 475,000	\$ 517,394	\$ 42,394
Other Federal Direct Sources	-	2,915	2,915	-
Total Federal Direct Sources	475,000	477,915	520,309	42,394
Federal Through State and Local Sources:				
Medicaid	1,200,000	1,200,000	1,486,611	286,611
Job Training Partnership Act	-	37,600	36,700	(900)
Other Federal Through Local	-	65,000	65,000	-
Other Federal Through State	-	-	8,217	8,217
Total Federal Through State and Local Sources	1,200,000	1,302,600	1,596,528	293,928
State Sources:				
Florida Education Finance Program	60,360,731	62,604,224	68,140,035	5,535,811
Categorical/Earmarked Programs	67,198,537	68,475,312	58,677,643	(9,797,669)
District Discretionary Lottery Funds	119,729	119,729	165,092	45,363
CO&DS Withheld for SBE/COBI Bond	22,452	17,474	27,430	9,956
Other State Sources	215,207	1,201,291	773,387	(427,904)
Total State Sources	127,916,656	132,418,030	127,783,587	(4,634,443)
Local Sources:				
Ad Valorem Taxes	164,419,159	164,419,159	162,116,389	(2,302,770)
Interest Income	600,000	600,000	353,664	(246,336)
Other Local Sources	9,039,301	10,067,574	8,351,885	(1,715,689)
Total Local Sources	174,058,460	175,086,733	170,821,938	(4,264,795)
Total Revenues	303,650,116	309,285,278	300,722,362	(8,562,916)

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BUDGETARY COMPARISON STATEMENT -
GENERAL FUND
For the Fiscal Year Ended June 30, 2011**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
Instruction:				
Salaries	\$ 126,101,941	\$ 120,913,293	\$ 119,684,976	\$ 1,228,317
Employee Benefits	39,510,370	37,531,964	37,607,207	(75,243)
Purchased Services	28,384,940	29,746,736	30,469,195	(742,459)
Energy Services	10,601	16,935	4,936	11,999
Materials and Supplies	3,250,670	15,249,396	5,936,670	9,312,726
Capital Outlay	549,383	966,615	712,102	254,513
Other Expenses	1,928,201	2,885,361	2,853,331	32,030
Total Instruction	199,736,106	207,310,300	197,288,417	10,021,683
Pupil Personnel Services:				
Salaries	11,717,517	11,921,634	11,898,541	23,093
Employee Benefits	3,828,792	3,808,753	3,793,844	14,909
Purchased Services	70,377	187,779	139,877	47,902
Materials and Supplies	81,241	92,353	77,763	15,190
Capital Outlay	-	21,824	21,773	51
Other Expenses	48,035	30,091	30,091	-
Total Pupil Personnel Services	15,745,962	16,063,034	15,961,889	101,145
Instructional Media Services:				
Salaries	3,089,831	3,122,409	3,108,249	14,160
Employee Benefits	1,012,588	881,046	884,316	(3,270)
Purchased Services	158,148	119,164	51,805	67,359
Materials and Supplies	44,558	37,364	30,372	6,992
Capital Outlay	21,528	59,967	45,081	14,886
Other Expenses	1,235	3,276	3,261	15
Total Instructional Media Services	4,327,888	4,223,226	4,123,084	100,142
Instruction and Curriculum Development Services:				
Salaries	4,280,369	4,725,543	4,689,365	36,178
Employee Benefits	1,387,374	1,437,295	1,425,519	11,776
Purchased Services	217,754	341,233	279,587	61,646
Materials and Supplies	80,855	93,467	29,977	63,490
Capital Outlay	1,749	7,576	5,009	2,567
Other Expenses	8,713	24,080	23,608	452
Total Instruction and Curriculum Development Services	5,976,814	6,629,174	6,453,065	176,109
Instructional Staff Training Services:				
Salaries	1,352,630	1,612,019	1,570,670	41,349
Employee Benefits	386,479	418,794	396,197	22,597
Purchased Services	115,445	282,742	247,474	35,268
Materials and Supplies	1,003,392	18,805	13,782	5,023
Capital Outlay	25	378	341	37
Other Expenses	53,672	126,812	97,646	29,166
Total Instructional Staff Training Services	2,911,643	2,459,550	2,326,110	133,440
Instruction Related Technology:				
Salaries	187,870	159,266	160,766	(1,500)
Employee Benefits	41,567	45,204	45,916	(712)
Purchased Services	600	1,516	1,090	426
Materials and Supplies	4,417	4,558	1,813	2,745
Total Instruction Related Technology	234,454	210,544	209,585	959

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BUDGETARY COMPARISON STATEMENT -
GENERAL FUND
For the Fiscal Year Ended June 30, 2011**

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
BUDGETARY COMPARISON STATEMENT -
GENERAL FUND
For the Fiscal Year Ended June 30, 2011**

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
School Board:				
Salaries	\$ 742,732	\$ 767,199	\$ 767,198	\$ 1
Employee Benefits	495,590	644,205	644,205	-
Purchased Services	265,557	260,056	248,704	11,352
Materials and Supplies	4,770	3,792	5,931	(2,139)
Other Expenses	30,500	130,181	130,181	-
Total School Board	1,539,149	1,805,433	1,796,219	9,214
General Administration:				
Salaries	702,144	716,351	715,682	669
Employee Benefits	233,323	229,685	229,718	(33)
Purchased Services	94,664	115,772	107,122	8,650
Materials and Supplies	13,100	11,086	12,822	(1,736)
Other Expenses	37,798	60,971	47,263	13,708
Total General Administration	1,081,029	1,133,865	1,112,607	21,258
School Administration:				
Salaries	16,553,033	16,464,201	16,448,799	15,402
Employee Benefits	5,446,722	5,306,896	5,304,021	2,875
Purchased Services	261,948	515,555	431,350	84,205
Materials and Supplies	89,734	106,545	90,283	16,262
Capital Outlay	70,800	74,931	44,679	30,252
Other Expenses	26,031	206,099	184,677	21,422
Total School Administration	22,448,268	22,674,227	22,503,809	170,418
Facilities Services:				
Salaries	1,048,177	2,946	2,946	-
Employee Benefits	257,718	543	543	-
Purchased Services	201,119	1,528,629	1,426,328	102,301
Materials and Supplies	3,000	205	205	-
Capital Outlay	220	237	18	219
Other Expenses	1,200	-	-	-
Total Facilities Services	1,511,434	1,532,560	1,430,040	102,520
Fiscal Services:				
Salaries	1,223,636	1,374,838	1,374,838	-
Employee Benefits	403,635	422,743	422,743	-
Purchased Services	258,022	127,717	121,691	6,026
Materials and Supplies	18,357	17,424	17,424	-
Capital Outlay	-	12,086	12,086	-
Other Expenses	15,329	6,409	6,409	-
Total Fiscal Services	1,918,979	1,961,217	1,955,191	6,026
Central Services:				
Salaries	3,840,356	3,991,072	3,886,438	104,634
Employee Benefits	1,222,066	1,282,036	1,246,632	35,404
Purchased Services	4,100,219	972,208	822,391	149,817
Materials and Supplies	278,524	186,954	164,982	21,972
Capital Outlay	500	11,070	10,570	500
Other Expenses	56,304	55,710	27,616	28,094
Total Central Services	9,497,969	6,499,050	6,158,629	340,421
Pupil Transportation Services:				
Salaries	5,240,880	5,206,414	5,206,414	-
Employee Benefits	1,751,274	1,995,023	1,995,023	-
Purchased Services	829,203	857,096	849,786	7,310
Energy Services	1,806,133	2,026,607	1,767,955	258,652
Materials and Supplies	668,349	903,595	902,380	1,215
Capital Outlay	200	26,630	25,022	1,608
Other Expenses	595,143	607,470	586,973	20,497
Total Pupil Transportation Services	10,691,182	11,622,835	11,333,553	289,282

(Continued)

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Operation of Plant:				
Salaries	\$ 9,107,273	\$ 9,511,798	\$ 9,503,271	\$ 8,527
Employee Benefits	3,025,185	3,468,246	3,467,549	697
Purchased Services	2,139,371	6,393,746	6,096,140	297,606
Energy Services	13,572,892	12,357,743	12,251,788	105,955
Materials and Supplies	598,236	810,969	740,140	70,829
Capital Outlay	41,960	38,053	11,016	27,037
Other Expenses	26,665	54,475	54,475	-
Total Operation of Plant	28,511,582	32,635,030	32,124,379	510,651
Maintenance of Plant:				
Salaries	5,020,774	5,509,786	5,509,786	-
Employee Benefits	1,651,555	1,918,754	1,918,754	-
Purchased Services	2,222,364	1,585,402	1,040,138	545,264
Energy Services	300,613	383,459	360,106	23,353
Materials and Supplies	937,930	1,016,649	986,281	30,368
Capital Outlay	24,950	33,858	33,714	144
Other Expenses	6,845	2,713	2,713	-
Total Maintenance of Plant	10,165,031	10,450,621	9,851,492	599,129
Administrative Technology Services:				
Salaries	2,931,234	3,072,127	3,017,798	54,329
Employee Benefits	994,199	989,090	947,175	41,915
Purchased Services	731,240	669,669	578,997	90,672
Materials and Supplies	1,200	255,591	234,175	21,416
Capital Outlay	-	14,648	14,230	418
Other Expenses	25,000	19,108	19,108	-
Total Administrative Technology Services	4,682,873	5,020,233	4,811,483	208,750
Community Services:				
Salaries	-	45,589	16,789	28,800
Employee Benefits	-	19,780	9,080	10,700
Purchased Services	444	25,125	24,678	447
Materials and Supplies	-	281	281	-
Total Community Services	444	90,775	50,828	39,947
Capital Outlay:				
Other Capital Outlay	954,216	1,285,335	550,108	735,227
Debt Service:				
Salaries	-	13,781	-	13,781
Employee Benefits	-	2,727	-	2,727
Interest and Fiscal Charges	-	405,822	405,822	-
Total Debt Service	-	422,330	405,822	16,508
Total Expenditures	321,935,023	334,029,339	320,446,310	13,583,029
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,284,907)	(24,744,061)	(19,723,948)	5,020,113
OTHER FINANCING SOURCES				
Loss Recoveries	-	-	4,247	4,247
Transfers In	19,536,034	21,148,263	15,643,347	(5,504,916)
Total Other Financing Sources	19,536,034	21,148,263	15,647,594	(5,500,669)
Net Change in Fund Balance	1,251,127	(3,595,798)	(4,076,354)	(480,556)
Fund Balance, Beginning	10,870,441	10,870,441	10,870,441	-
Fund Balance, Ending	\$ 12,121,568	\$ 7,274,643	\$ 6,794,087	\$ (480,556)

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

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 BUDGETARY COMPARISON STATEMENT -
 MAJOR SPECIAL REVENUE FUND
 For the Fiscal Year Ended June 30, 2011

THE SCHOOL DISTRICT OF MANATEE COUNTY
 BUDGETARY COMPARISON STATEMENT -
 MAJOR SPECIAL REVENUE FUND
 For the Fiscal Year Ended JUNE 30, 2011

	ARRA Economic Stimulus Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State and Local Sources:				
State Fiscal Stabilization - K12	\$ 344	\$ 14,384,123	\$ 14,384,123	\$ -
State Fiscal Stabilization - Workforce Development	-	431,733	431,733	-
Race to the Top	-	768,509	208,221	(560,288)
Education Jobs Fund	-	9,120,254	9,120,254	-
Individuals with Disabilities Education Act	7,682,321	7,682,321	6,962,008	(720,313)
Elementary And Secondary Education Act, Title I	3,103,628	3,103,628	2,706,412	(397,216)
Other Federal Through State and Local Sources	1,020,040	1,020,040	868,348	(151,692)
Total Federal Through State and Local Sources	11,806,333	36,510,608	34,681,099	(1,829,509)
Total Revenues	11,806,333	36,510,608	34,681,099	(1,829,509)
EXPENDITURES				
Current:				
Instruction:				
Salaries	3,428,173	19,916,808	19,757,630	159,178
Employee Benefits	967,375	6,730,251	6,676,698	53,553
Purchased Services	2,921,378	2,546,929	2,029,917	517,012
Materials & Supplies	1,000,138	2,270,102	2,083,476	186,626
Capital Outlay	379,574	947,770	836,333	111,437
Other Expenses	11,000	165,387	149,167	16,220
Total Instruction	8,707,638	32,577,247	31,533,221	1,044,026
Pupil Personnel Services:				
Salaries	279,721	231,476	225,722	5,754
Employee Benefits	60,322	63,872	61,099	2,773
Purchased Services	12,150	5,345	512	4,833
Materials & Supplies	48,703	79,528	74,696	4,832
Other Expenses	200	200	-	200
Total Pupil Personnel Services	401,096	380,421	362,029	18,392
Instructional and Curriculum Development Services:				
Salaries	115,178	431,433	351,820	79,613
Employee Benefits	23,895	141,984	92,874	49,110
Purchased Services	193,949	36,125	28,033	8,092
Materials & Supplies	9,640	6,140	3,847	2,293
Capital Outlay	-	91,775	66,782	24,993
Other Expenses	11,262	14,312	12,471	1,841
Total Instructional and Curriculum Development Services	353,924	721,769	555,827	165,942
Instructional Staff Training Services:				
Salaries	350,942	340,904	242,420	98,484
Employee Benefits	82,762	73,598	45,612	27,986
Purchased Services	656,833	487,222	301,603	185,619
Materials & Supplies	142,808	60,770	43,221	17,549
Other Expenses	65,713	221,054	133,350	87,704
Total Instructional Staff Training Services	1,299,058	1,183,548	766,206	417,342

(Continued)

	ARRA Economic Stimulus Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
General Administration:				
Purchased Services	\$ 37,500	\$ 37,327	\$ 37,327	\$ -
Other Expenses	353,433	1,118,567	1,048,252	70,315
Total General Administration	390,933	1,155,894	1,085,579	70,315
Facilities Services:				
Capital Outlay	7,000	5,646	-	5,646
Total Facilities Services:	7,000	5,646	-	5,646
Fiscal Services:				
Salaries	-	7,920	-	7,920
Employee Benefits	-	2,931	-	2,931
Total Central Services	-	10,851	-	10,851
Central Services:				
Salaries	38,913	29,970	23,983	5,987
Employee Benefits	13,904	12,955	10,649	2,306
Total Central Services	52,817	42,925	34,632	8,293
Pupil Transportation Services:				
Salaries	80,784	93,600	92,551	1,049
Employee Benefits	27,811	4,024	3,816	208
Purchased Services	2,000	-	-	-
Other Expenses	-	785	785	-
Total Pupil Transportation Services	110,595	98,409	97,152	1,257
Capital Outlay:				
Other Capital Outlay	483,272	333,898	246,453	87,445
Total Capital Outlay	483,272	333,898	246,453	87,445
Total Expenditures	11,806,333	36,510,608	34,681,099	1,829,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

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

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
June 30, 2011

	Governmental Activities - Internal Service Funds
ASSETS	
Accounts Receivable	\$ 1,209,217
Due from Other Funds	<u>3,615,262</u>
Total Assets	<u>4,824,479</u>
LIABILITIES	
Current Liabilities:	
Claims Payable	3,191,700
Due to Other Funds	665,372
Estimated Insurance Claims Payable	<u>2,114,312</u>
Total Current Liabilities	<u>5,971,384</u>
Long-Term Liabilities:	
Estimated Insurance Claims Payable	<u>7,207,539</u>
Total Liabilities	<u>13,178,923</u>
NET ASSETS (DEFICIT)	
Unrestricted	<u>(8,354,444)</u>
Total Net Assets (Deficit)	<u>\$ (8,354,444)</u>

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

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium Revenues	\$ 42,167,390
Other Operating Revenues	<u>330,676</u>
Total Operating Revenues	<u>42,498,066</u>
OPERATING EXPENSES	
Salaries	196,986
Employee Benefits	56,988
Purchased Services	2,900,839
Materials & Supplies	6,963
Capital Outlay	4,389
Insurance Claims	35,664,909
Insurance Premiums	622,665
Other Expenses	<u>542,585</u>
Total Operating Expenses	<u>39,996,324</u>
Operating Income	<u>2,501,742</u>
NONOPERATING REVENUES	
Gifts, Grants, and Bequests	<u>95,000</u>
Total NonOperating Revenues	<u>95,000</u>
Change in Net Assets	2,596,742
Total Net Assets (Deficit), Beginning	<u>(10,951,186)</u>
Total Net Assets (Deficit), Ending	<u>\$ (8,354,444)</u>

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

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2011

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Premiums	\$ 41,065,106
Cash Received from Other Operating Revenues	330,676
Cash Payments to Suppliers for Goods and Services	(2,912,419)
Cash Payments to Employees for Services	(253,974)
Cash Payments for Insurance Claims	(35,614,983)
Cash Payment for Premiums and Other Fees	(1,165,022)
	<u>1,449,384</u>
Net Cash Provided by Operating Activities	<u>1,449,384</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Loan Payments from Other Funds	(1,544,384)
Gifts, Grants, and Bequests	95,000
	<u>(1,449,384)</u>
Net Cash Used by NonCapital Financing Activities	<u>(1,449,384)</u>
Net Change in Cash	-
Cash and Cash Equivalents, Beginning	-
Cash and Cash Equivalents, Ending	<u>\$ -</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 2,501,742
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(1,202,284)
Decrease in Deposits Receivable	100,000
Decrease in Claims Payable	(443,643)
Increase in Estimated Insurance Claims Payable	493,569
	<u>(1,052,358)</u>
Total Adjustments	<u>(1,052,358)</u>
Net Cash Provided by Operating Activities	<u>\$ 1,449,384</u>

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

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
June 30, 2011

	Fiduciary Funds	
	Private-Purpose Trust	Agency Funds
ASSETS		
Cash	\$ -	\$ 5,792,055
Investments	-	100,566
Due From Other Funds	50,931	-
	<u>50,931</u>	<u>\$ 5,892,621</u>
Total Assets	<u>50,931</u>	<u>\$ 5,892,621</u>
LIABILITIES		
Accounts Payable	159	\$ 5,892,621
	<u>159</u>	<u>\$ 5,892,621</u>
Total Liabilities	<u>159</u>	<u>\$ 5,892,621</u>
NET ASSETS		
Assets Held in Trust for Scholarships and Other Purposes	<u>\$ 50,772</u>	

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

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011**

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2011**

	Private-Purpose Trusts
ADDITIONS	
Contributions:	
Gifts, Grants, and Bequests	\$ 200,629
Total Additions	200,629
DEDUCTIONS	
Other Expenses	248,657
Total Deductions	248,657
Change in Net Assets	(48,028)
Net Assets, July 1, 2010	98,800
Net Assets, June 30, 2011	\$ 50,772

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

> Reporting Entity

The School District of Manatee County, Florida (the "District") has direct responsibility for the operation, control, and supervision of District schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education. The governing body of the District is the Manatee County School Board (the "School Board") which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the School Board. Geographic boundaries of the District correspond with those of Manatee County.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the School Board is financially accountable and other organizations for which the nature and significance of their relationship with the School Board are such that exclusion would cause the District's basic financial statements to be misleading or incomplete.

Based on the application of these criteria, the following component units are included within the District's reporting entity:

- **Blended Component Unit.** The Manatee County School Board Leasing Corporation (the "Leasing Corporation") was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 7. Due to the substantive economic relationship between the School Board and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.
- **Discretely Presented Component Units.** The component unit columns in the basic financial statements include the financial data of the District's other component units. These component units include: Manatee Education Foundation, Inc.; Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; the Developmental Center- Manatee, Inc., d/b/a Bradenton Charter School; Imagine-Manatee County, LLC, d/b/a Imagine Charter School at North Manatee; Imagine-East Manatee County, LLC, d/b/a Imagine School at Lakewood Ranch; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; and Team Success A School of Excellence, Inc.

The Manatee Education Foundation, Inc. is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest, and administer property and make expenditures to or for the benefit of the District. The financial data reported on the accompanying financial statements was derived from the audited statements of the organization for the fiscal year ended June 30, 2011. Separate financial statements for the Foundation are filed with the District.

The Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; Developmental Center- Manatee, Inc., d/b/a Bradenton Charter School; Imagine-Manatee County, LLC, d/b/a Imagine Charter School at North Manatee; Imagine-East Manatee County, LLC, d/b/a Imagine School at Lakewood Ranch; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; and Team Success A School of Excellence, Inc., are charter schools and separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

Statutes. The charter schools operate under a charter approved by their sponsor, the School Board. The financial data reported on the accompanying financial statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2011. Audits of the charter schools' financial statements for the fiscal year ended June 30, 2011 are conducted by independent certified public accountants.

- Related Organizations. Two charter schools, which include the State College of Florida Collegiate School; and the Richard Milburn Academy, operate under parent organizations and therefore, are not presented as discretely presented component units of the District. They operate under charters approved by their sponsor, the School Board.

➤ Basis of Presentation

Government-wide Financial Statements: Government-wide financial statements, including the statement of net assets and the statement of activities, present information about the District as a whole. These statements include the non-fiduciary financial activity of the primary government and its component units.

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

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

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

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

The District reports the following major governmental funds:

- General Fund: to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue Fund - ARRA Economic Stimulus Funds: to account for the financial resources received through the American Recovery and Reinvestment Act. This fund is included as a major fund due to the public interest in these funds.
- Debt Service - Other Funds: to account for and report on the payment of principal, interest, and related costs on the sales tax revenue bond issues, certificate of participation issues, and other debt service issues.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

- Capital Projects - Other Funds: to account for other capital financial resources such as Sales Tax Proceeds, Impact Fees, Sales Tax Revenue Bonds, etc.

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

- Internal Service Funds: to account for the District's individual self-insurance programs.
- Private-Purpose Trust Funds: to account for financial fees and other moneys for which principal and income benefit individuals or private organizations.
- Agency Funds: to account for resources of the school internal funds which are used to administer moneys collected at the several schools in connection with school, student athletic, class, and club activities.

➤ Basis of Accounting

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

The government-wide financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Property taxes, sales taxes, state education funding, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for employee health insurance premiums and workers' compensation premiums. Operating expenses include insurance claims and excess coverage premiums. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

Manatee Education Foundation, Inc. and the charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

> **Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of three months or less. Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Investments consist of amounts placed in the State Board of Administration (SBA) for participation in Florida PRIME, formerly known as the Local Government Surplus Funds Trust Fund and the Fund B Surplus Funds Trust Fund (Fund B) investment pools created by Section 218.405 and 218.417, Florida Statutes. The investment pools operate under investment guidelines established by Section 215.47, Florida Statutes. The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, is reported at fair value, which is amortized cost.

The District's investments in Fund B are accounted for as a fluctuating net asset value pool, with a fair value factor of .78965331 at June 30, 2011. Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the SBA, are affected by transferring eligible cash or securities to Florida PRIME consistent with the pro rata allocation of pool shareholders of record at the creation date of Fund B.

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

> **Prepaid Items**

Prepaid items are reported in the governmental funds under the consumption method.

> **Inventories**

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

For inventories maintained in the General Fund, an amount equal to 50 percent of inventory balances at year-end is reported as nonspendable. For the Special Revenue Fund – Food Service, 100 percent of the inventory balance is reported as nonspendable.

> **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net assets but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation. Land and buildings acquired or constructed prior to July 1, 1967, are stated at estimated historical cost. Land acquired prior to July 1, 1967, is valued at 1974 assessed values (Manatee County Property Appraiser's report of assessed values dated August 23, 1975). Buildings acquired prior

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

to July 1, 1967, are valued at their "depreciated value" (estimated replacement costs, multiplied by the percent of remaining estimated life) at June 30, 1978. Improvements other than buildings (parking lots, sidewalks, fences, etc.) include assets acquired subsequent to July 1, 1979.

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

Description	Estimated Lives
Improvements Other than Buildings	10 - 35 years
Buildings and Fixed Equipment	10 - 60 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	5 - 10 years
Audio Visual Materials and Computer Software	3 - 5 years

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

> **Long-Term Liabilities**

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

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

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources.

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

> **Fund Balance/Net Assets**

The District implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* effective July 1, 2010. Fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable:** Fund balances are reported as nonspendable when amounts cannot be spent because they are either: (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted:** Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed:** Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the School Board through the adoption of a resolution. Only the School Board may modify or rescind the commitment.
- **Assigned:** Fund balances are reported as assigned when amounts are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed.
- **Unassigned:** Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The District reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in the other funds.

Net assets represent the difference between assets and liabilities in the government-wide and proprietary fund financial statements. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets invested in capital assets, net of related debt excludes unspent debt proceeds. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations. All net assets not reported as net assets invested in capital assets, net of related debt and restricted net assets, are reported as unrestricted net assets.

When both restricted and unrestricted amounts of fund balance/net assets are available for use for expenditures/expenses incurred, it is the District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the District's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Beginning net assets for the aggregately discretely presented component units, previously reported in the amount of \$5,434,637, have been restated to increase net assets for a prior period adjustment reported for Imagine School at Lakewood Ranch (\$33,246) and the inclusion of a new charter school, Team Success A School of Excellence, Inc. (\$256,720).

➤ **State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (the "Department") under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

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

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

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department. Accordingly, the District recognizes the allocation of Public Education Capital Outlay funds as deferred revenue until such time as an encumbrance authorization is received.

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

➤ **District Property Taxes**

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

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

The School Board adopted the 2010 tax levy on September 9, 2010. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Manatee County Tax Collector at fiscal year-end but not yet remitted to the District. Because any delinquent taxes collected after June 30, would not be material, delinquent taxes receivable are not accrued and no delinquent tax revenue deferral is recorded.

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

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011**

➤ **Capital Outlay Surtax**

In May 2002, the voters of Manatee County approved a one-half cent discretionary sales surtax on sales in the County for 15 years, effective January 1, 2003, to pay construction, reconstruction or improvements of school facilities and related costs, land acquisitions, improvements and related costs, and costs for retrofitting and providing for technology implementation, including hardware and software for the various sites within the school district in accordance with Section 212.055(6), Florida Statutes.

➤ **Educational Impact Fees**

The District receives educational impact fees based on an ordinance adopted by the Manatee County Board of County Commissioners on May 7, 2002. This ordinance was most recently amended in May 2009, when Ordinance 09-36, Section 3, suspended levy for a two-year period commencing July 27, 2009, and ending July 27, 2011. The fees are collected by the County and each municipality within the County for most residential construction based on an interlocal agreement. The fees shall be used solely for the purpose of paying the capital costs of educational facilities needed to increase the capacity of the school system in order to accommodate the increased demand on the district which is reasonably attributable to new residential construction, and shall not be used for any expenditure that would be classified as operational expenses, routine maintenance or repairs. The authorized uses include, but are not limited to: land acquisition, site improvement, construction costs, furniture and equipment, and payment of principal and interest for indebtedness. Because the educational impact fee is similar to a capital-type special assessment, it is reported as program revenue in the government-wide financial statements.

➤ **Federal Revenue Sources**

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

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

➤ **Budgetary Information**

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any School Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.

Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011**

➤ **Deficit Net Assets in Individual Non-major Funds**

The following Internal Service Funds have deficit net asset balances at June 30, 2011:

	Net Assets July 1, 2010	Change in Net Assets Fiscal Year 2010-11	Net Assets June 30, 2011
Workers' Comp Self-Insurance Fund	\$ (2,549,108)	\$ 156,831	\$ (2,392,277)
Group Health Self-Insurance Fund	(8,402,078)	2,439,911	(5,962,167)
	<u>\$ (10,951,186)</u>	<u>\$ 2,596,742</u>	<u>\$ (8,354,444)</u>

The Group Health Self-Insurance Fund is administered by the District and provides health insurance benefits to participating employees and their eligible dependents. The School District is in the process of developing and implementing a plan to resolve the deficit fund balances in these funds.

3. INVESTMENTS

As of June 30, 2011, the District has the following investments and maturities:

Investment	Maturities	Fair Value
Investment in State Board of Administration Pool		
Florida PRIME	31 Day Average	\$ 4,884,786
Fund B Surplus Funds Trust Fund (Fund B)	7.16 Year Average	1,143,789
Money Market Mutual Funds (B)		<u>6,155,649</u>
Total Investments, Reporting Entity		<u>12,184,224</u>

- Note: (A) Includes \$325,017 of bond proceeds and interest earnings held and administered by the State.
 (B) Money Market Mutual Funds: Invests in first tier securities, including commercial paper, bank obligations, short-term debt securities, short-term taxable municipal securities, repurchase agreements and other money market funds.
 (C) Qualified Purchaser Funds: Invests in first tier commercial paper (domestic) bank obligations, short-term corporate debt obligations (rated "A" or higher), U.S. Treasury and U.S. government agency obligations and repurchase agreements.

Interest Rate Risk

- Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy limits investments to a maximum of five years, unless specifically matched with cash flow needs as a means of managing its exposure to fair value losses arising from increasing interest rates.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

- Florida PRIME had a weighted average days to maturity (WAM) of 46 days at June 30, 2011. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes. Fund B had a weighted average life of 7.16 years. A portfolio's WAL is the dollar weighted average length of time until securities held reach maturity. WAL, which also measures the sensitivity of the portfolio to interest rate changes, is based on legal final maturity dates for Fund B as of June 30, 2011. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the WAL.

Credit Risk

- The District's investment policy limits investments to obligations of United States Government Agencies and Instrumentalities, mutual funds, qualified purchaser funds, commercial paper, banker's acceptances, State and local government taxable and tax-exempt debt, repurchase agreements, interest bearing time deposit or savings accounts, as well as the SBA Florida PRIME, formerly know as the Local Government Surplus Funds Trust Fund.
- The District's investments in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by the State Board of Administration for managing credit risk for this account.
- As of June 30, 2011, the District's investment in Florida PRIME is rated AAAM by Standard and Poors. The District's investment in the Fund B Surplus Funds Trust Fund (Fund B) was unrated.
- The District's investments in Money Market Mutual funds were both rated AAA by Moody's Investors Service and Fitch Ratings.

Custodial Credit Risk

- The District investment policy addresses custodial credit risk in that all securities, with the exception of certificates of deposit, are 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. Certificates of deposit will be placed in the provider's safekeeping department for the term of the deposit.

Concentration of Credit Risk

- The District investment policy limits the amount the District may invest in any one issuer. Available funds may be invested at a maximum of 100 percent of available funds in the State Board of Administration Local Government Surplus Funds Trust Fund, 100 percent of available funds in United States Government Securities, 50 percent of available funds in obligations of United States Government Agencies and Instrumentalities with a maximum of 25 percent per issuer, 25 percent available funds in interest bearing time deposit or savings accounts with a maximum of 15 percent per issuer, 50 percent of available funds in individual repurchase agreements with a maximum of 25 percent per institution, 25 percent of available funds in commercial paper with a maximum of 10 percent per issuer, 25 percent of available funds in banker's acceptances with a maximum of 10 percent per issuer, 20 percent of available funds in state and/or local government taxable and/or tax-exempt debt, as well as 50 percent of available funds in mutual funds and/or qualified purchaser funds with a maximum of 50 percent per fund.

4. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 49,972,231	\$ 280,496	\$ -	\$ 50,252,727
Construction in Progress	44,680,445	15,278,719	45,677,261	14,281,903
Total Capital Assets Not Being Depreciated	94,652,676	15,559,215	45,677,261	64,534,630
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	21,061,360	1,873,611	-	22,934,971
Buildings and Fixed Equipment	947,183,851	60,317,933	283,934	1,007,217,850
Furniture, fixtures and Equipment	69,012,591	4,990,248	2,916,249	71,086,590
Motor Vehicles	21,919,242	20,375	74,726	21,864,891
Property Under Capital Lease	44,757	-	-	44,757
Audio-Visual Materials	1,078,027	-	401,549	676,478
Computer Software	6,317,993	1,587,201	383,809	7,521,385
Total Capital Assets Being Depreciated	1,066,617,821	68,789,368	4,060,267	1,131,346,922
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	7,824,768	1,254,711	-	9,079,479
Buildings and Fixed Equipment	163,240,423	17,670,986	272,909	180,638,500
Furniture, fixtures and Equipment	53,644,402	5,972,378	2,889,368	56,727,412
Motor Vehicles	14,595,895	1,730,544	74,726	16,251,713
Property Under Capital Lease	23,871	8,951	-	32,822
Audio-Visual Materials	1,078,027	-	401,549	676,478
Computer Software	5,259,096	727,518	363,042	5,623,572
Total Accumulated Depreciation	245,666,482	27,365,088	4,001,594	269,029,976
Total Capital Assets Being Depreciated, Net	820,951,339	41,424,280	58,673	862,316,946
Governmental Activities Capital Assets, Net	\$ 915,604,015	\$ 56,983,495	\$ 45,735,934	\$ 926,851,576

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
 For the Fiscal Year Ended June 30, 2011

Depreciation/ Amortization expense was charged to functions as follows:

Governmental Activities	Amount
Instruction	\$ 487,795
Pupil Personnel Services	28,699
Instructional Media Services	21,903
Instruction and Curriculum Development Services	42,392
Instructional Staff Training	40,981
Board	429
General Administration, Superintendent	250
School Administration	8,414
Facilities Acquisition and Construction	26,153,022
Fiscal Service	2,564
Food Services	110,464
Central Services	26,781
Transportation	1,199
Operation of Plant	838
Maintenance of Plant	345,891
Data Processing	859
Unallocated	92,607
Total Depreciation Expense, Governmental Activities	\$ 27,365,088

5. CHANGES IN SHORT-TERM DEBT

The following is a schedule of changes in short-term debt:

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
GOVERNMENTAL ACTIVITIES				
Tax Anticipation Note, Series 2010, issued September 22, 2010, with an interest rate of 1.25 percent, and a maturity date of May 1, 2011	\$ -	\$ 45,000,000	\$ 45,000,000	\$ -

Note proceeds were used to pay operating expenditures of the District prior to receipt of budgeted revenues.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
 For the Fiscal Year Ended June 30, 2011

6. NOTES PAYABLE

The notes payable are comprised of the following:

	Balance at June 30, 2011
<u>Revenue Anticipation Note, Series 2008B</u>	
\$25,000,000 borrowed May 21, 2008, under provisions of Section 1011.14, Florida Statutes, with a variable interest rate equal to the sum of 63.7% of the LIBOR rate plus 55 basis points, subsequently amended to 120 basis points, subsequently amended to 62.5% of the LIBOR rate plus 120 basis points. The School Board paid \$10,000,000 in the 2008-09 fiscal year and \$6,500,000 in the 2010-11 fiscal year. The current six month interest rate is 1.32%. Final maturity is May 17, 2012, subject to one additional one-year extension. The proceeds were used to provide cash flow and budget capacity for the District's capital program. This note is pledged by ad valorem taxes.	\$ 8,500,000
<u>Revenue Anticipation Note, Series 2011A</u>	
1011.14, Florida Statutes, with a variable interest rate equal to the sum of 62.5% of the LIBOR rate plus 120 basis points. The current six month interest rate is 1.32%. Final maturity is May 17, 2012, subject to four additional one-year extensions. The proceeds were used to provide cash flow and budget capacity for the District's capital program. This note is pledged by ad valorem taxes.	\$ 5,000,000

7. CERTIFICATES OF PARTICIPATION

The District entered into a master financing arrangement on July 9, 1996, which has since been subsequently amended. The financing arrangement is characterized as a lease-purchase agreement, with the Leasing Corporation whereby the District has secured financing of various educational facilities in the total amount of \$383,470,000. Except for the Qualified Zone Academy Bond (QZAB) and Qualified School Construction Bond (QSCB) which are discussed below, the financing was accomplished through the issuance of Certificates of Participation, Series 1996 for \$82,000,000; Series 1998 for \$65,960,000; Series 2005A for \$29,175,000; Series 2007 for \$60,040,000; Series 2008A for \$59,380,000; Series 2009A for \$47,065,000 and Series 2011A for \$39,850,000, to be repaid from the proceeds of rents paid by the District.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

Certificates of Participation payable at June 30, 2011, are as follows:

<u>Certificates of Participation</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
Series 2004, QZAB	\$ 1,306,000	\$ 1,306,000	(1)	2018
Series 2005A	29,175,000	16,260,000	3.250 - 5.000	2017
Series 2005, QZAB	1,327,455	1,327,455	(1)	2021
Series 2007	60,040,000	51,670,000	3.700 - 5.000	2027
Series 2008A, Refunding	59,380,000	47,975,000	3.000 - 4.500	2021
Series 2009A	47,065,000	45,910,000	2.000 - 5.125	2029
Series 2010, QSCB	21,600,000	21,600,000	(1)	2029
Series 2011A	39,850,000	39,850,000	4.500 - 5.625	2031
Total Certificates of Participation	\$ 259,743,455	\$ 225,898,455		

Note (1):

Interest on QZAB and QSCB certificates is paid by the Federal Government to the purchasers of the certificates in the form of tax credits.

As a condition of the financing arrangement, the District has given ground leases on District property to the Leasing Corporation, with a rental fee of \$10 per year for each of the Series 2005A, 2007, 2008A, and 2009A and 2011A Series Certificates. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District through a master-lease purchase agreement. The master lease-purchase agreement is automatically renewable each fiscal year-end through July 1, 2031. If the District fails to renew the lease and to provide for the rent payments, the District may be required to surrender the sites included under the ground lease agreements, together with the improvements thereon, to the Trustee for the benefit of the securers of the Certificates. The District has the following ground leases at June 30, 2011:

<u>Certificates of Participation</u>	<u>Ground Lease</u>	
	<u>Commencement Date</u>	<u>Term Date</u>
Series 2004, QZAB	July 22, 2004	July 21, 2018
Series 2005A	March 1, 2005	July 1, 2017
Series 2005, QZAB	December 20, 2005	December 20, 2021
Series 2007	May 1, 2007	July 1, 2027
Series 2008A, Refunding	February 1, 2008	June 30, 2021
Series 2009A	May 1, 2009	July 1, 2029
Series 2010, QSCB	October 1, 2010	October 1, 2029
Series 2011A	May 1, 2011	July 1, 2031

On July 22, 2004, and December 20, 2005, the District entered into financing arrangements (School Board of Manatee County, Florida Master Lease Program, Series 2004-QZAB and Series 2005-QZAB, respectively) characterized as lease-purchase agreements with the Manatee County School Board Leasing Corporation. These agreements were structured to qualify as "Qualified Zone Academy Bonds" pursuant to Section 1397E of the Internal Revenue Code, as amended. There is no interest cost to the District for borrowing moneys under this program. Interest on the Series 2004-QZAB and Series 2005-QZAB is paid by the Federal government in the form of annual tax credits to the banks or other eligible financial institutions that hold the certificates. Mandatory annual deposits, for the Series 2004-QZAB, of \$78,455 are to be made to a sinking fund account with a paying agent beginning July 21, 2005, and

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

ending July 21, 2018. Mandatory annual deposits, for the Series 2005-QZAB, of \$67,616 are to be made to a sinking fund account with a paying agent beginning December 20, 2006, and ending December 20, 2021. Such deposits are to be held and accumulated by the paying agent and applied solely to the payments due under the leases on the final rental payment date.

The American Recovery and Reinvestment Act (ARRA) of 2009, signed into law on February 17, 2009, created a new category of direct subsidy debt for school districts known as QSCBs (Qualified School Construction Bonds). The QSCB does not represent incremental Federal funding; it must be repaid by the District.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$1 per year. The initial term of the lease for the Series 2010-QSCB is 19 years commencing October 26, 2010. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates for a period of time specified by the arrangement which may be up to 22 years from the date of inception of the arrangement.

For the Series 2010-QSCB, the principal portion of the basic lease payment, \$21,600,000, is due on October 1, 2029. The interest portion of the basic lease payments is due each April 1 and October 1, commencing April 1, 2011. The sinking fund payments to be made by the District with respect to the Series 2010-QSCB will be deposited by the Trustee into the Series 2010 Sinking Fund Account pursuant to the Trust Agreement. Such funds will be invested in investment securities in accordance with the Trust Agreement. The School Board may offset sinking fund payments with the interest earnings on amounts in the Series 2010 Sinking Fund Account, provided that the sinking fund payments will be funded at a rate not more rapid than equal, annual installments in an aggregate amount not in excess of the principal component due at maturity. Sinking fund payments on deposit in the Series 2010 Sinking Fund Account will be retained therein until transferred to the Series 2010 Lease Payment Account and applied to the payment of the \$21,600,000 principal component due on the Series 2010 Certificates at maturity (October 1, 2029) or upon earlier prepayment.

The District properties included in the various ground leases are as follows:

Series 2005A Certificates of Participation

- Anna Maria Elementary School
- King Middle School

Series 2007 Certificates of Participation

- Annie Lucy Williams Elementary School
- Daughtrey Elementary School
- King Middle School
- Palmetto Elementary School
- Manatee Technical Institute – Public Safety Academy
- Manatee Technical Institute – Fire Academy
- Sea Breeze Elementary School
- Myakka Elementary School

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 NOTES THE FINANCIAL STATEMENT
 For the Fiscal Year Ended June 30, 2011

Series 2008 Certificates of Participation – Refunds 1998 Series

Bayshore High School
 Carlos Haile Middle School
 Lakewood Ranch High School

Series 2009 Certificates of Participation

G. D. Rogers Garden Elementary
 Transportation and Maintenance Facility
 Palmetto High School Auditorium
 Myakka Elementary

Series 2004-QZAB Certificates of Participation

Daughtrey Elementary School
 Manatee Elementary School

Series 2005-QZAB Certificates of Participation

Manatee Elementary School
 Orange Ridge/Bullock Elementary School
 Oneco Elementary School
 Palm View Elementary School

Series 2010-QSCB Certificates of Participation

Manatee High School (Davis Building project)

Series 2011A-Certificates of Participation

Manatee Technical Institute

The lease payments are payable by the District, semiannually, on July 1 and January 1. The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

Fiscal Year Ending June 30	Total	Principal	Interest
2012	\$ 18,927,269	\$ 9,480,000	\$ 9,447,269
2013	18,945,551	9,865,000	9,080,551
2014	18,930,364	10,245,000	8,685,364
2015	18,928,666	10,690,000	8,238,666
2016	18,932,456	11,165,000	7,767,456
2016-2021	90,621,888	58,926,000	31,695,888
2021-2026	69,677,549	50,377,455	19,300,094
2026-2031	70,926,294	65,150,000	5,776,294
Total Minimum Lease Payments	\$ 325,890,037	225,898,455	\$ 99,991,582
Add: Unamortized Premium		3,032,052	
Less: Unamortized Discount		(761,459)	
Total Certificates of Participation		\$ 228,169,048	

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 NOTES THE FINANCIAL STATEMENT
 For the Fiscal Year Ended June 30, 2011

8. BONDS PAYABLE

Bonds payable at June 30, 2011, are as follows:

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To	Issue Amount
State School Bonds:				
Series 1999A	\$ -	4.00 - 4.75	2019	1,735,000
Series 2000A	-	5.0 - 6.0	2010	280,000
Series 2002A-Refunded by Series 2010A	45,000	3.0 - 5.0	2022	1,010,000
Series 2003A	805,000	3.0 - 5.0	2023	1,150,000
Series 2005B, Refunding	6,195,000	5.0	2020	8,205,000
Series 2006A	1,345,000	4.0 - 4.625	2026	1,605,000
Series 2009A	1,620,000	3.0-5.0	2029	1,815,000
Series 2010A-Refunding	600,000	4.0-5.0	2022	600,000
Series 2010A	1,725,000	3.0-5.0	2030	1,725,000
District Revenue Bonds:				
Series 2003, Sales Tax	75,730,000	3.50 - 5.00	2018	112,340,000
Series 2005, Sales Tax	19,160,000	3.75 - 5.00	2018	30,000,000
Subtotal	\$ 107,225,000			
Add: Unamortized Premium on Debt	3,376,714			
Less: Unamortized Discount on Debt	(12,918)			
Less: Deferred Cost of Refunding	(265,436)			
Total Bonds Payable	\$ 110,323,360			

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

> **State School Bonds**

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

> **District Revenue Bonds**

The Sales Tax Revenue Bonds, Series 2003, are authorized by the Constitution and Laws of Florida, including particularly Chapter 1001, Florida Statutes, Chapter 212, Florida Statutes, and other applicable provisions of law, and the Sales Tax Revenue Bond Resolution authorizing the issuance of the bonds duly adopted by the Board on February 18, 2003. The issuance of the bonds was approved by referendum of the voters of Manatee County duly held on May 21, 2002. The bonds were validated and confirmed by a final judgment of the Twelfth Judicial Circuit in and for Manatee County, Florida, entered on June 5, 2003. The bonds are secured by a prior lien upon and pledge of the proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes.

The Sales Tax Revenue Bonds, Series 2005, are authorized by the Constitution and Laws of Florida, including particularly Chapter 1001, Florida Statutes, Chapter 212, Florida Statutes, and other applicable provisions of law, and the Sales Tax Revenue Bond Resolution authorizing the issuance of the bonds duly adopted by the Board on February 18, 2003, as supplemented by a

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

Resolution duly adopted by the Board on November 14, 2005. The issuance of the bonds was approved by referendum of the voters of Manatee County duly held on May 21, 2002. The bonds were validated and confirmed by a final judgment of the Twelfth Judicial Circuit in and for Manatee County, Florida, entered on June 5, 2003. The bonds are secured by a prior lien upon and pledge of the proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes.

The School Board issued Sales Tax Revenue Bonds, Series 2003, in the amount of \$112,340,000 on August 7, 2003, and Sales Tax Revenue Bonds, Series 2005, in the amount of \$30,000,000 on December 19, 2005. Proceeds of the bonds were used to finance the cost of acquisition, construction, and installation of, and renovation to, certain capital improvements and educational facilities.

The sales tax collections began on January 1, 2003 and will be in place for 15 years. The sales tax was projected to generate at least \$235,660,684, or 119.24 percent of the principal and interest payments over the 15 years of the bonds. During the 2010-11 fiscal year, the District recognized sales tax revenues totaling \$21,740,639 and expended \$15,983,978 (78.65 percent) of these revenues for debt service directly collateralized by these revenues.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2011, are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds:			
2012	\$ 1,627,538	\$ 1,050,000	\$ 577,538
2013	1,628,643	1,100,000	528,643
2014	1,631,130	1,155,000	476,130
2015	1,639,965	1,220,000	419,965
2016	1,640,375	1,280,000	360,375
2016-2021	4,923,931	3,960,000	963,931
2021-2026	2,118,269	1,740,000	378,269
2026-2030	908,825	830,000	78,825
Total State School Bonds	16,118,676	12,335,000	3,783,676
District Revenue Bonds:			
2012	15,917,128	11,835,000	4,082,128
2013	15,905,403	12,325,000	3,580,403
2014	15,838,215	12,835,000	3,003,215
2015	15,828,421	13,480,000	2,348,421
2016	15,818,240	14,145,000	1,673,240
2016-2018	31,658,345	30,270,000	1,388,345
Total District Revenue Bonds	110,965,752	94,890,000	16,075,752
Total	\$ 127,084,428	\$ 107,225,000	\$ 19,859,428

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

9. DEFEASED DEBT

In October 2010, portions of the State Board of Education Capital Outlay Bonds, Series 2002A were refunded by the Florida Department of Education and considered defeased in substance by placing a portion of the proceeds of new State Board of Education Capital Outlay Bonds, Series 2010A, in an irrevocable trust to provide for the future redemption of the Series 2002A bonds on January 1, 2012. Accordingly, the trust account assets and liability for the in-substance defeased State School Bonds are not included in the District's financial statements. On June 30, 2011, outstanding State School Bonds, Series 2002A, totaling \$600,000 are considered defeased in substance.

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$44,000. The District reduced its debt service payments \$27,000 and obtained an economic gain of \$14,000 by this earlier redemption.

10. CHANGES IN LONG-TERM LIABILITIES

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

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011	Due in One Year
GOVERNMENTAL ACTIVITIES					
Notes Payable	\$ 20,000,000	\$ 5,000,000	\$ 11,500,000	\$ 13,500,000	\$ 13,500,000
Bonds Payable	121,198,227	2,637,341	13,512,208	110,323,360	12,885,000
Certificates of Participation Payable	176,215,935	61,324,046	9,370,933	228,169,048	9,480,000
Early Retirement Plans	110,448	-	13,572	96,876	10,764
Other Post-Employment Benefits Payable	12,438,626	6,136,128	2,762,015	15,812,739	-
Compensated Absences Payable	25,279,714	3,048,176	3,401,272	24,926,618	1,250,000
Total Governmental Activities	\$ 355,242,950	\$ 78,145,691	\$ 40,560,000	\$ 392,828,641	\$ 37,125,764

The amounts above for bonds and certificates of participation include unamortized premiums, discounts, and deferred cost of refunding.

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

11. ENCUMBRANCES

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

12. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

	Receivables	Payables
Governmental Funds:		
Major Funds		
General Fund	\$ -	\$ 15,110,555
Special Revenue - ARRA Economic Stimulus Fund	-	4,207,512
Debt Service - Other Debt Service Fund	-	470,273
Capital Project - Other Capital Projects Fund	-	774,762
Nonmajor funds	17,938,799	376,518
Internal Service Funds	3,615,262	665,372
Fiduciary Funds	50,931	-
Total	\$ 21,604,992	\$ 21,604,992

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

Interfund receivables and payables are temporary loans of cash between funds allowable under Section 1011.09(2), Florida Statutes, for a period of less than 13 months. The temporary loans do not restrict, impede, or limit implementation or fulfillment of the original purposes for which the moneys were received in the funding providing the advancement. All amounts are expected to be repaid within the 2011-12 fiscal year.

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

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
Major Funds		
General Fund	\$ 15,643,347	\$ -
Debt Service - Other Debt Service Fund	33,316,837	-
Capital Project - Other Capital Projects Fund	-	26,120,971
Nonmajor funds	<u>11,840,721</u>	<u>34,679,934</u>
Total	<u>\$ 60,800,905</u>	<u>\$ 60,800,905</u>

The transfers into the General Fund from the Capital Projects – Other Capital Projects Fund, Capital Projects – Public Education Capital Outlay Fund and Capital Projects – Local Capital Improvement Tax Fund were for the purpose of reimbursing the General Fund for maintenance and repair costs.

The other transfers from Capital Projects – Other Capital Projects Fund and Capital Projects – Local Capital Improvement Tax Fund to the Debt Service – Other Debt Service Fund and Capital Projects Section 1011.14/15 Florida Statute Loan Fund were made for debt service payments.

13. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2010-11 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 68,140,035
Categorical Education Programs:	
Class Size Reduction/Operating Funds	48,861,260
School Recognition Funds	1,177,618
Voluntary Pre-Kindergarten	1,415,531
Other	143,371
Gross Receipts Tax (Public Education Capital Outlay)	1,752,013
Motor Vehicle License Tax (Capital Outlay and Debt Service)	2,186,118
Workforce Development	6,331,219
Discretionary Lottery Funds	165,092
Charter School Capital Outlay Funds	1,422,394
Food Service Supplement	292,624
Miscellaneous	<u>1,356,453</u>
	<u>\$ 133,243,728</u>

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

14. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2010 tax roll for the 2010-11 fiscal year:

	<u>Millages</u>	<u>Taxes Levied</u>
GENERAL FUND		
Nonvoted School Tax:		
Required Local Effort	5.343	\$ 141,555,675
Basic Discretionary Local Effort	0.998	26,440,691
CAPITAL PROJECTS FUNDS		
Nonvoted Tax:		
Local Capital Improvements	<u>1.250</u>	<u>33,117,208</u>
Total	<u>7.591</u>	<u>\$ 201,113,574</u>

15. STATE RETIREMENT PROGRAM

Defined Benefit Plan. All regular employees of the District are covered by the Florida Retirement System. The Florida Retirement System (FRS) is primarily a State-administered, cost-sharing, multiple-employer, defined benefit retirement plan (Plan). Plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially, all regular employees of participating employers are eligible and must enroll as members of the FRS. Benefits in the Plan vest at six years of service. All members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service. The Plan also includes an early retirement provision, but imposes a penalty for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments.

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in The Public Employee Optional Retirement Program (PEORP) in lieu of the Plan. District employees participating in DROP are not eligible to participate in PEORP. 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.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. There were 734 District participants during the 2010-11 fiscal year. Required contributions made to the PEORP totaled \$2,726,891.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

FRS Retirement Contribution Rates

The contribution rates for members are established, and may be amended, by the State of Florida. During the 2010-11 fiscal year, contribution rates were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	0.00	10.77
Florida Retirement System, Elected County Officers	0.00	18.64
Florida Retirement System, Senior Management Service	0.00	14.57
Deferred Retirement Option Program, Applicable to Members from All of the Above Classes or Plans	0.00	12.25
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.11 percent for the post-employment health insurance supplement. Also, employer rates, other than for DROP participants, include .05 percent for administrative costs of the Public Employee Optional Retirement Program.
(B) Contribution rates are dependent upon retirement class or plan in which reemployed.

The District's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions for the fiscal years ended June 30, 2009, June 30, 2010 and June 2011 totaled \$22,095,392, \$22,131,849 and \$24,806,302 respectively, which were equal to the required contributions for each fiscal year.

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

16. OTHER POSTEMPLOYMENT BENEFITS PAYABLE

Plan Description. The Other Postemployment Benefits Plan (Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District, and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical, prescriptions, and life insurance coverages. The District subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The rates paid by retirees eligible for Medicare are reduced by the Medicare premium. The Plan does not issue a stand-alone report and is not included in the report of Public Employee Retirement system or another entity.

Funding Policy. Benefit provisions for the Plan are pursuant to provisions of Section 112.081, Florida Statutes, and are amended through negotiations between the District and respective unions. The District plans to fund this postemployment benefit on a pay-as-you go basis. For fiscal year 2010-11, 586 retirees received other postemployment benefits. The District provided required contributions of \$2,762,015 toward the annual OPEB cost, net of retiree contributions.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

Annual OPEB Cost and Net OPEB Obligations. The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The ARC represents a level of funding that is paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost, the amount actually contributed to the plan, and changes in the District's net OPEB obligation for the last three years:

Description	2011	2010	2009
Normal Cost (service cost for one year)	\$ 3,375,087	\$ 3,170,882	\$ 2,724,123
Amortization of Unfunded Actuarial Accrued Liability	2,589,609	2,490,009	2,216,461
Interest on Normal Cost and Amortization	118,124	109,844	351,011
Annual Required Contribution	6,082,820	5,770,735	5,291,595
Interest on Net OPEB Obligation	497,545	360,538	254,278
Adjustment to Annual Required Contribution	(444,237)	(321,909)	(211,898)
Annual OPEB Cost (Expense)	6,136,128	5,809,364	5,333,975
Contribution Toward the OPEB Cost	(2,762,015)	(2,384,188)	(2,677,474)
Increase in Net OPEB Obligation	3,374,113	3,425,176	2,656,501
Net OPEB Obligation, Beginning of Year	12,438,626	9,013,450	6,356,949
Net OPEB Obligation, End of Year	\$ 15,812,739	\$ 12,438,626	\$ 9,013,450

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, 2011, and the preceding two years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	New OPEB Obligation
June 30, 2009	\$ 5,333,975	50.20%	\$ 9,013,450
June 30, 2010	\$ 5,809,364	41.04%	\$ 12,438,626
June 30, 2011	\$ 6,136,128	45.01%	\$ 15,812,739

Funded Status and Funding Progress. The funded status of the plan is as follows:

Actuarial Accrued Liability (a)	\$ 68,366,346
Actuarial Value of Plan Assets (b)	-
Unfunded Actuarial Accrued Liability (c) = (a-b)	\$ 68,366,346
Funded Ratio	0.00%
Covered Payroll (Active Plan Members) (d)	\$ 210,941,394
UAAL as a Percentage of Covered Payroll (c/d)	32.41%

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 NOTES THE FINANCIAL STATEMENT
 For the Fiscal Year Ended June 30, 2011

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions. Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The District's OPEB actuarial valuation as of January 1, 2009, used the entry age normal cost actuarial method to estimate the unfunded actuarial accrued liability as of June 30, 2011 and estimate the District's 2010-11 annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent discount rate. The actuarial assumptions also included a payroll growth rate of 4 percent annually and an annual healthcare cost trend rate of 9 percent beginning January 1, 2010, reduced by 0.5 percent per year, to an ultimate rate of 5 percent after 8 years. The unfunded actuarial accrued liability is being amortized on a closed basis over 30 years as a level percent of expected payroll. The remaining amortization period at June 30, 2011 is 27 years.

17. SPECIAL TERMINATION BENEFITS

On March 20, 1995 The School Board approved the Manatee County School Board One-time Only Retirement Incentive Plan (MOTORIP). This plan provided that eligible employees who elected to retire by June 30, 1995, be paid special termination benefits. The MOTORIP was offered to members of the instructional and classified bargaining units and administrative personnel who signed an agreement to participate in the Plan, who agreed to retire from employment under the provisions of the Florida Retirement System (FRS), and who met certain age and length of service requirements. One hundred fifty-nine (159) employees elected to participate in the Plan. Special termination benefits included payment for 100 percent of accrued sick vacation leave, either a bonus based on 25 percent of the retiree's final year's compensation or an amount to compensate the employee for the FRS early retirement penalty, single coverage for health insurance, and a specified amount of life insurance. The Plan provided that the accrued sick and vacation leave, bonus pay, and the FRS early retirement penalty be paid out to the retirees and to a third-party administrator over a period of five years. The premiums for health insurance are to be paid for a period of eight years, while the premiums for the life insurance are to be paid out over the respective retiree's life. The District reported no expenditures during the 2010-11 fiscal year for the cash payments of special termination benefits. However, the District reported a liability of \$96,876 in the Statement of Net Assets representing the present value of the estimated future payments under the Plan.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 NOTES THE FINANCIAL STATEMENT
 For the Fiscal Year Ended June 30, 2011

18. CONSTRUCTION CONTRACT COMMITMENTS

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

Project	Contract Amount	Completed to Date	Balance Committed
Myakka Elementary			
Architect	\$ 834,450	\$ 794,286	\$ 40,164
Contractor	7,709,499	6,290,385	1,419,114
Manatee High School/ Davis Building			
Architect	1,299,554	1,248,546	51,008
Contractor	14,344,843	13,169,437	1,175,406
Transportation and Maintenance Facility (Matzke)			
Architect	1,527,080	1,494,847	32,233
Contractor	13,103,166	12,825,896	277,270
Manatee Technical Institute			
Architect	5,361,341	4,840,548	520,793
Contractor	47,510,721	13,407,974	34,102,747
Total	\$ 91,690,654	\$ 54,071,919	\$ 37,618,735

19. RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, and general liability coverage are being provided on a self-insured basis up to specified limits. The District has entered into agreements with various insurance companies to provide specific excess coverage of property claim amounts above the self-insured retention amount (currently \$250,000 for property excluding named storm, wind/hail and flood damages. Named windstorm deductible is 5 percent of the insured value per unit of insurance per affected building subject to \$1,000,000 minimum per occurrence, and \$1,000,000 for automobile and general liability). The District has contracted with an insurance administrator, Johns Eastern 9 to administer these self-insurance programs, including the processing, investigating, and payment of claims.

A third-party administrator, Blue Cross Blue Shield of Florida, Inc., administers the District's health and hospitalization insurance program. The District pays the administrator a monthly amount which includes reimbursement for the total claims paid by the administrator and an administrative fee. In plan year 2011, the District paid per employee per month administrative fees of \$37.89 for all three plans. The payment agreement with Blue Cross Blue Shield of Florida provides for liability limits based on fixed rates and average numbers of insured employees and dependents. There is a \$425,000 specific excess loss deductible and the lifetime maximum of specific stop loss of \$1,000,000. To remain in compliance with Health Care reform and the Patient Protection and Affordable Care Act, there are no longer lifetime maximums included in our Blue Choice, Blue Options or Blue Care plans.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past three fiscal years and there have been no significant reductions in insurance coverage from the previous year.

A liability in the amount of \$9,321,851 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2011. The estimated insurance claims payable for the

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

workers' compensation/property/liability programs is \$7,207,539 and was actuarially determined using the discounted method with a confidence level of 50 percent. The discounted method recognized the expected rate of return on investments held in the Internal Service Fund using a discount rate of 4 percent. The estimated insurance claims payable for the self-insured health insurance program is \$2,114,312 including medical and pharmacy claims. This figure was not discounted and was calculated according to Actuarial Standards of Practice No. 5.

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

	Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	End of Year
2009-10	\$ 8,217,800	\$ 35,448,528	\$ 34,838,046	\$ 8,828,282
1010-11	8,828,282	35,664,909	35,171,340	9,321,851

20. INTERNAL SERVICE FUNDS

The following is a summary of financial information as reported in the Internal Service Funds for the 2010-11 fiscal year:

	Total	Health and Life	Casualty, Liability, and W/C
Total Assets	\$ 4,824,479	\$ 9,217	\$ 4,815,262
Liabilities			
Accounts Payable	\$ 3,191,700	\$ 3,191,700	\$ -
Due to Other Funds	665,372	665,372	-
Estimated Insurance Claims Payable	9,321,851	2,114,312	7,207,539
Net Assets (Deficit)			
Unrestricted	(8,354,444)	(5,962,167)	(2,392,277)
Total Liabilities and Net Assets	\$ 4,824,479	\$ 9,217	\$ 4,815,262
Revenues:			
Premium Revenues	\$ 42,167,390	\$ 39,028,115	\$ 3,139,275
Other Operating Revenues	330,676	330,676	-
Gifts, Grants, and Bequests	95,000	95,000	-
Total Revenues	42,593,066	39,453,791	3,139,275
Total Expenses	39,996,324	37,013,880	2,982,444
Increase in Net Assets	\$ 2,596,742	\$ 2,439,911	\$ 156,831

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NOTES THE FINANCIAL STATEMENT
For the Fiscal Year Ended June 30, 2011

21. LOSS CONTINGENCIES

The District received financial assistance from various Federal and State agencies in the form of grants and appropriations. The disbursement of funds received under these programs generally requires compliance with specified terms and conditions and is subject to final determination by the applicable Federal and State agencies. Any disallowed claims could become a liability of the General Fund or other applicable funds.

22. LITIGATION

The District is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. Management believes that any liability arising from such claims should not materially affect the District's financial position.

23. SUBSEQUENT EVENTS

On August 4, 2011, the School Board closed on a Tax Anticipation Note, Series 2011, in the amount of \$50,000,000, with an interest rate of 2 percent, and a maturity date of May 1, 2012. The note proceeds will be used to pay operating expenditures of the District prior to receipt of budgeted revenues.



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**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age Normal Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/06 (Before)*	\$ -	\$ 119,042,695	\$ 119,042,695	0.00%	\$ 159,932,527	74.43%
10/1/06 (After) *	-	65,202,560	65,202,560	0.00%	159,932,527	40.77%
01/01/09	-	68,366,346	68,366,346	0.00%	210,941,394	32.41%

* There were significant changes made related to the addition of an HMO option available to all subscribers. Some of these changes are:

-- The assumed rate of coverage lapsing at age 65 has been revised from 20% to 65%. This change reflects preliminary observations of the number of eligible retirees migrating from the core District program to the fully pooled Secure Horizons Medicare Advantage Plan.

-- The assumed rate of coverage acceptance among employees retiring after age 65 has been revised from 32% to 8%. This is just an extension of the change in assumed lapsing rate.

-- Trends of Per Capita Costs and Premium Contribution increases (applicable to all retirees remaining in the core District program) have been revised to reflect changes in the plan design resulting in savings in costs of coverage. Based on the data, the estimated savings resulting from introducing the HMO and migration of some of the employees and retirees to less expensive options for the calendar year 2010 is 9%. These savings are in additions to savings resulting from migration of Medicare retirees to Secure Horizons Plan.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Estimated Amount Contributed</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>UAAL as a Percentage of Covered Payroll</u>
6/30/2009	\$ 5,333,975	\$ 2,677,474	50.20%	\$ 9,013,450
6/30/2010	5,809,364	2,384,188	41.04%	12,438,626
6/30/2011	6,136,128	2,762,015	45.01%	15,812,739

B-42

Nonmajor Governmental Funds

Special Revenue Funds

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

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

Federal Contracted Programs Fund - To account for and report on activities of various federal programs according to the specifications and requirements of each funding source.

Debt Service Funds

The Debt Service Funds account for the payment of principal and interest on long-term debt.

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

Sections 1011.14/1011.15, Florida Statutes - Loan Fund - To account for and report on the payment of principal, interest, and related costs on the issuance of short-term notes used to advance fund projects funded through the issuance of sales tax revenue bonds.

Capital Projects Funds

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

Section 1011.71(2), Florida Statutes, Local Capital Improvement Tax Fund - To account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and debt service payments on revenue anticipation notes and certificates of participation.

Section 1011.14/1011.15, Florida Statutes - Loan Fund - To account for the funds received through the issuance of short-term notes used to advance fund projects funded through the issuance of other debt.

State Board of Education Bonds Fund - To account for and report on proceeds received from bonds issued by the State Board of Education on behalf of the District.

Public Education Capital Outlay (PECO) Fund - To account for and report on funds received from the State for the construction and maintenance of schools.

Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay and Debt Service program used for construction and maintenance of schools.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2011**

	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Special Revenue Funds	
			Food Services Fund	Federal Contracted Programs Fund
ASSETS				
Cash and Cash Equivalents	\$ 515,840	\$ 1,240	\$ 1,240	\$ -
Investments	4,884,339	3,749,120	3,749,120	-
Accounts Receivable	11,787	11,787	10,922	865
Due from Other Funds	17,938,799	292,931	292,931	-
Due from Other Agencies	1,983,492	783,003	150,803	632,200
Inventories	947,940	947,940	947,940	-
Total Assets	\$ 26,282,197	\$ 5,786,021	\$ 5,152,956	\$ 633,065
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 708,679	\$ 462,275	\$ 362,909	\$ 99,366
Due to Other Funds	376,518	195,489	-	195,489
Due to Other Agencies	338,210	338,210	-	338,210
Deferred Revenue	216,096	216,096	216,096	-
Total Liabilities	1,639,503	1,212,070	579,005	633,065
Fund Balances:				
Nonspendable				
Inventories	947,940	947,940	947,940	-
Restricted				
Food Services	3,626,011	3,626,011	3,626,011	-
Debt Service	328,449	-	-	-
Capital Projects	19,740,294	-	-	-
Total Fund Balances	24,642,694	4,573,951	4,573,951	-
Total Liabilities and Fund Balances	\$ 26,282,197	\$ 5,786,021	\$ 5,152,956	\$ 633,065

Total Nonmajor Debt Service Funds	Debt Service Funds			Capital Projects Funds					
	State Board of Education Bonds Fund	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	Section 1011.72/ (2) FS, Local Cap Improv Tax Fund	Total Nonmajor Capital Projects Funds	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	State Board of Education Bonds Fund	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund	
\$ -	\$ -	\$ -	\$ -	\$ 514,600	\$ -	\$ 514,600	\$ -	\$ -	\$ -
325,052	325,017	35	810,167	66,069	157,533	138,254	203,522	244,789	
-	-	-	-	-	-	-	-	-	
3,397	-	3,397	17,642,471	7,305,650	6,345,074	359,435	3,632,312	-	
-	-	-	1,200,489	-	-	-	1,200,489	-	
-	-	-	-	-	-	-	-	-	
\$ 328,449	\$ 325,017	\$ 3,432	\$ 20,167,727	\$ 7,371,719	\$ 7,017,207	\$ 497,689	\$ 5,036,323	\$ 244,789	
\$ -	\$ -	\$ -	\$ 246,404	77,942	\$ 167,845	\$ -	\$ 617	\$ -	
-	-	-	181,029	-	-	-	-	181,029	
-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	
-	-	-	427,433	77,942	167,845	-	617	181,029	
328,449	325,017	3,432	19,740,294	7,293,777	6,849,362	497,689	5,035,706	63,760	
\$ 328,449	\$ 325,017	\$ 3,432	\$ 20,167,727	\$ 7,371,719	\$ 7,017,207	\$ 497,689	\$ 5,036,323	\$ 244,789	

B-43

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2011**

	Special Revenue Funds		
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Federal Contracted Programs Fund
REVENUES			
Federal Direct Sources:			
Other Federal Direct Sources	\$ 2,554,496	\$ 2,554,496	\$ -
Miscellaneous Federal Direct	2,632,457	2,632,457	-
Total Federal Direct Sources	5,186,953	5,186,953	5,186,953
Federal Through State			
Food Service	14,850,131	14,850,131	14,850,131
Other Federal Through State	27,652,218	27,652,218	-
Total Federal Through State and Local Sources	42,502,349	42,502,349	14,850,131
State Sources:			
Food Service	292,624	292,624	292,624
CO&DS Withheld for SBE/COBI Bond	1,582,622	-	-
CO&DS Distribution	218,639	-	-
Public Education Capital Outlay	1,752,013	-	-
Other State Sources	19,819	-	-
Total State Sources	3,865,717	292,624	292,624
Local Sources:			
Ad Valorem Taxes	32,016,130	-	-
Food Service	6,204,275	6,204,275	6,204,275
Interest Income	13,164	6,531	6,531
Other Local Sources	5,266,985	119,710	119,710
Total Local Sources	43,500,554	6,330,516	6,330,516
Total Revenues	95,055,573	54,312,442	21,473,271

Debt Service Funds			Capital Projects Funds					
Total Nonmajor Debt Service Funds	State Board of Education Bonds Fund	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	Total Nonmajor Capital Projects Funds	Section 1011.71 (2) FS Local Cap Imp Tax Fund	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	State Board of Education Bonds Fund	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,582,622	1,582,622	-	-	-	-	-	-	-
-	-	-	218,639	-	-	-	-	-
-	-	-	1,752,013	-	-	-	-	1,752,013
229	229	-	19,590	-	-	-	-	19,590
1,582,851	1,582,851	-	1,990,242	-	-	-	1,752,013	238,229
-	-	-	32,016,130	32,016,130	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	6,633	1,374	1,763	1,523	1,962	11
-	-	-	5,147,275	4,639,534	20,882	-	486,859	-
-	-	-	37,170,038	36,657,038	22,645	1,523	488,821	11
1,582,851	1,582,851	-	39,160,280	36,657,038	22,645	1,523	2,240,834	238,240

(Continued)

B-44

General Fund

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

DISTRICT SCHOOL BOARD OF MANATEE COUNTY, FLORIDA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
 June 30, 2011
 (With Comparative Totals for June 30, 2010)

	General Fund	
	Major Governmental Fund	
	Totals	
	2011	2010
ASSETS		
Cash and Cash Equivalents	\$ 23,344,173	\$ 36,721,595
Investments	6,757,767	760,937
Accounts Receivable	896,362	295,402
Due from Other Agencies	2,055,585	1,292,382
Inventories	888,604	904,424
Prepaid Items	1,243,529	3,268,333
Total Assets	\$ 35,186,020	\$ 43,243,073
LIABILITIES AND FUND BALANCES		
Liabilities:		
Salaries and Wages Payable	\$ 10,174,118	\$ 3,164,512
Payroll Deductions and Withholdings Payable	118,113	152,780
Accounts Payable	2,959,217	4,216,616
Construction Contracts Payable	28,030	-
Sales Tax Payable	1,900	-
Due to Other Funds	15,110,555	24,830,783
Due to Other Agencies	-	7,941
Total Liabilities	28,391,933	32,372,632
Fund Balances:		
Nonspendable		
Inventories	444,302	452,212
Prepaid Items	1,243,529	3,268,333
Restricted		
State Required Carryover Programs	132,154	163,742
Assigned		
Encumbrances	1,579,405	1,128,208
Unassigned	3,394,697	5,857,946
Total Fund Balances	6,794,087	10,870,441
Total Liabilities and Fund Balances	\$ 35,186,020	\$ 43,243,073

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2011
(With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	General Fund	
	Major Governmental Fund	
	Totals	
	2011	2010
REVENUES		
Federal Direct Sources:		
Reserve Officer Training Corps (ROTC)	\$ 517,394	\$ 498,590
Other Federal Direct Sources	2,915	3,355
Total Federal Direct Sources	520,309	501,945
Federal Through State and Local Sources:		
Medicaid	1,486,611	1,276,151
Job Training Partnership Act	36,700	-
Other Federal Through Local Sources	65,000	130,014
Other Federal Through State Sources	8,217	-
Total Federal Through State and Local Sources	1,596,528	1,406,165
State Sources:		
Florida Education Finance Program	68,140,035	47,989,579
Categorical/Earmarked Programs	58,677,643	48,355,085
District Discretionary Lottery Funds	165,092	119,325
CO&DS Withheld for Bond Administrative Expenses	27,430	27,430
Other State Sources	773,387	8,708,492
Total State Sources	127,783,587	105,199,911
Local Sources:		
Ad Valorem Taxes	162,116,389	177,473,980
Interest Income	353,664	203,864
Other Local Sources	8,351,885	8,503,375
Total Local Sources	170,821,938	186,181,219
Total Revenues	300,722,362	293,289,240

(Continued)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2011
(With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	General Fund	
	Major Governmental Fund	
	Totals	
	2011	2010
EXPENDITURES		
Current:		
Instruction	\$ 197,288,417	\$ 200,452,493
Pupil Personnel Services	15,961,889	7,973,093
Instructional Media Services	4,123,084	839,925
Instruction and Curriculum Development Services	6,453,065	6,142,863
Instructional Staff Training Services	2,326,110	1,080,066
Instruction Related Technology	209,585	234,914
School Board	1,796,219	1,819,381
General Administration	1,112,607	1,269,313
School Administration	22,503,809	22,560,676
Facilities Services	1,430,040	1,392,145
Fiscal Services	1,955,191	1,680,592
Central Services	6,158,629	8,298,346
Pupil Transportation Services	11,333,553	10,749,070
Operation of Plant	32,124,379	29,877,353
Maintenance of Plant	9,851,492	9,545,091
Administrative Technology Services	4,811,483	4,408,660
Community Services	50,828	104,367
Capital Outlay:		
Other Capital Outlay	550,108	456,821
Debt Service:		
Interest and Fiscal Charges	405,822	1,160,344
Total Expenditures	320,446,310	310,045,513
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,723,948)	(16,756,273)
OTHER FINANCING SOURCES (USES)		
Proceeds from the Sale of Capital Assets	-	157,177
Loss Recoveries	4,247	-
Transfers In	15,643,347	16,078,344
Total Other Financing Sources (Uses)	15,647,594	16,235,521
Net Change in Fund Balances	(4,076,354)	(520,752)
Fund Balances, Beginning	10,870,441	11,391,193
Fund Balances, Ending	\$ 6,794,087	\$ 10,870,441

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2011**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Corps (ROTC)	\$ 475,000	\$ 475,000	\$ 517,394	\$ 42,394
Other Federal Direct Sources	-	2,915	2,915	-
Total Federal Direct Sources	475,000	477,915	520,309	42,394
Federal Through State and Local Sources:				
Medicaid	1,200,000	1,200,000	1,486,611	286,611
Job Training Partnership Act	-	37,600	36,700	(900)
Other Federal through Local	-	65,000	65,000	-
Other Federal Through State	-	-	8,217	8,217
Total Federal Through State Sources	1,200,000	1,302,600	1,596,528	293,928
State Sources:				
Florida Education Finance Program	60,360,731	62,604,224	68,140,035	5,535,811
Categorical/Earmarked Programs	67,198,537	68,475,312	58,677,643	(9,797,669)
District Discretionary Lottery Funds	119,729	119,729	165,092	45,363
CO&DS Withheld for SBE/COBI Bond	22,452	17,474	27,430	9,956
Other State Sources	215,207	1,201,291	773,387	(427,904)
Total State Sources	127,916,656	132,418,030	127,783,587	(4,634,443)
Local Sources:				
Ad Valorem Taxes	164,419,159	164,419,159	162,116,389	(2,302,770)
Interest Income	600,000	600,000	353,664	(246,336)
Other Local Sources	9,039,301	10,067,574	8,351,885	(1,715,689)
Total Local Sources	174,058,460	175,086,733	170,821,938	(4,264,795)
Total Revenues	303,650,116	309,285,278	300,722,362	(8,562,916)
EXPENDITURES				
Current:				
Instruction:				
Salaries	126,101,941	120,913,293	119,684,976	1,228,317
Employees Benefits	39,510,370	37,531,964	37,607,207	(75,243)
Purchased Services	28,384,940	29,746,736	30,489,195	(742,459)
Energy Services	10,601	16,935	4,936	11,999
Materials and Supplies	3,250,670	15,249,396	5,936,670	9,312,726
Capital Outlay	549,383	966,615	712,102	254,513
Other Expenses	1,928,201	2,885,361	2,853,331	32,030
Total Instruction	199,736,106	207,310,300	197,288,417	10,021,883
Pupil Personnel Services:				
Salaries	11,717,517	11,921,634	11,898,541	23,093
Employees Benefits	3,828,792	3,808,753	3,793,844	14,909
Purchased Services	70,377	187,779	139,877	47,902
Materials and Supplies	81,241	92,953	77,763	15,190
Capital Outlay	-	21,824	21,773	51
Other Expenses	48,035	30,091	30,091	-
Total Pupil Personnel Services	15,745,962	16,063,034	15,961,889	101,145

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2011**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current (continued)				
Instructional Media Services:				
Salaries	\$ 3,089,831	\$ 3,122,409	\$ 3,108,249	\$ 14,160
Employees Benefits	1,012,588	881,046	884,316	(3,270)
Purchased Services	158,148	119,164	51,805	67,359
Materials and Supplies	44,558	37,364	30,372	6,992
Capital Outlay	21,528	59,967	45,081	14,886
Other Expenses	1,235	3,276	3,261	15
Total Instructional Media Services	4,327,888	4,223,226	4,123,084	100,142
Instruction and Curriculum Development Services:				
Salaries	4,280,369	4,725,543	4,689,365	36,178
Employees Benefits	1,387,374	1,437,295	1,425,519	11,776
Purchased Services	217,754	341,233	279,587	61,646
Materials and Supplies	80,855	93,467	29,977	63,490
Capital Outlay	1,749	7,576	5,009	2,567
Other Expenses	8,713	24,060	23,608	452
Total Instruction and Curriculum Development Services	5,976,814	6,629,174	6,453,065	176,109
Instructional Staff Training Services:				
Salaries	1,352,630	1,612,019	1,570,670	41,349
Employees Benefits	386,479	418,794	396,197	22,597
Purchased Services	115,445	282,742	247,474	35,268
Materials and Supplies	1,003,392	18,805	13,782	5,023
Capital Outlay	25	378	341	37
Other Expenses	53,672	126,812	97,646	29,166
Total Instructional Staff Training Services	2,911,643	2,459,550	2,326,110	133,440
Instruction Related Technology:				
Salaries	187,870	159,266	160,766	(1,500)
Employees Benefits	41,567	45,204	45,916	(712)
Purchased Services	600	1,516	1,090	426
Materials and Supplies	4,417	4,558	1,813	2,745
Total Instruction Related Technology	234,454	210,544	209,585	959
School Board:				
Salaries	742,732	767,199	767,198	1
Employees Benefits	495,590	644,205	644,205	-
Purchased Services	265,557	260,056	248,704	11,352
Materials and Supplies	4,770	3,792	5,931	(2,139)
Other Expenses	30,500	130,181	130,181	-
Total School Board	1,539,149	1,805,433	1,796,219	9,214

(Continued)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2011

EXPENDITURES	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Current (continued)				
General Administration:				
Salaries	\$ 702,144	\$ 716,351	\$ 715,682	\$ 669
Employees Benefits	233,323	229,685	229,718	(33)
Purchased Services	94,664	115,772	107,122	8,650
Materials and Supplies	13,100	11,086	12,822	(1,736)
Other Expenses	37,798	60,971	47,263	13,708
Total General Administration	1,081,029	1,133,865	1,112,607	21,258
School Administration:				
Salaries	16,553,033	16,464,201	16,448,799	15,402
Employees Benefits	5,446,722	5,306,896	5,304,021	2,875
Purchased Services	261,948	515,555	431,350	84,205
Materials and Supplies	89,734	106,545	90,283	15,262
Capital Outlay	70,800	74,931	44,679	30,252
Other Expenses	26,031	206,099	184,677	21,422
Total School Administration	22,448,268	22,674,227	22,503,809	170,418
Facilities Services:				
Salaries	1,048,177	2,946	2,946	-
Employees Benefits	257,718	543	543	-
Purchased Services	201,119	1,528,629	1,426,328	102,301
Materials and Supplies	3,000	205	205	-
Capital Outlay	220	237	18	219
Other Expenses	1,200	-	-	-
Total Facilities Services	1,511,434	1,532,560	1,430,040	102,520
Fiscal Services:				
Salaries	1,223,636	1,374,838	1,374,838	-
Employees Benefits	403,635	422,743	422,743	-
Purchased Services	258,022	127,717	121,691	6,026
Materials and Supplies	18,357	17,424	17,424	-
Capital Outlay	-	12,086	12,086	-
Other Expenses	15,329	6,409	6,409	-
Total Fiscal Services	1,918,979	1,961,217	1,955,191	6,026
Central Services:				
Salaries	3,840,356	3,991,072	3,886,438	104,634
Employees Benefits	1,222,066	1,282,036	1,246,632	35,404
Purchased Services	4,100,219	972,208	822,391	149,817
Materials and Supplies	278,524	186,954	164,982	21,972
Capital Outlay	500	11,070	10,570	500
Other Expenses	56,304	55,710	27,616	28,094
Total Central Services	9,497,969	6,499,050	6,158,629	340,421

(Continued)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2011

EXPENDITURES	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Current (continued)				
Pupil Transportation Services:				
Salaries	\$ 5,240,880	\$ 5,206,414	\$ 5,206,414	\$ -
Employees Benefits	1,751,274	1,995,023	1,995,023	-
Purchased Services	829,203	857,096	849,786	7,310
Energy Services	1,606,133	2,026,607	1,767,955	258,652
Materials and Supplies	668,349	903,595	902,380	1,215
Capital Outlay	200	26,630	25,022	1,608
Other Expenses	595,143	607,470	586,973	20,497
Total Pupil Transportation Services	10,691,182	11,622,835	11,333,553	289,282
Operation of Plant:				
Salaries	9,107,273	9,511,798	9,503,271	8,527
Employees Benefits	3,025,185	3,468,246	3,467,549	697
Purchased Services	2,139,371	6,393,746	6,096,140	297,606
Energy Services	13,572,892	12,357,743	12,251,788	105,955
Materials and Supplies	598,236	810,969	740,140	70,829
Capital Outlay	41,960	38,053	11,016	27,037
Other Expenses	26,665	54,475	54,475	-
Total Operation of Plant	28,511,582	32,635,030	32,124,379	510,651
Maintenance of Plant:				
Salaries	5,020,774	5,509,786	5,509,786	-
Employees Benefits	1,651,555	1,918,754	1,918,754	-
Purchased Services	2,222,364	1,585,402	1,040,138	545,264
Energy Services	300,613	383,459	360,106	23,353
Materials and Supplies	937,930	1,016,649	986,281	30,368
Capital Outlay	24,950	33,858	33,714	144
Other Expenses	6,845	2,713	2,713	-
Total Maintenance of Plant	10,165,031	10,450,621	9,851,492	599,129
Administrative Technology Services:				
Salaries	2,931,234	3,072,127	3,017,798	54,329
Employees Benefits	994,199	989,090	947,175	41,915
Purchased Services	731,240	669,669	578,997	90,672
Materials and Supplies	1,200	255,591	234,175	21,416
Capital Outlay	-	14,648	14,230	418
Other Expenses	25,000	19,108	19,108	-
Total Administrative Technology Services	4,682,873	5,020,233	4,811,483	208,750
Community Services:				
Salaries	-	45,589	16,789	28,800
Employees Benefits	-	19,780	9,080	10,700
Purchased Services	444	25,125	24,678	447
Materials and Supplies	-	281	281	-
Total Community Services	444	90,775	50,828	39,947

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
For the Fiscal Year Ended June 30, 2011

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Capital Outlay:				
Other Capital Outlay	\$ 954,216	\$ 1,285,335	\$ 550,108	\$ 735,227
Total Capital Outlay	954,216	1,285,335	550,108	735,227
Debt Service:				
Salaries	-	13,781	-	13,781
Employee Benefits	-	2,727	-	2,727
Interest and Fiscal Charges	-	405,822	405,822	-
Total Debt Service	-	422,330	405,822	16,508
Total Expenditures	321,935,023	334,029,339	320,446,310	13,583,029
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,284,907)	(24,744,061)	(19,723,948)	5,020,113
OTHER FINANCING SOURCES (USES)				
Loss Recoveries	-	-	4,247	4,247
Transfers In	19,536,034	21,148,263	15,643,347	(5,504,916)
Total Other Financing Sources (Uses)	19,536,034	21,148,263	15,647,594	(5,500,669)
Net Change in Fund Balance	1,251,127	(3,595,798)	(4,076,354)	(480,556)
Fund Balance, Beginning	10,870,441	10,870,441	10,870,441	-
Fund Balance, Ending	\$ 12,121,568	\$ 7,274,643	\$ 6,794,087	\$ (480,556)

Special Revenue Funds

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

Major Special Revenue Funds

ARRA Economic Stimulus Fund - To account for and report on activities of the various American Recovery and Reinvestment Act (ARRA) Federal programs according to the specifications and requirements of each funding source.

Nonmajor Special Revenue Funds

Federal Contracted Programs Fund - To account for and report on activities of various Federal programs according to the specifications and requirements of each funding source.

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

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
 June 30, 2011
 (With Comparative Totals for June 30, 2010)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
 For the Fiscal Year Ended June 30, 2011
 (With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	Special Revenue Funds				
	Governmental Funds			Totals	
	Major	Nonmajor			
	ARRA Economic Stimulus Fund	Federal Contracted Programs Fund	Food Services Fund	2011	2010
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 1,240	\$ 1,240	\$ 500,259
Investments	-	-	3,749,120	3,749,120	17,948
Accounts Receivable	-	865	10,922	11,787	13,255
Due from Other Funds	-	-	292,931	292,931	951,768
Due from Other Agencies	4,325,881	632,200	150,803	5,108,884	2,002,251
Inventories	-	-	947,940	947,940	833,259
Total Assets	4,325,881	633,065	5,152,956	10,111,902	4,318,740
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	118,369	99,366	362,909	580,644	68,733
Due to Other Funds	4,207,512	195,489	-	4,403,001	1,839,101
Due to Other Agencies	-	338,210	-	338,210	-
Deferred Revenue	-	-	216,096	216,096	119,552
Total Liabilities	4,325,881	633,065	579,005	5,537,951	2,027,386
Fund Balances:					
Nonspendable					
Inventories	-	-	947,940	947,940	833,259
Restricted					
Food Services	-	-	3,626,011	3,626,011	1,458,095
Total Fund Balances	-	-	4,573,951	4,573,951	2,291,354
Total Liabilities and Fund Balances	\$ 4,325,881	\$ 633,065	\$ 5,152,956	\$ 10,111,902	\$ 4,318,740

	Special Revenue Funds			Totals	
	Governmental Fund		Nonmajor		
	Major	Federal			
	ARRA Economic Stimulus Fund	Contracted Programs Fund	Food Services Fund	2011	2010
REVENUES					
Federal Direct Sources:					
Other Federal Direct Sources	\$ -	\$ 2,554,496	\$ -	\$ 2,554,496	\$ 2,698,028
Miscellaneous Federal Direct	-	2,632,457	-	2,632,457	2,244,740
Total Federal Direct Sources	-	5,186,953	-	5,186,953	4,942,768
Federal Through State and Local Sources:					
Food Service	-	-	14,850,131	14,850,131	13,569,394
Other Federal Through State	34,681,099	27,652,218	-	62,333,317	47,230,382
Total Federal Through State and Local Sources	34,681,099	27,652,218	14,850,131	77,183,448	60,799,776
State Sources:					
Food Service	-	-	292,624	292,624	286,946
Total State Sources	-	-	292,624	292,624	286,946
Local Sources:					
Food Service	-	-	6,204,275	6,204,275	6,337,487
Interest Income	-	-	6,531	6,531	601
Other Local Sources	-	-	119,710	119,710	105,486
Total Local Sources	-	-	6,330,516	6,330,516	6,443,574
Total Revenues	34,681,099	32,839,171	21,473,271	88,993,541	72,473,064

(Continued)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 ALL SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 For the Fiscal Year Ended June 30, 2011
 (With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	Special Revenue Funds			Totals	
	Governmental Funds				
	Major	Nonmajor			
	ARRA Economic Stimulus Fund	Federal Contracted Programs Fund	Food Services Fund	2011	2010
EXPENDITURES					
Current:					
Instruction	\$ 31,533,221	\$ 17,850,015	\$ -	\$ 49,383,236	\$ 22,879,186
Pupil Personnel Services	362,029	3,415,693	-	3,777,722	11,180,416
Instructional Media Services	-	-	-	-	3,359,879
Instruction and Curriculum Development Services	555,827	4,236,286	-	4,792,113	5,813,952
Instructional Staff Training Services	766,206	2,925,953	-	3,692,159	4,796,574
General Administration	1,085,579	1,035,363	-	2,120,942	2,229,232
School Administration	-	12,219	-	12,219	2,106
Fiscal Services	-	3,580	-	3,580	-
Food Services	-	-	18,742,272	18,742,272	19,030,146
Central Services	34,632	155,711	-	190,343	137,819
Pupil Transportation Services	97,152	1,549,667	-	1,646,819	1,428,067
Operation of Plant	-	10,753	-	10,753	-
Community Services	-	-	-	-	17,151
Capital Outlay:					
Other Capital Outlay	246,453	1,643,931	448,402	2,338,786	409,354
Total Expenditures	34,681,099	32,839,171	19,190,674	86,710,944	71,284,282
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	2,282,597	2,282,597	1,188,782
Net Change in Fund Balances	-	-	2,282,597	2,282,597	1,188,782
Fund Balances, Beginning	-	-	2,291,354	2,291,354	1,102,572
Fund Balances, Ending	\$ -	\$ -	\$ 4,573,951	\$ 4,573,951	\$ 2,291,354

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 SCHEDULE OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
 ARRA ECONOMIC STIMULUS FUNDS - SPECIAL REVENUE FUND
 For the Fiscal Year Ended June 30, 2011

	ARRA Economic Stimulus Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State and Local Sources:				
State Fiscal Stabilization - K12	\$ 344	\$ 14,384,123	\$ 14,384,123	\$ -
Race to the Top	-	768,509	208,221	(560,288)
Education Jobs Fund ARRA	-	9,120,254	9,120,254	-
State Fiscal Stabilization - Workforce Development	-	431,733	431,733	-
Individuals with Disabilities Education Act	7,682,321	7,682,321	6,962,008	(720,313)
Elementary And Secondary Education Act, Title I	3,103,628	3,103,628	2,706,412	(397,216)
Other Federal Through State and Local Sources	1,020,040	1,020,040	868,348	(151,692)
Total Federal Through State and Local Sources	11,806,333	36,510,608	34,681,099	(1,829,509)
Total Revenues	11,806,333	36,510,608	34,681,099	(1,829,509)
EXPENDITURES				
Current:				
Instruction:				
Salaries	3,428,173	19,916,808	19,757,630	159,178
Employees Benefits	967,375	6,730,251	6,676,698	53,553
Purchased Services	2,921,378	2,546,929	2,029,917	517,012
Materials and Supplies	1,000,138	2,270,102	2,083,476	186,626
Capital Outlay	379,574	947,770	836,333	111,437
Other Expenses	11,000	165,387	149,167	16,220
Total Instruction	8,707,638	32,577,247	31,533,221	1,044,026
Pupil Personnel Services:				
Salaries	279,721	231,476	225,722	5,754
Employees Benefits	60,322	63,872	61,099	2,773
Purchased Services	12,150	5,345	512	4,833
Materials and Supplies	48,703	79,528	74,696	4,832
Other Expenses	200	200	-	200
Total Pupil Personnel Services	401,096	380,421	362,029	18,392

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
ARRA ECONOMIC STIMULUS FUNDS - SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2011**

	ARRA Economic Stimulus Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current (continued)				
Instruction and Curriculum Development:				
Salaries	\$ 115,178	\$ 431,433	\$ 351,820	\$ 79,613
Employees Benefits	23,895	141,984	92,874	49,110
Purchased Services	193,949	36,125	28,033	8,092
Materials and Supplies	9,640	6,140	3,847	2,293
Capital Outlay	-	91,775	66,782	24,993
Other Expenses	11,262	14,312	12,471	1,841
Total Instruction and Curriculum Development	353,924	721,769	555,827	165,942
Instructional Staff Training Services:				
Salaries	350,942	340,904	242,420	98,484
Employees Benefits	82,762	73,598	45,612	27,986
Purchased Services	656,833	487,222	301,603	185,619
Materials and Supplies	142,808	60,770	43,221	17,549
Other Expenses	65,713	221,054	133,350	87,704
Total Instructional Staff Training Services	1,299,058	1,183,548	766,206	417,342
General Administration:				
Purchased Services	37,500	37,327	37,327	-
Other Expenses	353,433	1,118,567	1,048,252	70,315
Total General Administration	390,933	1,155,894	1,085,579	70,315

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
ARRA ECONOMIC STIMULUS FUNDS - SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2011**

	ARRA Economic Stimulus Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current (continued)				
Facilities Services:				
Capital Outlay	\$ 7,000	\$ 5,646	\$ -	\$ 5,646
Total Facilities Services	7,000	5,646	-	5,646
Fiscal Services:				
Salaries	-	7,920	-	7,920
Employee Benefits	-	2,931	-	2,931
Total Fiscal Services	-	10,851	-	10,851
Central Services:				
Salaries	38,913	29,970	23,983	5,987
Employees Benefits	13,904	12,955	10,649	2,306
Total Central Services	52,817	42,925	34,632	8,293
Pupil Transportation Services:				
Salaries	80,784	93,600	92,551	1,049
Employees Benefits	27,811	4,024	3,816	208
Purchased Services	2,000	-	-	-
Other Expenses	-	785	785	-
Total Pupil Transportation Services	110,595	98,409	97,152	1,257
Capital Outlay:				
Other Capital Outlay	483,272	333,898	246,453	87,445
Total Capital Outlay	483,272	333,898	246,453	87,445
Total Expenditures	11,806,333	36,510,608	34,681,099	1,829,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
FEDERAL CONTRACTED PROGRAMS - SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2011**

	Federal Contracted Programs Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Other Federal Direct Sources	\$ 722,135	\$ 3,182,578	\$ 2,554,496	\$ (628,082)
Miscellaneous Federal Direct Sources	40,461	2,721,285	2,632,457	(88,828)
Total Federal Direct Sources	762,596	5,903,863	5,186,953	(716,910)
Federal Through State and Local Sources:				
Vocational Education Acts	27,092	953,172	798,722	(154,450)
Adult General Education	2,562	709,668	705,319	(4,349)
Drug Free Schools	27,695	27,695	24,362	(3,333)
Individuals with Disabilities Education Act	12,005,909	12,544,644	7,612,049	(4,932,595)
Elementary And Secondary Education Act, Title I	15,279,040	16,741,778	12,459,035	(4,282,743)
English Language Acquisition Grants	768,343	838,855	781,767	(57,088)
Other Federal Through State and Local Sources	692,785	6,993,724	5,270,964	(1,722,760)
Total Federal Through State and Local Sources	28,803,426	38,809,536	27,652,218	(11,157,318)
Total Revenues	29,566,022	44,713,399	32,839,171	(11,874,228)
EXPENDITURES				
Current:				
Instruction:				
Salaries	6,778,853	12,538,720	8,483,385	4,055,335
Employees Benefits	3,034,640	4,033,467	2,443,085	1,590,382
Purchased Services	2,937,818	3,478,109	2,512,634	965,475
Materials and Supplies	1,980,363	1,668,343	954,975	713,368
Capital Outlay	360,024	698,401	573,654	124,747
Other Expenses	106,731	2,983,191	2,882,282	100,909
Total Instruction	15,198,429	25,400,231	17,850,015	7,550,216
Pupil Personnel Services:				
Salaries	2,608,257	2,786,320	2,479,072	307,248
Employees Benefits	938,090	963,546	819,609	143,937
Purchased Services	52,544	106,145	62,158	43,987
Materials and Supplies	148,392	124,829	53,333	71,496
Other Expenses	200	1,721	1,521	200
Total Pupil Personnel Services	3,747,483	3,982,561	3,415,693	566,868

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
FEDERAL CONTRACTED PROGRAMS - SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2011**

	Federal Contracted Programs Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current (continued)				
Instructional Media Services:				
Salaries	\$ 12,000	\$ 12,000	\$ -	\$ 12,000
Employees Benefits	4,393	4,394	-	4,394
Total Instructional Media Services	16,393	16,394	-	16,394
Instruction and Curriculum Development:				
Salaries	2,587,761	3,395,058	3,059,388	335,670
Employees Benefits	919,524	1,148,816	944,989	203,827
Purchased Services	139,495	227,202	160,319	66,883
Materials and Supplies	138,377	195,084	54,421	140,663
Capital Outlay	135,177	27,186	16,030	11,156
Other Expenses	39	2,674	1,139	1,735
Total Instruction and Curriculum Development	3,920,373	4,996,220	4,236,286	759,934
Instructional Staff Training Services:				
Salaries	1,483,593	2,181,531	1,186,036	995,495
Employees Benefits	375,050	590,446	260,176	330,270
Purchased Services	577,161	1,493,418	1,156,394	337,024
Materials and Supplies	619,697	488,915	143,674	345,241
Capital Outlay	4,530	22,530	2,344	20,186
Other Expenses	141,227	305,216	177,329	127,887
Total Instructional Staff Training Services	3,201,258	5,082,056	2,925,953	2,156,103
General Administration:				
Other Expenses	1,219,080	1,571,375	1,035,363	536,012
Total General Administration	1,219,080	1,571,375	1,035,363	536,012
School Administration:				
Purchased Services	8,650	9,521	9,521	-
Other Expenses	415	3,398	2,698	700
Total School Administration	9,065	12,919	12,219	700

(Continued)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
FEDERAL CONTRACTED PROGRAMS - SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2011**

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
FOOD SERVICES - SPECIAL REVENUE FUND
For the Fiscal Year Ended June 30, 2011**

	Federal Contracted Programs Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current (continued)				
Fiscal Services:				
Purchased Services	\$ 4,000	\$ 3,580	\$ 3,580	\$ -
Total Fiscal Services	4,000	3,580	3,580	-
Central Services:				
Salaries	29,180	154,833	119,675	35,158
Employees Benefits	9,785	57,597	36,036	21,561
Total Central Services	38,965	212,430	155,711	56,719
Pupil Transportation Services:				
Salaries	972,651	1,039,528	959,520	80,008
Employees Benefits	329,173	450,617	442,976	7,641
Purchased Services	1,335	2,166	1,950	216
Other Expenses	355,262	208,150	145,221	62,929
Total Pupil Transportation Services	1,658,421	1,700,461	1,549,667	150,794
Operation of Plant:				
Purchased Services	10,000	10,753	10,753	-
Total Operation of Plant	10,000	10,753	10,753	-
Community Services:				
Other Expenses	349	-	-	-
Total Community Services	349	-	-	-
Capital Outlay:				
Other Capital Outlay	542,206	1,724,419	1,643,931	80,488
Total Capital Outlay	542,206	1,724,419	1,643,931	80,488
Total Expenditures	29,566,022	44,713,399	32,839,171	11,874,228
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

	Food Services Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Through State Sources:				
Food Service	\$ 13,418,522	\$ 13,414,856	\$ 14,850,131	\$ 1,435,275
Total Federal Through State Sources	13,418,522	13,414,856	14,850,131	1,435,275
State Sources:				
Other State Sources	315,685	315,685	292,624	(23,061)
Total State Sources	315,685	315,685	292,624	(23,061)
Local Sources:				
Food Service	6,200,000	6,200,000	6,204,275	4,275
Interest Income	1,000	1,000	6,531	5,531
Other Local Sources	105,500	105,500	119,710	14,210
Total Local Sources	6,306,500	6,306,500	6,330,516	24,016
Total Revenues	20,040,707	20,037,041	21,473,271	1,436,230
EXPENDITURES				
Current:				
Food Service:				
Salaries	5,828,100	5,687,508	5,388,729	298,779
Employees Benefits	2,307,299	2,293,031	1,990,979	302,052
Purchased Services	345,200	288,734	232,449	56,285
Energy Services	576,314	581,114	450,061	131,053
Materials and Supplies	9,890,294	10,102,676	9,822,936	279,740
Capital Outlay	65,000	32,808	29,792	3,016
Other Expenses	938,500	982,452	827,326	155,126
Total Food Service	19,950,707	19,968,323	18,742,272	1,226,051
Capital Outlay:				
Other Capital Outlay	90,000	303,878	448,402	(144,524)
Total Capital Outlay	90,000	303,878	448,402	(144,524)
Total Expenditures	20,040,707	20,272,201	19,190,674	1,081,527
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(235,160)	2,282,597	2,517,757
Net Change in Fund Balance	-	(235,160)	2,282,597	2,517,757
Fund Balance, Beginning	2,291,354	2,291,354	2,291,354	-
Fund Balance, Ending	\$ 2,291,354	\$ 2,056,194	\$ 4,573,951	\$ 2,517,757



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Debt Service Funds

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

Major Debt Service Funds

Other Debt Service Fund - To account for and report on the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues, and other debt issues.

Nonmajor Debt Service Funds

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

Sections 1011.14/1011.15, Florida Statutes - Loan Fund - To account for and report on the payment of principal, interest, and related costs on the issuance of short-term notes used to advance fund projects funded through the issuance of Certificates of Participation.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 ALL DEBT SERVICE FUNDS
 COMBINING BALANCE SHEET
 June 30, 2011
 (With Comparative Totals for June 30, 2010)

	Debt Service Funds				
	Governmental Funds			Totals	
	Major	Nonmajor	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	2011	2010
Other Debt Service Fund	State Board of Education Bonds Fund				
ASSETS					
Cash and Cash Equivalents with Fiscal Agent	\$ 14,206,027	\$ -	\$ -	\$ 14,206,027	\$ 4,899,986
Investments	-	325,017	35	325,052	310,606
Restricted Investments	-	-	-	-	705,296
Due from Other Funds	-	-	3,397	3,397	7,675,902
Due from Other Agencies	460,560	-	-	460,560	-
Total Assets	14,666,587	325,017	3,432	14,995,036	13,591,790
LIABILITIES AND FUND BALANCES					
Liabilities:					
Due to Other Funds	\$ 470,273	\$ -	\$ -	\$ 470,273	\$ 44
Matured Debt Payable	9,130,000	-	-	9,130,000	8,640,000
Matured Interest Payable	4,142,014	-	-	4,142,014	3,985,587
Total Liabilities	13,742,287	-	-	13,742,287	12,625,631
Fund Balances:					
Restricted	924,300	325,017	3,432	1,252,749	966,159
Total Fund Balances	924,300	325,017	3,432	1,252,749	966,159
Total Liabilities and Fund Balances	\$ 14,666,587	\$ 325,017	\$ 3,432	\$ 14,995,036	\$ 13,591,790

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 ALL DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 For the Fiscal Year Ended June 30, 2011
 (With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	Debt Service Funds				
	Governmental Funds			Totals	
	Major	Nonmajor	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	2011	2010
Other Debt Service Fund	State Board of Education Bonds Fund				
REVENUES					
Federal Sources:					
Misc Federal Direct	\$ 460,560	\$ -	\$ -	\$ 460,560	\$ -
Total Federal Sources	460,560	-	-	460,560	-
State Sources:					
CO&DS Withheld for SBE/COBI Bond	-	1,582,622	-	1,582,622	1,463,925
Other State Sources	-	229	-	229	853
Total State Sources	-	1,582,851	-	1,582,851	1,464,778
Local Sources:					
Interest Income	18,918	-	-	18,918	85,508
Other Local Sources	-	-	-	-	(39,582)
Total Local Sources	18,918	-	-	18,918	45,926
Total Revenues	479,478	1,582,851	-	2,062,329	1,510,704
EXPENDITURES					
Debt Service:					
Principal	20,565,000	1,005,000	11,500,000	33,070,000	20,615,000
Interest and Fiscal Charges	13,799,052	577,011	352,289	14,728,352	13,943,348
Total Expenditures	34,364,052	1,582,011	11,852,289	47,798,352	34,558,348
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,884,574)	840	(11,852,289)	(45,736,023)	(33,047,644)
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	15,000	15,000	-
Premium on Bonds Issued	-	15,732	-	15,732	-
Refunding Bonds Issued	-	600,000	-	600,000	689,607
Premium on Refunding Bonds Issued	-	97,423	-	97,423	60,438
Certificates of Participation Issued	836,440	-	-	836,440	-
Payments to Refunded Bond Escrow Agent	-	(699,540)	-	(699,540)	(734,263)
Transfers In	33,316,837	-	11,840,721	45,157,558	33,112,682
Total Other Financing Sources (Uses)	34,153,277	13,615	11,855,721	46,022,613	33,128,464
Net Change in Fund Balances	268,703	14,455	3,432	286,590	80,820
Fund Balances, Beginning	655,597	310,562	-	966,159	885,339
Fund Balances, Ending	\$ 924,300	\$ 325,017	\$ 3,432	\$ 1,252,749	\$ 966,159

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
OTHER DEBT SERVICE - DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2011**

	Other Debt Service Fund			Variance with Final Budget - Positive
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Sources:				
Misc Federal Direct	\$ -	\$ 460,560	\$ 460,560	\$ -
Total Federal Sources	-	460,560	460,560	-
Local Sources:				
Interest Income	-	-	18,918	18,918
Total Local Sources	-	-	18,918	18,918
Total Revenues	-	460,560	479,478	18,918
EXPENDITURES				
Debt Service:				
Principal	20,643,455	20,643,455	20,565,000	78,455
Interest and Fiscal Charges	11,763,545	13,977,560	13,799,052	178,508
Total Expenditures	32,407,000	34,621,015	34,364,052	256,963
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,407,000)	(34,160,455)	(33,884,574)	275,881
OTHER FINANCING SOURCES (USES)				
Certificates of Participation Issued	-	836,440	836,440	-
Transfers In	32,407,000	33,324,015	33,316,837	(7,178)
Total Other Financing Sources (Uses)	32,407,000	34,160,455	34,153,277	(7,178)
Net Change in Fund Balance	-	-	268,703	268,703
Fund Balance, Beginning	-	655,597	655,597	-
Fund Balance, Ending	\$ -	\$ 655,597	\$ 924,300	\$ 268,703

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
STATE BOARD OF EDUCATION BONDS - DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2011**

	State Board of Education Bonds Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive
	Original	Final		
REVENUES				
State Sources:				
CO&DS Withheld for SBE/COBI Bond	\$ 1,497,000	\$ 1,419,218	\$ 1,582,622	\$ 163,404
SBE/COBI Bond Interest	-	-	229	229
Total State Sources	1,497,000	1,419,218	1,582,851	163,633
Total Revenues	1,497,000	1,419,218	1,582,851	163,633
EXPENDITURES				
Debt Service:				
Principal	945,000	885,000	1,005,000	(120,000)
Interest and Fiscal Charges	552,000	544,856	577,011	(32,155)
Total Expenditures	1,497,000	1,429,856	1,582,011	(152,155)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(10,638)	840	11,478
OTHER FINANCING SOURCES (USES)				
Premiums on Long-Term Debt Issued	-	-	15,732	15,732
Sale of Refunding Bonds	-	-	600,000	600,000
Premium on Refunding Bonds	-	-	97,423	97,423
Payments to Refunded Bond Escrow Agent	-	-	(699,540)	(699,540)
Total Other Financing Sources (Uses)	-	-	13,615	13,615
Net Change in Fund Balance	-	(10,638)	14,455	25,093
Fund Balance, Beginning	310,562	310,562	310,562	-
Fund Balance, Ending	\$ 310,562	\$ 299,924	\$ 325,017	\$ 25,093

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SECTIONS 1011.14/1011.15, FLORIDA STATUTES, LOAN FUND - DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2011

	Sections 1011.14/1011.15, Florida Statutes, Loan Fund - Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt Service:				
Principal	11,000,000	11,500,000	11,500,000	-
Interest and Fiscal Charges	600,000	372,496	352,289	20,207
Total Expenditures	11,600,000	11,872,496	11,852,289	20,207
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,600,000)	(11,872,496)	(11,852,289)	(20,207)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	15,000	15,000	-
Transfers In	11,600,000	11,857,496	11,840,721	16,775
Total Other Financing Sources (Uses)	11,600,000	11,872,496	11,855,721	16,775
Net Change in Fund Balance	-	-	3,432	(3,432)
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ 3,432	\$ (3,432)

Capital Projects Funds

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

Major Capital Projects Funds

Other Capital Projects Fund - To account for and report on funds received from various sources designated for construction remodeling and renovation, expansion of schools and ancillary facilities, and maintenance of schools. Those various sources include sales tax funds collected through a voter approved sales tax referendum; funds received through the issuance of certificates of participation; impact fees levied by the county and city which are transferred to the District through an interlocal agreement; Classrooms for Kids funds allocated from the State for class size reduction purposes; and local capital improvement funds not required to be accounted for separately.

Nonmajor Capital Projects Funds

Section 1011.71(2), Florida Statutes, Local Capital Improvement Tax Fund - To account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and debt service payments on revenue anticipation notes and certificates of participation.

Sections 1011.14/1011.15, Florida Statutes Loan Fund - To account for the funds received through the issuance of short-term notes used to advance fund projects funded through the issuance of other debt.

State Board of Education Bonds Fund - To account for and report on proceeds received from the bonds issued by the State Board of Education on behalf of the District.

Public Education Capital Outlay (PECO) Fund - To account for and report on funds received from the State for the construction and maintenance of schools.

Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service program used for construction and maintenance of schools.

B-59

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
ALL CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2011
(With Comparative Totals for June 30, 2010)

	Capital Projects Funds	
	Governmental Funds	
	Major	Nonmajor
	Other Capital Projects Fund	Section 1011.71(2), F.S. Local Capital Improvement Tax Fund
ASSETS		
Cash and Cash Equivalents	\$ -	\$ -
Cash and Cash Equivalents with Fiscal Agent	43,915,215	-
Investments	441,552	66,069
Due from Other Funds	-	7,305,650
Due from Other Agencies	1,721,781	-
Total Assets	\$ 46,078,548	\$ 7,371,719
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 298,683	77,942
Construction Contracts Payable	869,527	-
Retainage Payable	1,712,297	-
Due to Other Funds	774,762	-
Arbitrage Rebate Payable	-	-
Deferred Revenue	-	-
Total Liabilities	3,655,269	77,942
Fund Balances:		
Restricted	42,423,279	7,293,777
Total Fund Balances	42,423,279	7,293,777
Total Liabilities and Fund Balances	\$ 46,078,548	\$ 7,371,719

	Capital Projects Funds				Totals	
	Governmental Funds					
	Nonmajor				2011	2010
	Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	State Board of Education Bonds Fund	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund		
	\$ 514,600	\$ -	\$ -	\$ -	\$ 514,600	\$ 10,634,285
	-	-	-	-	43,915,215	20,626,692
	157,533	138,254	203,522	244,789	1,251,719	1,679,687
	6,345,074	359,435	3,632,312	-	17,642,471	16,537,952
	-	-	1,200,489	-	2,922,270	5,195,806
Total	\$ 7,017,207	\$ 497,689	\$ 5,036,323	\$ 244,789	\$ 66,246,275	\$ 54,674,422
		-	-	-		
	\$ 167,845	\$ -	\$ 617	\$ -	\$ 545,087	\$ 739,472
	-	-	-	-	869,527	562,800
	-	-	-	-	1,712,297	2,967,820
	-	-	-	181,029	955,791	-
	-	-	-	-	-	285,116
	-	-	-	-	-	113,181
Total	167,845	-	617	181,029	4,082,702	4,668,389
	6,849,362	497,689	5,035,706	63,760	62,163,573	50,006,033
Total	6,849,362	497,689	5,035,706	63,760	62,163,573	50,006,033
Total	\$ 7,017,207	\$ 497,689	\$ 5,036,323	\$ 244,789	\$ 66,246,275	\$ 54,674,422

B-60

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
ALL CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2011
(With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	Capital Projects	
	Governmental Funds	
	Major	Nonmajor
	Other Capital Projects Fund	Section 1011.71(2), F.S. Local Capital Improvement Tax Fund
REVENUES		
Federal Through Local Sources:		
Other Federal Direct Sources	\$ 130,927	\$ -
Total Federal Direct Sources	130,927	-
State Sources:		
CO&DS Distribution	-	-
Public Education Capital Outlay	-	-
Class Size Reduction Capital	113,181	-
Charter School Capital Outlay	1,422,394	-
Other State Sources	58,849	-
Total State Sources	1,594,424	-
Local Sources:		
Ad Valorem Taxes	-	32,016,130
Sales Taxes	21,740,639	-
Interest Income	16,441	1,374
Impact Fees	33,570	-
Other Local Sources	-	4,639,534
Total Local Sources	21,790,650	36,657,038
Total Revenues	23,516,001	36,657,038
EXPENDITURES		
Current:		
Facilities Services	3,909,056	9,369,633
Capital Outlay:		
Facilities Acquisition & Construction	33,698,906	762,161
Other Capital Outlay	1,985,622	1,349,101
Total Expenditures	39,593,584	11,480,895
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,077,583)	25,176,143
OTHER FINANCING SOURCES (USES)		
Loan Proceeds	-	-
Bonds Issued	-	-
Discount on Certificates of Participation Issued	(125,954)	-
Premiums on Long-Term Debt Issued	-	-
Sale of Bonds	-	-
Premiums on Sale of Bonds	-	-
Transfers Out	(26,120,971)	(31,272,684)
Total Other Financing Sources (Uses)	34,366,635	(31,272,684)
Net Change in Fund Balances	18,289,052	(6,096,541)
Fund Balances, Beginning	24,134,227	13,390,318
Fund Balances, Ending	\$ 42,423,279	\$ 7,293,777

	Capital Projects				Totals	
	Governmental Funds					
	Nonmajor					
Section 1011.14/ 1011.15, Florida Statutes - Loan Fund	State Board of Education Bonds Fund	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund	2011	2010	
	\$ -	\$ -	\$ -	\$ -	\$ 130,927	\$ -
	-	-	-	-	130,927	-
	-	-	-	218,639	218,639	337,337
	-	-	1,752,013	-	1,752,013	7,029,921
	-	-	-	-	113,181	-
	-	-	-	-	1,422,394	1,371,691
	-	-	-	19,590	78,439	78,541
	-	-	1,752,013	238,229	3,584,666	8,817,490
	-	-	-	-	32,016,130	44,092,922
	-	-	-	-	21,740,639	20,324,150
	1,763	1,523	1,962	11	23,074	429,188
	-	-	-	-	33,570	134,478
	20,882	-	486,859	-	5,147,275	56,631
	22,645	1,523	488,821	11	58,960,688	65,037,369
	22,645	1,523	2,240,834	238,240	62,676,281	73,854,859
	586,533	897,753	9,884	-	14,772,859	23,838,675
	2,774,056	235,338	3,940	696,804	38,171,205	59,346,341
	835,841	-	-	-	4,170,564	2,029,885
	4,196,430	1,133,091	13,824	696,804	57,114,628	85,214,901
	(4,173,785)	(1,131,568)	2,227,010	(458,564)	5,561,653	(11,360,042)
	4,985,000	-	-	-	4,985,000	-
	-	-	-	-	-	1,125,393
	-	-	-	-	(125,954)	-
	-	-	-	-	-	30,263
	-	1,769,268	-	-	1,769,268	-
	-	154,918	-	-	154,918	-
	-	(1,450,693)	(1,956,557)	-	(60,800,905)	(49,191,026)
	4,985,000	473,493	(1,956,557)	-	6,595,887	(48,035,370)
	811,215	(658,075)	270,453	(458,564)	12,157,540	(59,395,412)
	6,038,147	1,155,764	4,765,253	522,324	50,006,033	109,401,445
	\$ 6,849,362	\$ 497,689	\$ 5,035,706	\$ 63,760	\$ 62,163,573	\$ 50,006,033

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
OTHER CAPITAL PROJECTS - CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2011**

	Other Capital Projects Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through Local Sources:				
Other Federal through Local Sources	\$ -	\$ 130,927	\$ 130,927	\$ -
Total Federal Through Local Sources	-	130,927	130,927	-
State Sources:				
Class Size Reduction Capital	-	-	113,181	113,181
Charter School Capital Outlay	-	1,422,394	1,422,394	-
Other State Sources	188,000	188,000	58,849	(129,151)
Total State Sources	188,000	1,610,394	1,594,424	(15,970)
Local Sources:				
Sales Taxes	20,800,000	20,800,000	21,740,639	940,639
Interest Income	520,000	528,236	16,441	(511,795)
Impact Fees	-	-	33,570	33,570
Total Local Sources	21,320,000	21,328,236	21,790,650	462,414
Total Revenues	21,508,000	23,069,557	23,516,001	446,444
EXPENDITURES				
Current:				
Facilities Services				
Audio-Visual Materials	332	459	321	138
Furniture, Fixtures, and Equipment	301,038	3,764,998	2,993,842	771,156
Improvements Other Than Buildings	-	31,667	-	31,667
Remodeling and Renovations	68,891	562,557	409,602	152,955
Computer Software	76,343	803,455	505,291	298,164
Total Facilities Services	446,604	5,163,136	3,909,056	1,254,080
Capital Outlay:				
Facilities Acquisition & Construction				
Buildings and Fixed Equipment	71,620,956	74,462,252	33,055,602	41,406,650
Land	3,285	3,285	3,285	-
Improvements Other Than Buildings	-	198,959	16,100	182,859
Remodeling and Renovations	29,197	865,373	623,919	241,454
Total Facilities Acquisition & Construction	71,653,438	75,529,869	33,698,906	41,830,963
Other Capital Outlay				
Library Books	1,628	111,355	109,726	1,629
Audio-Visual Materials	2,000	-	-	-
Furniture, Fixtures, and Equipment	3,738,710	2,484,607	1,665,038	819,569
Computer Software	47,077	262,989	210,858	52,131
Total Other Capital Outlay	3,789,415	2,858,951	1,985,622	873,329
Total Expenditures	75,889,457	83,551,956	39,593,584	43,958,372
Excess (Deficiency) of Revenues Over (Under) Expenditures	(54,381,457)	(60,482,399)	(16,077,583)	44,404,816
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Land	2,000,000	2,000,000	-	(2,000,000)
Certificates of Participation Issued	57,400,648	60,613,560	60,613,560	-
Discount on Certificates of Participation Issued	-	(125,954)	(125,954)	-
Transfers Out	(30,628,262)	(26,139,434)	(26,120,971)	18,463
Total Other Financing Sources (Uses)	28,772,386	36,348,172	34,366,635	(1,981,537)
Net Change in Fund Balance	(25,609,071)	(24,134,227)	18,289,052	42,423,279
Fund Balance, Beginning	25,609,071	24,134,227	24,134,227	-
Fund Balance, Ending	\$ -	\$ -	\$ 42,423,279	\$ 42,423,279

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SECTION 1011.71(2), FLORIDA STATUTES, LOCAL CAPITAL IMPROVEMENT TAX
CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2011**

	Section 1011.71(2), Florida Statutes, Local Capital Improvement Tax Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 32,346,179	\$ 32,346,178	\$ 32,016,130	\$ (330,048)
Interest Income	1,150,000	1,150,000	1,374	(1,148,626)
Other Local Sources	-	4,592,270	4,639,534	47,264
Total Local Sources	33,496,179	38,088,448	36,657,038	(1,431,410)
Total Revenues	33,496,179	38,088,448	36,657,038	(1,431,410)
EXPENDITURES				
Current:				
Facilities Services				
Audio Visual Materials	-	2,900	2,900	-
Furniture, Fixtures, and Equipment	438,987	2,007,408	1,143,637	863,771
Improvements Other Than Buildings	-	8,310	8,310	-
Remodeling and Renovations	3,234,920	11,235,555	8,086,019	3,149,536
Computer Software	93,522	182,166	128,767	53,399
Total Facilities Services	3,767,429	13,436,339	9,369,633	4,066,706
Capital Outlay:				
Facilities Acquisition & Construction				
Buildings and Fixed Equipment	13,894,861	1,356,957	344,497	1,012,460
Land	25,719	337,186	328,050	9,136
Improvements Other Than Buildings	-	98,510	38,321	60,189
Remodeling and Renovations	17,685	279,028	51,293	227,735
Total Facilities Acquisition & Construction	13,938,265	2,071,681	762,161	1,309,520
Other Capital Outlay				
Library Books	550	550	550	-
Furniture, Fixtures, and Equipment	1,225,597	897,812	581,720	316,092
Computer Software	6,508	777,451	766,831	10,620
Total Other Capital Outlay	1,232,655	1,675,813	1,349,101	326,712
Total Expenditures	18,938,349	17,183,833	11,480,895	5,702,938
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,557,830	20,904,615	25,176,143	4,271,528
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Land	1,500,000	1,992,665	-	(1,992,665)
Transfers Out	(29,210,460)	(36,267,596)	(31,272,684)	5,014,914
Total Other Financing Sources (Uses)	(27,710,460)	(34,294,933)	(31,272,684)	3,022,249
Net Change in Fund Balance	(13,152,630)	(13,390,318)	(6,096,541)	7,293,777
Fund Balance, Beginning	13,152,630	13,390,318	13,390,318	-
Fund Balance, Ending	\$ -	\$ -	\$ 7,293,777	\$ 7,293,777

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SECTIONS 1011.14/1011.15, FLORIDA STATUTES, LOAN FUND - CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2011**

	Section 1011.14/1011.15, Florida Statutes - Loan Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Interest Income	\$ -	\$ -	\$ 1,763	\$ 1,763
Other Miscellaneous Local Sources	-	-	20,882	20,882
Total Local Sources	-	-	22,645	22,645
Total Revenues	-	-	22,645	22,645
EXPENDITURES				
Current:				
Facilities Services				
Furniture, Fixtures, and Equipment	280,806	691,605	583,763	107,842
Remodeling and Renovations	4,721	2,770	2,770	-
Computer Software	36,496	50,018	-	50,018
Total Facilities Services	322,023	744,393	586,533	157,860
Capital Outlay:				
Facilities Acquisition & Construction				
Buildings and Fixed Equipment	4,747,362	2,578,426	961,028	1,617,398
Improvements Other Than Buildings	857,585	1,816,413	1,809,123	7,290
Remodeling and Renovations	10,897	4,877	3,905	972
Total Facilities Acquisition & Construction	5,615,844	4,399,716	2,774,056	1,625,660
Other Capital Outlay				
Furniture, Fixtures, and Equipment	131,690	881,145	829,119	52,026
Buses	-	4,996,083	6,722	4,989,361
Software	-	1,810	-	1,810
Total Other Capital Outlay	131,690	5,879,038	835,841	5,043,197
Total Expenditures	6,069,557	11,023,147	4,196,430	6,826,717
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,069,557)	(11,023,147)	(4,173,785)	6,849,362
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	4,985,000	4,985,000	-
Total Other Financing Sources (Uses)	-	4,985,000	4,985,000	-
Net Change in Fund Balance	(6,069,557)	(6,038,147)	811,215	6,849,362
Fund Balance, Beginning	6,069,557	6,038,147	6,038,147	-
Fund Balance, Ending	\$ -	\$ -	\$ 6,849,362	\$ 6,849,362

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
STATE BOARD OF EDUCATION BONDS - CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2011**

	State Board of Education Bonds Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Interest Income	\$ -	\$ -	\$ 1,523	\$ 1,523
Total Local Sources	-	-	1,523	1,523
Total Revenues	-	-	1,523	1,523
EXPENDITURES				
Current:				
Facilities Services				
Remodeling and Renovations	-	976,139	897,753	78,386
Total Facilities Services	-	976,139	897,753	78,386
Capital Outlay:				
Facilities Acquisition & Construction				
Buildings and Fixed Equipment	1,685,230	1,160	-	1,160
Remodeling and Renovations	-	512,772	235,338	277,434
Total Facilities Acquisition & Construction	1,685,230	513,932	235,338	278,594
Total Expenditures	1,685,230	1,490,071	1,133,091	356,980
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,685,230)	(1,490,071)	(1,131,568)	358,503
OTHER FINANCING SOURCES (USES)				
Bonds Issued	1,785,000	1,785,000	1,769,268	(15,732)
Premium on Bonds Issued	-	-	154,918	154,918
Transfers Out	(1,255,534)	(1,450,693)	(1,450,693)	-
Total Other Financing Sources (Uses)	529,466	334,307	473,493	139,186
Net Change in Fund Balance	(1,155,764)	(1,155,764)	(658,075)	497,689
Fund Balance, Beginning	1,155,764	1,155,764	1,155,764	-
Fund Balance, Ending	\$ -	\$ -	\$ 497,689	\$ 497,689

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
PUBLIC EDUCATION CAPITAL OUTLAY - CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2011**

	Public Education Capital Outlay Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
Public Education Capital Outlay	\$ 2,948,778	\$ 1,752,013	\$ 1,752,013	\$ -
Total State Sources	2,948,778	1,752,013	1,752,013	-
Local Sources:				
Interest Income	-	-	1,962	1,962
Other Local Sources	-	-	486,859	486,859
Total Local Sources	-	-	488,821	488,821
Total Revenues	2,948,778	1,752,013	2,240,834	488,821
EXPENDITURES				
Current:				
Facilities Services				
Furniture, Fixtures, and Equipment	1,410	1,536,517	9,257	1,527,260
Computer Software	-	250,000	627	249,373
Total Facilities Services	1,410	1,786,517	9,884	1,776,633
Capital Outlay:				
Facilities Acquisition & Construction				
Buildings and Fixed Equipment	2,974,443	32,640	3,940	28,700
Total Facilities Acquisition & Construction	2,974,443	32,640	3,940	28,700
Other Capital Outlay				
Furniture, Fixtures, and Equipment	9,406	2,246,060	-	2,246,060
Total Other Capital Outlay	9,406	2,246,060	-	2,246,060
Total Expenditures	2,985,259	4,065,217	13,824	4,051,393
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,481)	(2,313,204)	2,227,010	4,540,214
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,448,778)	(2,452,049)	(1,956,557)	495,492
Total Other Financing Sources (Uses)	(2,448,778)	(2,452,049)	(1,956,557)	495,492
Net Change in Fund Balance	(2,485,259)	(4,765,253)	270,453	5,035,706
Fund Balance, Beginning	2,485,259	4,765,253	4,765,253	-
Fund Balance, Ending	\$ -	\$ -	\$ 5,035,706	\$ 5,035,706

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL OUTLAY AND DEBT SERVICE - CAPITAL PROJECTS FUND
For the Fiscal Year Ended June 30, 2011**

	Capital Outlay & Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
CO&DS Distribution	\$ 279,791	\$ 226,480	\$ 218,639	\$ (7,841)
Other State Sources	-	-	19,590	19,590
Total State Sources	279,791	226,480	238,229	11,749
Local Sources:				
Interest Income	-	-	11	11
Total Local Sources	-	-	11	11
Total Revenues	279,791	226,480	238,240	11,760
EXPENDITURES				
Current:				
Facilities Services				
Buildings and Fixed Equipment	-	543,491	543,491	-
Total Facilities Services	-	543,491	543,491	-
Capital Outlay:				
Facilities Acquisition & Construction				
Buildings and Fixed Equipment	802,115	52,000	-	52,000
Capitalized R & R	-	108,688	108,688	-
Total Facilities Acquisition & Construction	802,115	160,688	108,688	52,000
Other Capital Outlay				
Furniture, Fixtures, and Equipment	-	44,625	44,625	-
Total Other Capital Outlay	-	44,625	44,625	-
Total Expenditures	802,115	748,804	696,804	52,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	(522,324)	(522,324)	(458,564)	63,760
Net Change in Fund Balance	(522,324)	(522,324)	(458,564)	63,760
Fund Balance, Beginning	522,324	522,324	522,324	-
Fund Balance, Ending	\$ -	\$ -	\$ 63,760	\$ 63,760



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Internal Service Funds

Internal Service Funds are nonmajor proprietary funds reported as governmental activities. They are used to account for the self-insurance activities of the school district. The following funds are included in the Internal Service Funds:

Self Insurance - Health and Life - To account for and report on funds received for and used to pay for healthcare and life insurance claims under the District's self-insured health and life program.

Self Insurance - Casualty, Liability, and Workers' Compensation - To account for and report on funds received for and used to pay for claims under the District's self-insured property, casualty, liability, and workers' compensation program.

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF FUND NET ASSETS
 June 30, 2011
 (With Comparative Totals for June 30, 2010)

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Self-Insurance		Totals	
	Health and Life	Casualty, Liability, etc	2011	2010
ASSETS				
Accounts Receivable	\$ 9,217	\$ 1,200,000	\$ 1,209,217	\$ 6,933
Due from Other Funds	-	3,615,262	3,615,262	4,568,424
Deposits Receivable	-	-	-	100,000
Total Assets	9,217	4,815,262	4,824,479	4,675,357
LIABILITIES				
Current Liabilities:				
Claims Payable	3,191,700	-	3,191,700	3,635,343
Due to Other Funds	665,372	-	665,372	3,162,918
Estimated Insurance Claims Payable	2,114,312	-	2,114,312	1,610,750
Total Current Liabilities	5,971,384	-	5,971,384	8,409,011
Long-Term Liabilities:				
Estimated Insurance Claims Payable	-	7,207,539	7,207,539	7,217,532
Total Liabilities	5,971,384	7,207,539	13,178,923	15,626,543
NET ASSETS (DEFICIT)				
Unrestricted	(5,962,167)	(2,392,277)	(8,354,444)	(10,951,186)
Total Net Assets (Deficit)	\$ (5,962,167)	\$ (2,392,277)	\$ (8,354,444)	\$ (10,951,186)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET ASSETS
 For the Fiscal Year Ended June 30, 2011
 (With Comparative Totals for the Fiscal Year Ended June 30, 2010)

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Self-Insurance		Totals	
	Health and Life	Casualty, Liability, etc	2011	2010
OPERATING REVENUES				
Premium Revenues	\$ 39,028,115	\$ 3,139,275	\$ 42,167,390	\$ 36,305,139
Other Operating Revenues	330,676	-	330,676	184,414
Total Operating Revenues	39,358,791	3,139,275	42,498,066	36,489,553
OPERATING EXPENSES				
Salaries	170,682	26,304	196,986	219,351
Employee Benefits	47,861	9,127	56,988	51,956
Purchased Services	2,900,839	-	2,900,839	3,146,354
Materials and Supplies	6,963	-	6,963	-
Capital Outlay	4,389	-	4,389	-
Insurance Claims	33,363,282	2,301,627	35,664,909	35,448,528
Insurance Premiums	519,636	103,029	622,665	476,589
Other Expenses	228	542,357	542,585	130,820
Total Operating Expenses	37,013,880	2,982,444	39,996,324	39,473,598
Operating Income (Loss)	2,344,911	156,831	2,501,742	(2,984,045)
NONOPERATING REVENUES				
Interest	-	-	-	23
Gifts, Grants, and Bequests	95,000	-	95,000	100,225
Total Nonoperating Revenues	95,000	-	95,000	100,248
Change in Net Assets	2,439,911	156,831	2,596,742	(2,883,797)
Total Net Assets, Beginning	(8,402,078)	(2,549,108)	(10,951,186)	(8,067,389)
Total Net Assets, Ending	\$ (5,962,167)	\$ (2,392,277)	\$ (8,354,444)	\$ (10,951,186)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 For the Fiscal Year Ended June 30, 2011
 (With Comparative Totals for the Fiscal Year Ended June 30, 2010)**

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.

The Private-Purpose Trust Fund serves to account for financial aid trust fund fees and other moneys for which principal and income benefit individuals or private organizations.

The Donations Trust Fund accounts for employee and public donations held by the District to be used to assist homeless students enrolled in Manatee County schools. The Financial Aid Fee Trust Fund accounts for the collection of financial aid fees at Manatee Technical Institute. These fees provide scholarships for students meeting the criteria for the award.

Agency Funds are used to account for resources held by the District in a trustee capacity or as an agent for individuals or private organizations. These resources include student and club activity funds that are held in trust for student, athletic, class, and club activities, and other resources held in trust. The District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.

	Governmental Activities			
	Proprietary Funds - Internal Service Funds		Totals	
	Self-Insurance	Casualty, Liability, etc	2011	2010
	Health and Life			
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Premiums	\$ 39,025,831	\$ 2,039,275	\$ 41,065,106	\$ 36,302,824
Cash Received from Other Operating Revenues	330,676	-	330,676	184,414
Cash Payments to Suppliers for Goods and Services	(2,912,419)	-	(2,912,419)	(3,141,763)
Cash Payments to Employees for Services	(218,543)	(35,431)	(253,974)	(271,308)
Cash Payments for Insurance Claims	(33,303,363)	(2,311,620)	(35,614,983)	(34,838,046)
Cash Payments for Premiums and Other Fees	(519,636)	(645,386)	(1,165,022)	(998,388)
Net Cash Provided (Used) by Operating Activities	<u>2,402,546</u>	<u>(953,162)</u>	<u>1,449,384</u>	<u>(2,762,267)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Loan Payments from (to) Other Funds	(2,497,546)	953,162	(1,544,384)	2,662,019
Gifts, Grants, and Bequests	95,000	-	95,000	100,225
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(2,402,546)</u>	<u>953,162</u>	<u>(1,449,384)</u>	<u>2,762,244</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	-	-	-	23
Net Cash Provided by Investment Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>23</u>
Net Change in Cash and Cash Equivalents	-	-	-	-
Cash, Beginning	-	-	-	-
Cash, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ 2,344,911	\$ 156,831	\$ 2,501,742	\$ (2,984,045)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(2,284)	(1,200,000)	(1,202,284)	(469)
(Increase) Decrease in Deposits Receivable	-	100,000	100,000	-
Increase (Decrease) in Claims Payable	(443,643)	-	(443,643)	(386,388)
Increase (Decrease) in Deferred Revenue	-	-	-	(1,847)
Increase (Decrease) in Estimated Insurance Claims Payable	503,562	(9,993)	493,569	610,482
Total Adjustments	<u>57,635</u>	<u>(1,109,993)</u>	<u>(1,052,358)</u>	<u>221,778</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,402,546</u>	<u>\$ (953,162)</u>	<u>\$ 1,449,384</u>	<u>\$ (2,762,267)</u>

B-67

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS
June 30, 2011**

	Total Private-Purpose Trust Fund	Donations Trust Fund	Financial Aid Fee Trust Fund
ASSETS			
Due from Other Funds	\$ 50,931	\$ 11,689	\$ 39,242
Total Assets	<u>50,931</u>	<u>11,689</u>	<u>39,242</u>
LIABILITIES			
Accounts Payable	159	159	-
Total Liabilities	<u>159</u>	<u>159</u>	<u>-</u>
NET ASSETS			
Assets Held in Trust for Scholarships and Other Purposes	<u>\$ 50,772</u>	<u>\$ 11,530</u>	<u>\$ 39,242</u>

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS
For the Fiscal Year Ended June 30, 2011**

	Total Private-Purpose Trust Fund	Donations Trust Fund	Financial Aid Fee Trust Fund
Additions:			
Contributions: Gifts, Grants, and Bequests	\$ 200,629	\$ 5,664	\$ 194,965
Total Additions	<u>200,629</u>	<u>5,664</u>	<u>194,965</u>
Deductions:			
Other Expenses	248,657	8,831	239,826
Total Deductions	<u>248,657</u>	<u>8,831</u>	<u>239,826</u>
Changes in Net Assets	(48,028)	(3,167)	(44,861)
Net Assets July 1, 2010	98,800	14,697	84,103
Net Assets, June 30, 2011	<u>\$ 50,772</u>	<u>\$ 11,530</u>	<u>\$ 39,242</u>

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUNDS
For the Fiscal Year Ended June 30, 2011

	Student and Club Activities Funds			
	June 30, 2010	Additions	Deletions	June 30, 2011
Assets				
Cash and Cash Equivalents	\$ 5,401,414	\$ 16,126,013	\$ 15,735,372	\$ 5,792,055
Investments	100,286	280	-	100,566
Total Assets	\$ 5,501,700	\$ 16,126,293	\$ 15,735,372	\$ 5,892,621
Liabilities				
Internal Accounts Payable	\$ 5,501,700	\$ 16,126,293	\$ 15,735,372	\$ 5,892,621
Total Liabilities	\$ 5,501,700	\$ 16,126,293	\$ 15,735,372	\$ 5,892,621

Discretely Presented Component Units

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

Nonmajor Discretely Presented Component Units

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

Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; Developmental Center - Manatee, Inc., d/b/a Bradenton Charter School; Imagine Schools - Manatee County, LLC d/b/a Imagine Charter School at North Manatee and Imagine Schools - East Manatee County, LLC d/b/a Imagine School at Lakewood Ranch; Oasis Middle School, Inc.; Team Success A School of Excellence, Inc.; and Palmetto Charter School, Inc. (charter schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. These eight charter schools operate under charters approved by their sponsor, the Manatee County District School Board, and are considered to be component units of the District since they are fiscally dependent on the district to levy taxes for their support.

DISTRICT SCHOOL BOARD OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
June 30, 2010

	Charter Schools				Imagine School at Lakewood Ranch	Oasis Middle School, Inc.	Team Success A School of Excellence, Inc	Palmetto Charter School, Inc.	Total Charter Schools	Manatee Education Foundation, Inc.	Total Component Units
	Manatee School for the Arts	Manatee School of Arts and Sciences, Inc.	Bradenton Charter School	Imagine Charter School at North Manatee							
ASSETS											
Cash and Cash Equivalents	\$ 824,334	\$ 617,053	\$ 36,969	\$ 417,571	\$ 104,990	\$ 45,281	\$ 72,889	\$ 168,041	\$ 2,287,128	\$ 672,355	\$ 2,959,483
Restricted Cash	2,591,249	-	-	-	-	-	-	-	2,591,249	1,734	2,592,983
Accounts Receivable	-	-	15,240	3,412	156,902	651	-	893	177,098	171,876	348,974
Due from Other Agencies	40,209	13,921	-	14,087	62,678	10,498	8,083	969	150,445	-	150,445
Deposits Receivable	65,014	-	8,214	-	-	-	-	5,618	78,846	-	78,846
Prepaid Items	-	135,524	616	25,630	113,309	-	-	1,038	276,117	-	276,117
Deferred Charges	1,054,828	-	-	-	-	-	-	-	1,054,828	-	1,054,828
Other Assets	-	-	-	-	-	478	2,059	-	2,537	-	2,537
Other Noncurrent Assets	-	4,616	-	-	8,677	-	-	-	13,293	-	13,293
Capital Assets (Net of Accumulated Depreciation):											
Land	1,552,728	250,252	-	-	-	-	-	-	1,802,980	-	1,802,980
Construction in Progress	1,277,623	-	-	-	-	-	-	-	1,277,623	-	1,277,623
Buildings and Fixed Equipment	9,084,140	1,335,768	1,014	-	-	-	31,111	-	10,452,033	-	10,452,033
Furniture, Fixtures, and Equipment	658,237	97,057	-	18,201	72,088	18,648	64,200	90,925	1,019,356	-	1,019,356
Motor Vehicles	-	-	-	37,046	208,587	-	47,583	900	294,116	-	294,116
Property Under Capital Leases	-	-	9,001	-	-	-	-	-	9,001	-	9,001
Computer software	-	-	-	-	-	-	-	15,245	15,245	-	15,245
Other Capital Assets	-	-	-	-	-	-	-	104,469	104,469	-	104,469
Total Assets	17,148,362	2,454,191	71,054	515,947	727,231	75,556	225,925	388,098	21,606,364	845,965	22,452,329
LIABILITIES											
Salaries and Benefits Payable	803,972	141,250	-	204,916	312,791	-	-	-	1,462,929	-	1,462,929
Accounts Payable	301,132	20,241	22,401	229,475	9,568	57,828	79,895	34,452	754,992	170,515	925,507
Due to Other Agencies	-	-	-	-	2,211	-	-	-	2,211	-	2,211
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	132,131	-	-	-	-	-	-	-	132,131	-	132,131
Long-Term Liabilities:											
Portion Due or Payable Within One Year:											
Notes Payable	63,839	94,279	-	38,702	160,998	-	-	-	357,818	-	357,818
Bonds Payable	249,211	-	-	-	-	-	-	-	249,211	-	249,211
Capital Leases Payable	-	-	5,667	-	-	-	-	-	5,667	-	5,667
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	7,500	7,500
Other Long Term Liabilities	-	-	-	25,666	111,703	-	-	-	137,369	-	137,369
Portion Due or Payable After One Year:											
Notes Payable	204,422	-	-	82,105	393,585	-	-	-	680,112	-	680,112
Bonds Payable	11,421,473	-	-	-	-	-	-	-	11,421,473	-	11,421,473
Capital Leases Payable	-	-	7,078	-	-	-	-	-	7,078	-	7,078
Compensated Absences Payable	-	-	-	-	-	-	-	-	-	21,097	21,097
Other Long Term Liabilities	-	545,832	-	328,626	133,108	-	-	-	1,007,566	-	1,007,566
Total Liabilities	13,176,180	801,602	35,146	909,490	1,123,964	57,828	79,895	34,452	16,218,557	199,112	16,417,669
NET ASSETS (DEFICIT)											
Invested in Capital Assets, Net of Related Debt	633,783	1,042,966	(2,730)	49,901	85,709	18,648	142,894	211,539	2,182,710	-	2,182,710
Restricted for:											
Other Purposes	2,591,249	-	-	-	-	-	-	-	2,591,249	536,049	3,127,298
Unrestricted	747,150	609,623	38,638	(443,444)	(482,442)	(920)	3,136	142,107	613,848	110,804	724,652
Total Net Assets (Deficit) - Component Units	\$ 3,972,182	\$ 1,652,589	\$ 35,908	\$ (393,543)	\$ (396,733)	\$ 17,728	\$ 146,030	\$ 353,646	\$ 5,387,807	\$ 646,853	\$ 6,034,660

B-70

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Functions/Programs	Program Revenues			Component Units			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Charter Schools	Manatee Education Foundation, Inc.	Total Component Units
Charter Schools							
Governmental Activities:							
Instruction	\$ 12,612,880	\$ 32,658	\$ 1,080,551	\$ -	\$ (11,499,671)	\$ -	\$ (11,499,671)
Pupil Personnel Services	73,194	-	1,175	-	(72,019)	-	(72,019)
Instructional Media Services	290,640	-	-	-	(290,640)	-	(290,640)
Instruction and Curriculum Development Services	9,462	-	-	-	(9,462)	-	(9,462)
Instructional Staff Training Services	64,762	-	14,435	-	(50,327)	-	(50,327)
School Board	110,859	-	-	-	(110,859)	-	(110,859)
General Administration	527,015	-	-	-	(527,015)	-	(527,015)
School Administration	3,933,809	-	-	-	(3,933,809)	-	(3,933,809)
Facilities Services	535,099	-	-	133,570	(401,529)	-	(401,529)
Fiscal Services	193,384	-	-	-	(193,384)	-	(193,384)
Food Services	905,769	265,202	528,880	-	(111,687)	-	(111,687)
Central Services	79,132	-	-	-	(79,132)	-	(79,132)
Pupil Transportation Services	727,907	-	389,620	-	(338,287)	-	(338,287)
Operation of Plant	3,168,147	10,241	557,069	111,740	(2,489,097)	-	(2,489,097)
Maintenance of Plant	136,785	-	-	-	(136,785)	-	(136,785)
Community Services	295,546	379,443	28,742	-	(112,639)	-	(112,639)
Unallocated Interest on Long-Term Debt	632,934	-	-	-	(632,934)	-	(632,934)
Unallocated Depreciation/Amortization	798,612	-	-	-	(798,612)	-	(798,612)
Total Charter Schools	25,095,936	687,544	2,600,472	245,310	(21,562,610)	-	(21,562,610)
Manatee Education Foundation, Inc.							
Program Services	748,957	838,698	-	-	-	89,741	89,741
Support Services	373,260	-	-	-	-	(373,260)	(373,260)
Total Foundation	1,122,217	838,698	-	-	-	(283,519)	(283,519)
Total Component Units	\$ 26,218,153	\$ 1,526,242	\$ 2,600,472	\$ 245,310	(21,562,610)	(283,519)	(21,846,129)
General Revenues:							
Grants and Contributions Not Restricted to Specific Programs					21,823,293	242,820	22,066,113
Unrestricted Investment Earnings					29,837	11,850	41,687
Miscellaneous					48,386	-	48,386
Total General Revenues					21,901,516	254,670	22,156,186
Changes in Net Assets					338,906	(28,849)	310,057
Net Assets - Beginning (Restated)					5,048,901	675,702	5,724,603
Net Assets - Ending					\$ 5,387,807	\$ 646,853	\$ 6,034,660

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Functions/Programs	Program Revenues				Manatee School for the Arts
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 5,242,286	\$ -	\$ 132,130	\$ -	\$ (5,110,156)
Pupil Personnel Services	26,176	-	-	-	(26,176)
Instructional Media Services	204,425	-	-	-	(204,425)
Instructional Staff Training Services	5,587	-	-	-	(5,587)
School Board	16,500	-	-	-	(16,500)
School Administration	1,332,096	-	-	-	(1,332,096)
Facilities Services	63,764	-	-	-	(63,764)
Fiscal Services	130,834	-	-	-	(130,834)
Food Services	415,188	263,356	285,916	-	134,084
Pupil Transportation Services	357,621	-	389,620	-	31,999
Operation of Plant	800,355	-	-	-	(800,355)
Maintenance of Plant	34,043	-	-	-	(34,043)
Community Services	192,705	192,705	-	-	-
Unallocated Interest on Long-Term Debt	573,369	-	-	-	(573,369)
Unallocated Depreciation/Amortization	639,169	-	-	-	(639,169)
Total Charter School	\$ 10,034,118	\$ 456,061	\$ 807,666	\$ -	(8,770,391)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					8,820,746
Unrestricted Investment Earnings					29,152
Total General Revenues					8,849,898
Changes in Net Assets					79,507
Net Assets - Beginning					3,892,675
Net Assets - Ending					\$ 3,972,182

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Manatee School of Arts and Sciences, Inc.

Functions/Programs	Expenses	Program Revenues			Manatee School of Arts and Sciences, Inc.
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 1,071,857	\$ -	\$ 27,294	\$ -	\$ (1,044,563)
Pupil Personnel Services	4,018	-	-	-	(4,018)
School Board	22,191	-	-	-	(22,191)
General Administration	74,567	-	-	-	(74,567)
School Administration	276,537	-	-	-	(276,537)
Operation of Plant	97,763	-	-	-	(97,763)
Maintenance of Plant	53,499	-	-	-	(53,499)
Community Services	21,394	-	28,742	-	7,348
Unallocated Interest on Long-Term Debt	35,249	-	-	-	(35,249)
Unallocated Depreciation/Amortization	1,153	-	-	-	(1,153)
Total Charter School	\$ 1,658,228	\$ -	\$ 56,036	\$ -	(1,602,192)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					1,681,399
Unrestricted Investment Earnings					527
Total General Revenues					1,681,926
Changes in Net Assets					79,734
Net Assets - Beginning					1,572,855
Net Assets - Ending					\$ 1,652,589

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Developmental Center - Manatee, Inc. d/b/a Bradenton Charter School

Functions/Programs	Expenses	Program Revenues			Bradenton Charter School
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 259,518	\$ -	\$ 14,609	\$ -	\$ (244,909)
Pupil Personnel Services	10,800	-	-	-	(10,800)
School Board	2,964	-	-	-	(2,964)
General Administration	30,549	-	-	-	(30,549)
School Administration	150,597	-	-	-	(150,597)
Facilities Services	96,317	-	-	35,913	(60,404)
Fiscal Services	37,340	-	-	-	(37,340)
Operation of Plant	30,275	-	-	-	(30,275)
Unallocated Interest on Long-Term Debt	1,062	-	-	-	(1,062)
Total Charter School	\$ 619,422	\$ -	\$ 14,609	\$ 35,913	(568,900)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					565,282
Total General Revenues					565,282
Changes in Net Assets					(3,618)
Net Assets - Beginning					39,526
Net Assets - Ending					\$ 35,908

B-72

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011

Imagine Charter School at North Manatee

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Imagine Charter Schools at North Manatee</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Charter School					
Governmental Activities:					
Instruction	\$ 1,316,254	\$ 5,868	\$ 189,737	\$ -	\$ (1,120,649)
Instructional Media Services	44,210	-	-	-	(44,210)
Instruction and Curriculum Development Services	1,240	-	-	-	(1,240)
Instructional Staff Training Services	10	-	-	-	(10)
School Board	21,229	-	-	-	(21,229)
General Administration	306,949	-	-	-	(306,949)
School Administration	280,068	-	-	-	(280,068)
Central Services	75,181	-	-	-	(75,181)
Pupil Transportation Services	112,138	-	-	-	(112,138)
Operation of Plant	730,845	6,500	132,998	-	(591,347)
Maintenance of Plant	23,224	-	-	-	(23,224)
Community Services	18,544	83,212	-	-	64,668
Unallocated Interest on Long-Term Debt	2,309	-	-	-	(2,309)
Total Charter School	\$ 2,932,201	\$ 95,580	\$ 322,735	\$ -	(2,513,886)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					2,391,824
Miscellaneous					22,803
Total General Revenues					2,414,627
Changes in Net Assets					(99,259)
Net Assets (Deficit) - Beginning					(294,284)
Net Assets (Deficit) - Ending					\$ (393,543)

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011

Imagine School at Lakewood Ranch

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Imagine Charter Schools at Lakewood Ranch</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Charter School					
Governmental Activities:					
Instruction	\$ 2,243,024	\$ 26,790	\$ 286,615	\$ -	\$ (1,929,619)
Pupil Personnel Services	3,476	-	-	-	(3,476)
Instructional Media Services	42,005	-	-	-	(42,005)
Instruction and Curriculum Development Services	8,222	-	-	-	(8,222)
Instructional Staff Training Services	2,910	-	-	-	(2,910)
School Board	41,233	-	-	-	(41,233)
School Administration	1,038,986	-	-	-	(1,038,986)
Food Services	24,803	-	-	-	(24,803)
Central Services	3,951	-	-	-	(3,951)
Pupil Transportation Services	110,149	-	-	-	(110,149)
Operation of Plant	910,676	3,741	235,811	-	(671,124)
Maintenance of Plant	26,019	-	-	-	(26,019)
Community Services	62,903	103,526	-	-	40,623
Unallocated Interest on Long-Term Debt	20,945	-	-	-	(20,945)
Total Charter School	\$ 4,539,302	\$ 134,057	\$ 522,426	\$ -	(3,882,819)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					3,879,298
Miscellaneous					25,583
Total General Revenues					3,904,881
Changes in Net Assets					22,062
Net Assets (Deficit) - Beginning (Restated)					(418,795)
Net Assets (Deficit) - Ending					\$ (396,733)

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Oasis Middle School, Inc.

Functions/Programs	Program Revenues				Oasis Middle School, Inc.
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 215,918	\$ -	\$ 100,483	\$ -	\$ (115,435)
Pupil Personnel Services	1,171	-	-	-	(1,171)
Instructional Staff Training Services	10,177	-	-	-	(10,177)
School Board	3,879	-	-	-	(3,879)
General Administration	29,676	-	-	-	(29,676)
School Administration	182,560	-	-	-	(182,560)
Facilities Services	104,852	-	-	35,692	(69,160)
Fiscal Services	20,626	-	-	-	(20,626)
Food Services	6,200	1,846	-	-	(4,354)
Pupil Transportation Services	2,253	-	-	-	(2,253)
Operation of Plant	20,801	-	-	-	(20,801)
Total Charter School	\$ 598,113	\$ 1,846	\$ 100,483	\$ 35,692	(460,092)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					<u>477,616</u>
Total General Revenues					<u>477,616</u>
Changes in Net Assets					17,524
Net Assets - Beginning					<u>204</u>
Net Assets - Ending					<u>\$ 17,728</u>

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Team Success A School of Excellence, Inc.

Functions/Programs	Expenses	Program Revenues			Team Success A School of Excellence, Inc.
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Charter School					
Governmental Activities:					
Instruction	\$ 1,045,052	\$ -	\$ 329,683	\$ -	\$ (715,369)
Pupil Personnel Services	27,553	-	1,175	-	(26,378)
Instructional Staff Training Services	30,508	-	14,435	-	(16,073)
School Board	2,863	-	-	-	(2,863)
General Administration	85,274	-	-	-	(85,274)
School Administration	411,739	-	-	-	(411,739)
Facilities Services	270,166	-	-	61,965	(208,201)
Fiscal Services	4,584	-	-	-	(4,584)
Food Services	192,193	-	178,736	-	(13,457)
Pupil Transportation Services	145,746	-	-	-	(145,746)
Operation of Plant	141,405	-	-	-	(141,405)
Unallocated Depreciation/Amortization	158,290	-	-	-	(158,290)
Total Charter School	\$ 2,515,373	\$ -	\$ 524,029	\$ 61,965	(1,929,379)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					<u>1,818,689</u>
Total General Revenues					<u>1,818,689</u>
Changes in Net Assets					(110,690)
Net Assets - Beginning					<u>256,720</u>
Net Assets - Ending					<u>\$ 146,030</u>

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
For the Fiscal Year Ended June 30, 2011**

Palmetto Charter School, Inc.

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Palmetto Charter School, Inc.</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Charter School					
Governmental Activities:					
Instruction	\$ 1,218,971	\$ -	\$ -	\$ -	\$ (1,218,971)
Instructional Staff Training Services	15,570	-	-	-	(15,570)
School Administration	261,226	-	-	-	(261,226)
Food Services	267,385	-	64,228	-	(203,157)
Operation of Plant	436,027	-	188,260	111,740	(136,027)
Total Charter School	\$ 2,199,179	\$ -	\$ 252,488	\$ 111,740	(1,834,951)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					2,188,439
Unrestricted Investment Earnings					158
Total General Revenues					2,188,597
Changes in Net Assets					353,646
Net Assets - Beginning					-
Net Assets - Ending					\$ 353,646

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	132
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	144
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. The District has no legal debt limit, and therefore is not reported in these schedules.	151
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	156
Operating Information	
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	159

B-75

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NET ASSETS BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005
Governmental Activities:				
Invested in Capital Assets,				
Net of Related Debt	\$ 385,505,867	\$ 396,934,930	\$ 360,582,931	\$ 401,838,450
Restricted	53,337,545	55,103,806	121,060,336	123,093,063
Unrestricted	<u>(22,054,249)</u>	<u>(21,631,309)</u>	<u>(13,384,308)</u>	<u>(5,534,780)</u>
Total Primary Government Net Assets (a)	<u>\$ 416,789,163</u>	<u>\$ 430,407,427</u>	<u>\$ 468,258,959</u>	<u>\$ 519,396,733</u>

	Fiscal Year Ended					
	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
\$ 444,809,150	\$ 564,850,302	\$ 540,827,793	\$ 542,234,867	\$ 621,744,042	\$ 574,859,168	
115,289,796	38,519,106	109,184,785	110,691,910	32,270,834	68,753,892	
<u>(7,159,059)</u>	<u>(15,231,065)</u>	<u>(28,295,870)</u>	<u>(27,993,105)</u>	<u>(38,073,274)</u>	<u>(40,236,705)</u>	
<u>\$ 552,939,887</u>	<u>\$ 588,138,343</u>	<u>\$ 621,716,708</u>	<u>\$ 624,933,672</u>	<u>\$ 615,941,602</u>	<u>\$ 603,376,355</u>	

Note: The district began to report accrual information when it implemented GASB 34 in 2002.
^a The growth in net assets is due primarily to the increase in property taxes and the inception of a sales tax. These revenues were used to payoff debt and to construct or purchase capital assets that will be expensed in future years through depreciation.

Source: District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005
Expenses:				
Governmental Activities:				
Instruction ^a	\$ 137,857,837	\$ 151,375,366	\$ 160,186,495	\$ 178,168,837
Pupil Personnel Services	13,318,203	12,898,979	13,612,898	14,575,555
Instructional Media Services	3,502,787	3,619,705	4,737,769	3,892,771
Instruction and Curriculum	7,001,560	7,833,562	8,362,478	8,396,636
Instructional Staff Training Services	3,406,790	3,944,044	4,303,946	4,777,676
Instruction Related Technology	-	-	-	-
Board of Education	781,225	700,003	852,182	850,743
General Administration	2,104,068	2,332,835	2,170,583	2,476,663
School Administration	12,781,283	13,841,210	14,322,582	16,566,815
Facility Services - Non-Capitalized	21,925,027	20,786,218	23,103,961	30,200,993
Fiscal Services	1,561,093	1,752,138	1,546,151	1,577,059
Food Service	11,719,020	12,274,809	12,107,117	13,510,008
Central Services	10,685,199	9,181,824	9,397,404	9,604,586
Pupil Transportation Services	9,566,126	9,124,283	9,664,226	10,644,007
Operation of Plant	16,847,861	17,273,093	18,967,782	21,308,786
Maintenance of Plant	7,230,479	8,244,453	8,156,691	8,720,497
Administrative Technology Services	-	-	-	-
Community Services	651,217	717	795	19,986
Interest and Fiscal Charges	4,534,926	4,444,643	8,510,395	8,914,086
Depreciation - Unallocated	5,886,282	6,386,753	2,286,724	1,041,997
Total Primary Government Expenses	271,360,983	286,014,635	302,290,179	335,247,701
Program Revenues:				
Governmental Activities:				
Charges for Services	6,265,300	6,559,625	6,095,152	8,078,702
Operating Grants and Contributions	32,071,047	31,435,356	39,890,914	40,170,460
Capital Grants and Contributions	13,908,180	7,105,449	13,206,747	31,594,587
Total Primary Government Program Revenues	52,244,527	45,100,430	59,192,813	79,843,749
Net (Expense)/Revenue				
Total Primary Government net expense	\$ (219,116,456)	\$ (240,914,205)	\$ (243,097,366)	\$ (255,403,952)

	Fiscal Year Ended					
	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
Instruction ^a	\$ 196,226,818	\$ 221,849,718	\$ 238,345,151	\$ 219,685,974	\$ 227,896,238	\$ 247,356,445
Pupil Personnel Services	15,752,750	17,532,693	18,670,481	19,661,450	19,566,581	19,906,521
Instructional Media Services	4,259,008	4,691,559	5,088,865	4,263,047	4,294,490	4,203,610
Instruction and Curriculum	8,405,599	9,724,070	12,329,216	13,209,407	12,223,936	11,231,694
Instructional Staff Training Services	5,100,115	5,856,116	6,047,145	7,467,812	5,961,289	6,073,391
Instruction Related Technology	230,520	255,573	252,955	238,996	239,234	182,746
Board of Education	1,203,218	1,284,241	1,176,248	1,611,989	1,844,674	1,749,074
General Administration	2,645,893	2,329,264	2,515,075	2,450,984	3,540,863	3,034,769
School Administration	19,495,772	21,779,267	24,931,621	22,515,531	22,998,836	22,818,648
Facility Services - Non-Capitalized	42,035,421	49,695,337	60,909,395	56,830,405	51,188,083	42,914,299
Fiscal Services	1,794,316	2,070,627	2,016,354	1,640,390	1,716,416	1,936,651
Food Service	14,713,779	16,494,463	18,146,293	18,811,871	19,380,697	19,269,688
Central Services	8,142,655	11,245,155	9,794,146	8,436,082	8,611,562	6,471,184
Pupil Transportation Services	11,452,329	13,289,402	13,780,622	12,748,497	12,403,970	12,950,943
Operation of Plant	25,326,401	28,254,827	30,272,405	30,196,638	30,312,714	32,222,865
Maintenance of Plant	9,486,299	10,533,432	11,104,447	10,205,766	10,112,521	10,293,274
Administrative Technology Services	3,469,666	3,967,204	4,567,348	4,160,451	4,486,653	4,910,841
Community Services	120,581	105,089	104,816	127,106	123,293	92,845
Interest and Fiscal Charges	11,389,742	11,782,360	13,216,574	13,287,894	13,879,177	13,654,444
Depreciation - Unallocated	365,886	635,995	473,342	390,424	422,746	418,428
Total Primary Government Expenses	381,616,768	433,376,392	473,742,499	447,940,714	451,203,973	461,692,360
Program Revenues:						
Governmental Activities:						
Charges for Services	8,437,002	9,170,644	8,921,839	9,139,841	8,884,983	9,493,071
Operating Grants and Contributions	43,335,714	45,026,309	46,742,641	50,406,042	13,950,219	16,894,768
Capital Grants and Contributions	23,565,976	64,151,342	51,561,304	14,843,772	9,012,298	2,054,111
Total Primary Government Program Revenues	75,338,692	118,348,295	107,225,784	74,389,655	31,847,500	28,441,950
Net (Expense)/Revenue						
Total Primary Government net expense	\$ (306,278,076)	\$ (315,028,097)	\$ (366,516,715)	\$ (373,551,059)	\$ (419,356,473)	\$ (433,250,410)

Notes: The district began to report accrual information when it implemented GASB 34 in 2002
^a The District's expenses, particularly for instruction, have increased significantly in the last four years as a result of the State's class size reduction constitutional amendment.
^b In conjunction with the State's class size reduction constitutional amendment, the District received additional funding for school construction and expansion.

Source: District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GENERAL REVENUES AND TOTAL CHANGE IN NET ASSETS
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005
Net (Expense)/Revenue				
Total Primary Government Net Expense	\$ (219,116,456)	\$ (240,914,205)	\$ (243,097,366)	\$ (255,403,952)
General Revenues and Other Changes in Net Assets:				
Governmental Activities:				
Taxes:				
Property taxes, Levied for General Purposes ^a	87,335,599	99,277,535	111,691,291	122,253,370
Property Taxes, Levied for Capital Projects ^a	27,543,146	31,283,428	35,485,047	40,759,413
Local Sales Taxes	-	7,412,080	20,077,281	21,087,643
Unrestricted Grants and Contributions	103,976,404	110,327,953	108,524,458	115,484,549
Unrestricted Investment Earnings	1,629,738	1,163,017	2,148,406	3,357,970
Miscellaneous	6,970,709	5,015,866	3,369,032	3,598,781
Special Items	-	52,590	68,793	-
Total Primary Government	227,455,596	254,532,469	281,364,308	306,541,726
Changes in Net Assets^b				
Total Primary Government	\$ 8,339,140	\$ 13,618,264	\$ 38,266,942	\$ 51,137,774

	Fiscal Year Ended					
	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
Total Primary Government Net Expense	\$ (306,278,076)	\$ (315,028,097)	\$ (366,516,715)	\$ (373,551,059)	\$ (419,356,473)	\$ (433,250,410)
141,871,217	166,157,662	187,478,752	181,976,481	177,473,980	162,116,389	
47,823,924	59,200,459	66,177,539	56,713,964	44,092,922	32,016,130	
23,843,178	23,846,026	22,111,203	20,893,833	20,324,150	21,740,639	
114,195,994	116,512,349	112,261,731	110,325,158	105,172,480	199,491,581	
7,732,378	11,508,924	6,576,019	2,426,306	1,172,808	402,194	
4,354,539	8,920,791	5,489,836	4,432,281	7,132,082	4,888,230	
-	-	-	-	-	-	
339,821,230	386,146,211	400,095,080	376,768,023	355,368,422	420,655,163	
\$ 33,543,154	\$ 35,198,456	\$ 33,578,365	\$ 3,216,964	\$ (63,988,051)	\$ (12,595,247)	

Notes: The district began to report accrual information when it implemented GASB 34 in 2002.
^a Changes in property tax revenues are a product of underlying changes in property values and tax rates. See schedules 8-11.
^b The growth in net assets is due primarily to the increase in property taxes and the inception of a sales tax. These revenues were used to payoff debt and to construct or purchase capital assets that will be expensed in future years through depreciation.

Source: District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended				Fiscal Year Ended					
	June 30, 2002	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
General Fund										
Reserved for:										
Encumbrances	\$ 1,959,009	\$ 1,257,677	\$ 1,949,955	\$ 2,531,546	\$ 2,605,189	\$ 1,103,879	\$ 998,738	\$ 1,056,920	\$ 1,128,208	\$ -
State Required Carryover Programs	3,100,000	3,490,000	4,175,000	1,105,360	884,154	640,817	1,344,442	405,126	163,742	-
Inventories	961,405	482,156	496,377	498,435	502,400	435,949	452,003	389,949	452,212	-
Other	-	-	268,022	-	-	-	-	-	-	-
Unreserved	2,816,428	5,127,863	7,646,477	12,721,577	11,238,745	9,739,387	5,271,028	9,539,198	9,126,279	-
Nonspendable (b)										
Prepaid Items	-	-	-	-	-	-	-	-	-	444,302
Inventories	-	-	-	-	-	-	-	-	-	1,243,529
Restricted (b)										
State Required Carryover Programs	-	-	-	-	-	-	-	-	-	132,154
Assigned (b)										
Encumbrances	-	-	-	-	-	-	-	-	-	1,579,405
Unassigned (b)	-	-	-	-	-	-	-	-	-	3,394,697
Total General Fund	\$ 8,836,842	\$ 10,357,696	\$ 14,535,831	\$ 16,856,918	\$ 15,230,488	\$ 11,920,032	\$ 8,066,211	\$ 11,391,193	\$ 10,870,441	\$ 6,794,087
All Other Governmental Funds										
Reserved for:										
Retirement of Long-Term Debt	\$ -	\$ -	\$ -	\$ 354,238	\$ 431,511	\$ 602,289	\$ 334,671	\$ 303,701	\$ 966,159	\$ -
Encumbrances	21,953,332	18,842,951	61,428,420	49,607,713	35,719,888	59,371,857	36,894,486	58,249,500	33,842,561	-
Inventories	481,630	444,244	355,781	803,092	788,776	801,606	1,022,004	990,048	833,259	-
Other	-	338,267	350,543	-	-	-	-	-	-	-
Unreserved, Reported in:										
General Fund	898,324	-	-	-	-	-	-	-	-	-
Special Revenue Funds	344,651	192,965	47,385	316,984	733,218	988,090	196,385	581,638	1,445,589	-
Debt Service Funds	1,156,265	-	-	-	-	-	415,159	104,202	-	-
Capital Projects Funds	22,482,929	30,248,510	55,029,862	71,132,464	130,390,057	74,276,592	89,375,089	51,160,267	16,175,978	-
Nonspendable (b)										
Inventories	-	-	-	-	-	-	-	-	-	947,940
Restricted (b)										
Food Services	-	-	-	-	-	-	-	-	-	3,626,011
Debt Service	-	-	-	-	-	-	-	-	-	1,252,749
Capital Projects	-	-	-	-	-	-	-	-	-	62,163,573
Total All Other Governmental Funds (a)	\$ 47,317,131	\$ 50,066,937	\$ 117,211,991	\$ 122,214,491	\$ 168,063,450	\$ 136,040,434	\$ 128,237,794	\$ 111,389,356	\$ 53,263,546	\$ 67,990,273

a The fluctuations in total fund balances are primarily due to the timing of debt issues.

b The District implemented the provision of Governmental Accounting Standards Board Statement 54 for fiscal year ended June 30, 2011.

Source: District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended			
	2002	2003	2004	2005
Federal Direct Sources:				
Reserve Officers Training Corps (ROTC)	\$ 263,543	\$ 266,953	\$ 290,520	\$ 308,004
Other Federal Direct	-	-	-	-
Miscellaneous Federal Direct	1,695,903	3,038,124	2,750,416	2,626,184
Total Federal Direct	1,959,446	3,305,077	3,040,936	2,934,188
Federal Through State and Local Sources:				
Food Service	5,682,282	6,138,513	6,445,832	7,472,257
Donated Foods and Cash in Lieu of	506,680	169,627	670,164	519,861
Medicaid	576,968	679,595	1,324,225	876,461
Other Federal Through Local Sources	-	-	-	-
Other Federal Through State Sources	17,546,763	18,772,280	21,168,277	22,145,074
Total Federal Through State Sources	24,312,693	25,760,015	29,608,498	31,013,653
State Sources:				
Florida Education Finance Program (FEFP)	81,039,378	86,184,135	72,719,754	81,045,278
Workforce Development	6,149,794	6,157,195	6,097,044	6,330,759
Categoricals	15,034,643	14,052,167	32,342,963	28,306,887
District Discretionary Lottery Funds	3,491,783	2,855,451	1,913,080	2,243,617
School Recognition	1,153,293	1,459,131	1,722,223	1,924,623
Mobile Home License Tax	388,939	376,892	379,603	374,096
Voluntary Pre-Kindergarten Program	-	-	-	-
CO&DS Distributed to District	327,040	268,268	222,489	310,651
CO&DS Withheld for SBE/COBI Bonds	1,190,298	1,259,969	1,356,187	1,340,680
CO&DS Withheld for Administrative Expenses	22,453	22,788	23,683	24,794
Public Education Capital Outlay	10,303,187	5,079,232	1,614,446	4,281,718
School Infrastructure Trust	2,065,203	475,191	448,852	-
Effort Index	-	-	-	1,399,092
Charter School Capital Outlay	1,220,609	1,076,760	918,768	899,944
Classrooms for Kids	-	-	-	11,694,976
Food Services	236,184	124,574	240,740	231,369
State Grants and Other State Sources	1,060,690	411,912	539,163	1,902,054
Total State Sources	123,683,494	119,803,665	120,538,995	142,310,538
Local Sources:				
Ad Valorem Taxes	114,878,742	130,560,962	147,171,938	163,012,783
Food Service Sales	4,831,094	4,574,990	4,545,166	5,712,260
Sales Taxes	-	7,412,080	20,077,281	21,087,643
Interest Income and Others	1,628,744	1,160,029	2,136,871	3,352,611
Impact Fees	-	2,187,558	7,111,916	10,679,124
Local Grants and Other Local Sources	8,377,317	4,662,642	5,749,738	6,191,740
Total Local Sources	129,715,897	150,558,261	186,792,910	210,036,161
Total Revenues	\$ 279,671,530	\$ 299,427,018	\$ 339,981,339	\$ 386,294,540

Source: District Records

	Fiscal Year Ended					
	2006	2007	2008	2009	2010	2011
Federal Direct Sources:						
Reserve Officers Training Corps (ROTC)	\$ 373,277	\$ 455,488	\$ 386,704	\$ 584,553	\$ 498,590	\$ 517,394
Other Federal Direct	1,136,072	998,086	713,796	1,739,763	2,701,383	3,148,898
Miscellaneous Federal Direct	671,049	905,907	837,810	1,231,406	2,244,740	2,632,457
Total Federal Direct	2,180,398	2,359,481	1,938,310	3,555,722	5,444,713	6,298,749
Federal Through State and Local Sources:						
Food Service	8,146,123	8,695,675	9,132,986	10,229,554	13,569,394	14,850,131
Donated Foods and Cash in Lieu of	670,827	900,148	1,174,641	1,351,818	-	-
Medicaid	1,593,121	863,411	1,066,344	974,792	1,276,151	1,486,611
Other Federal Through Local Sources	20,012	109,256	-	36,239	130,014	65,000
Other Federal Through State Sources	24,220,496	24,972,946	26,301,294	27,095,351	47,230,382	62,378,234
Total Federal Through State Sources	34,650,579	35,541,436	37,675,265	39,687,754	62,205,941	78,779,976
State Sources:						
Florida Education Finance Program (FEFP)	71,200,506	66,329,251	49,911,307	48,051,211	47,989,579	68,140,035
Workforce Development	6,616,599	7,166,296	7,407,866	6,962,946	-	-
Categoricals	39,124,020	47,809,622	55,015,719	56,703,677	48,355,085	58,677,643
District Discretionary Lottery Funds	1,990,742	1,639,289	2,027,702	1,048,407	119,325	165,092
School Recognition	1,204,566	2,327,456	1,493,932	2,139,904	-	-
Mobile Home License Tax	361,788	355,138	351,196	343,021	-	-
Voluntary Pre-Kindergarten Program	665,126	944,568	1,166,415	1,179,030	-	-
CO&DS Distributed to District	319,239	221,503	240,897	405,529	337,337	218,639
CO&DS Withheld for SBE/COBI Bonds	1,353,390	1,428,124	1,423,716	1,405,301	1,463,925	1,582,622
CO&DS Withheld for Administrative Expenses	25,308	25,121	25,495	27,430	27,430	27,430
Public Education Capital Outlay	4,482,317	9,306,935	7,625,892	1,626,894	7,029,921	1,752,013
School Infrastructure Trust	-	-	-	-	-	-
Effort Index	-	-	-	-	-	-
Charter School Capital Outlay	906,816	1,584,291	1,449,012	1,303,771	1,371,691	1,422,394
Classrooms for Kids	-	-	34,104,996	-	-	113,181
Food Services	233,391	253,209	274,569	327,849	286,946	292,624
State Grants and Other State Sources	1,721,530	1,112,549	1,871,799	6,026,630	8,787,886	852,055
Total State Sources	130,205,338	140,503,352	164,390,513	127,551,600	115,769,125	133,243,728
Local Sources:						
Ad Valorem Taxes	189,695,141	225,358,121	253,656,291	238,690,445	221,566,902	194,132,519
Food Service Sales	6,103,408	6,676,778	6,932,801	6,509,638	6,337,487	6,204,275
Sales Taxes	23,843,178	23,846,026	22,111,203	20,893,833	20,324,150	21,740,639
Interest Income and Others	7,731,064	11,508,924	6,575,285	2,879,954	719,161	402,187
Impact Fees	13,115,362	10,382,282	5,392,577	4,779,897	134,478	33,570
Local Grants and Other Local Sources	7,479,606	15,865,650	7,465,181	6,891,312	8,625,910	13,618,870
Total Local Sources	247,967,759	293,637,781	302,133,338	280,645,079	257,708,088	236,132,060
Total Revenues	\$ 415,004,074	\$ 472,042,050	\$ 506,137,426	\$ 451,440,155	\$ 441,127,867	\$ 454,454,513

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)**

	Fiscal Year Ended				Fiscal Year Ended					
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenditures:										
Current:										
Instruction	\$ 140,655,558	\$ 149,235,651	\$ 161,290,126	\$ 178,333,821	\$ 194,888,255	\$ 217,518,038	\$ 229,662,631	\$ 216,156,651	\$ 223,331,679	\$ 246,671,653
Pupil Personnel Services	13,391,845	12,715,967	13,665,453	14,572,349	15,636,090	17,165,735	18,063,619	19,116,928	19,153,509	19,739,611
Instructional Media Services	3,536,032	3,548,615	3,899,902	3,897,601	4,195,095	4,568,844	4,934,384	4,234,625	4,199,805	4,123,084
Instruction and Curriculum	6,949,450	7,743,251	8,411,472	8,318,255	8,389,415	9,524,481	12,246,227	13,161,731	11,956,815	11,245,178
Instructional Staff Training Services	3,340,321	3,919,697	4,411,665	4,694,347	5,009,856	5,773,705	5,944,056	7,371,758	5,877,040	6,018,269
Instruction Related Technology	-	-	-	-	228,018	249,613	242,911	233,264	234,914	209,585
Board of Education	788,863	691,487	739,771	848,125	1,206,155	1,273,375	1,149,933	1,605,822	1,819,381	1,796,219
General Administration	2,115,565	2,314,827	2,184,665	2,564,662	2,650,528	2,346,621	2,496,279	2,497,628	3,498,545	3,233,549
School Administration	12,987,395	13,673,094	14,665,268	16,555,585	19,288,114	21,381,426	24,345,430	22,276,031	22,562,783	22,516,028
Facilities Acquisition and Construction	2,350,006	1,145,101	7,407,273	10,586,551	16,078,302	27,186,012	29,529,645	28,904,651	26,564,927	16,202,899
Fiscal Services	1,571,927	1,725,705	1,699,566	1,587,206	1,800,525	2,119,979	1,986,832	1,604,724	1,680,592	1,958,771
Food Services	11,651,267	12,112,661	12,050,072	13,340,330	14,682,557	16,229,804	17,839,292	18,603,069	19,030,147	18,742,272
Central Services	10,686,145	9,010,973	9,443,026	9,664,503	8,114,858	11,126,627	9,522,292	8,409,029	8,436,165	6,348,972
Pupil Transportation Services	9,601,338	9,060,422	9,775,600	10,661,902	11,405,281	13,092,318	13,392,359	12,572,355	12,177,137	12,980,372
Operation of Plant	16,846,502	17,191,375	19,081,195	21,343,668	25,361,654	27,955,787	29,810,413	29,895,539	29,877,353	32,135,132
Maintenance of Plant	7,267,535	8,129,820	8,190,754	8,692,075	9,331,941	10,122,396	10,478,014	9,571,654	9,545,091	9,851,492
Administrative Technology	-	-	-	-	3,459,202	3,941,371	4,442,643	4,081,164	4,408,660	4,811,483
Community Services	650,954	1,799	795	19,986	119,980	103,855	102,604	126,342	121,518	50,828
Capital Outlay:										
Facilities Acquisition and Construction	28,209,147	54,330,016	77,468,173	69,280,120	63,359,661	158,346,682	46,548,920	49,779,462	57,551,106	38,171,205
Other Capital Outlay	1,906,943	2,545,891	10,096,805	11,243,663	10,964,946	11,722,346	11,178,366	14,139,083	3,357,189	7,059,458
Debt Service:										
Principal	2,930,000	3,100,000	13,790,000	14,460,000	5,680,000	29,935,000	18,565,000	31,880,000	20,615,000	33,070,000
Interest and Fiscal Charges	4,738,787	4,466,106	9,243,665	9,848,364	10,610,800	13,587,090	13,829,280	15,232,706	15,103,692	15,134,174
Total Expenditures	\$ 282,175,580	\$ 316,662,458	\$ 387,515,246	\$ 410,513,113	\$ 432,461,233	\$ 605,271,105	\$ 506,311,130	\$ 511,454,216	\$ 501,103,048	\$ 512,070,234
Debt as a Percentage of Noncapital Expenditures	3.04%	2.91%	7.68%	7.37%	4.55%	10.00%	7.22%	10.53%	8.11%	10.33%

Source: District Records

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	Fiscal Year Ended			
	2002	2003	2004	2005
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,504,050)	\$ (133,229,055)	\$ (60,014,061)	\$ (24,218,573)
Other Financing Sources (Uses)				
Proceeds of Notes/Loans	-	21,500,000	-	-
Discount on Long-Term Debt Issued	-	-	-	-
Proceeds from the Sale of Capital Assets	27,600	6,100	3,525	-
Loss Recoveries	-	-	-	-
Bonds Issued	1,010,400	-	113,478,524	-
Refunding Bonds Issued	-	-	-	-
Premium on Refunding of Bonds Issued	-	-	-	-
Certificates of Participation Issued	-	-	-	30,481,000
Premiums on Long-Term Debt Issued	-	-	5,193,048	1,243,158
Payment to Refunding Bonds Escrow Agent	-	-	-	-
Transfers In	16,337,090	33,956,353	28,805,820	33,681,738
Transfers Out	(16,337,090)	(33,956,352)	(28,805,820)	(33,681,738)
Total Other Financing Sources (Uses)	1,038,000	21,506,101	118,675,097	31,724,158
Net Change in Fund Balance	\$ (1,466,050)	\$ (111,722,954)	\$ 58,661,036	\$ 7,505,585

	Fiscal Year Ended					
	2006	2007	2008	2009	2010	2011
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (17,457,159)	\$ (133,229,055)	\$ (173,704)	\$ (60,014,061)	\$ (59,975,181)	\$ (57,615,721)
Other Financing Sources (Uses)						
Proceeds of Notes/Loans	30,000,000	-	25,000,000	-	-	5,000,000
Discount on Long-Term Debt Issued	-	(8,113)	-	(712,715)	-	(125,954)
Proceeds from the Sale of Capital Assets	-	-	165,399	123,240	157,177	-
Loss Recoveries	-	-	-	15,080	-	4,247
Bonds Issued	30,000,000	1,605,000	-	-	1,125,393	1,769,268
Refunding Bonds Issued	8,205,000	-	-	-	689,607	600,000
Premium on Refunding of Bonds Issued	-	-	-	-	60,438	-
Certificates of Participation Issued	1,327,455	60,040,000	59,380,000	47,065,000	-	61,450,000
Premiums on Long-Term Debt Issued	1,120,035	2,162,925	970,353	-	30,263	268,073
Payment to Refunding Bonds Escrow Agent	(8,972,802)	-	(62,902,738)	-	(734,263)	(699,540)
Transfers In	40,673,541	46,606,039	56,412,202	64,292,685	49,191,026	60,800,905
Transfers Out	(40,673,541)	(46,606,039)	(56,412,202)	(64,292,685)	(49,191,026)	(60,800,905)
Total Other Financing Sources (Uses)	61,679,688	63,799,812	22,613,014	46,490,605	1,328,615	68,266,094
Net Change in Fund Balance	\$ 44,222,529	\$ (69,429,243)	\$ 22,439,310	\$ (13,523,456)	\$ (58,646,566)	\$ 10,650,373

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**



Fiscal Year	Just Value			Less: Exemptions	Total School Taxable Value	Total Direct Rate ¹
	Real Property	Personal Property	Central Assessed			
2010-2011	\$ 29,881,987,389	\$ 2,729,262,259	\$ 6,753,475	\$ 6,018,761,446	26,599,241,677	7.5910
2009-2010	35,315,585,698	2,842,782,571	9,162,416	7,730,254,418	30,437,276,267	7.5410
2008-2009	40,533,231,178	2,830,852,629	7,545,814	10,272,164,369	33,099,465,252	7.3720
2007-2008	44,737,819,806	2,688,268,180	7,320,747	12,904,943,831	34,528,464,902	7.6660
2006-2007	39,852,622,216	2,579,405,964	6,482,705	11,787,281,683	30,651,229,202	7.6140
2005-2006	31,744,642,359	2,032,463,918	6,384,125	9,006,651,627	24,776,838,775	7.9330
2004-2005	26,527,994,186	1,886,132,233	10,596,948	7,268,687,179	21,156,036,188	7.9990
2003-2004	22,702,620,085	1,920,697,616	9,381,124	6,051,174,281	18,581,524,544	8.2960
2002-2003	19,384,158,966	1,864,089,379	8,724,237	4,986,551,327	16,270,421,255	8.3470
2001-2002	16,654,859,576	1,790,124,206	5,338,699	4,090,163,971	14,360,158,510	8.3270

Note: Net Taxable Assessed Values are net Taxable Values after deducting allowable statutory exemptions.

Source: Manatee County Property Appraiser

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

	Fiscal Year				Fiscal Year					
	2001-02	2002-03	2003-04	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
District School Board:										
Required Local Effort	5.6790	5.7100	5.6740	5.3870	5.2440	4.9550	5.0280	4.9910	5.2930	5.3430
Discretionary Local	0.5100	0.5100	0.5100	0.5100	0.5100	0.5100	0.5100	0.4980	0.7480	0.9980
Supplemental Discretionary	0.1380	0.1270	0.1120	0.1020	0.1790	0.1490	0.1280	0.1330	0.0000	0.0000
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Capital Improvement	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	1.7500	1.5000	1.2500
Total District School Board	8.3270	8.3470	8.2960	7.9990	7.9330	7.6140	7.6660	7.3720	7.5410	7.5910
Other County-Wide:										
Board of County Commissioners	7.6804	7.9304	7.8788	7.8788	7.7063	7.5063	6.3869	6.2993	6.4083	6.4247
Other	1.0886	1.0174	1.0174	1.0174	1.0174	1.0174	1.2889	0.7788	0.6878	0.6888
Total County-Wide	17.0960	17.2948	17.1922	16.8952	16.6567	16.1377	15.3418	14.4501	14.6371	14.7045
Municipalities:										
Anna Maria	2.0000	2.0000	2.0000	2.0000	2.0000	2.0000	1.7882	1.7882	1.7882	1.7882
Bradenton	3.9500	3.9500	4.3000	4.3000	4.7500	4.7500	4.1134	4.2843	4.2843	4.9452
Bradenton Beach	2.6820	2.6816	2.6750	2.5434	2.4932	2.4878	2.2579	2.2579	2.1539	2.1539
Holmes Beach	2.2500	2.2500	2.2500	2.0000	2.0000	1.8000	1.5989	1.5989	1.7549	1.7500
Longboat Key	2.5471	2.1500	2.0000	1.8500	1.6860	1.5011	1.5098	1.5583	1.4903	1.8872
Palmetto	4.1645	4.1645	4.6645	5.1645	5.1645	5.1645	4.6662	4.6662	4.6662	4.6662

Property is assessed as of January 1st and taxes on those assessments are levied according to the tax rate in effect during that tax year and become due on November 1st. Therefore, assessments and tax levies applicable to a certain tax year are collected in the fiscal year ending during the following calendar year.

Source: Manatee County Tax Collector

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PRINCIPAL TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	Fiscal Year					
	2010-2011			2001-2002		
	Rank	Taxable Value	Percentage of Total Taxable Value ⁽¹⁾	Rank	Taxable Value	Percentage of Total Taxable Value
Florida Power & Light Corp.	1	\$ 758,915,836	2.853%	1	\$ 357,365,796	2.489%
Tropicana Products, Inc.	2	314,100,624	1.181%	2	322,120,081	2.243%
Gulfstream Natural Gas System LLC	3	169,935,069	0.639%		-	
Verizon Florida, Inc.	4	130,550,002	0.491%	3	145,908,274	1.016%
Manatee Memorial Hospital	5	83,429,183	0.314%	4	68,812,799	0.479%
Gulf Coast Factory Shops	6	98,726,964	0.371%	5	59,658,247	0.415%
Mosaic Fertilizer, LLC	7	88,990,175	0.335%			
Peace River Electric Coop, Inc	8	84,203,187	0.317%			
Wal-Mart Stores, Inc.	9	66,563,108	0.250%	9	31,546,915	0.220%
Brighthouse Networks	10	69,734,217	0.262%	6	50,968,046	0.355%
HCA Health Services of Florida		-	0.000%	8	38,932,532	0.271%
Simon Capital Limited Partnership		-	0.000%	7	46,980,793	0.327%
Colony Cove		-	0.000%	10	25,379,555	0.177%
Total		\$ 1,865,148,365	7.013%		\$ 1,147,673,038	7.992%

⁽¹⁾ Percent of total taxable value is calculated using the value from Schedule 8.

Source: Manatee County Tax Collector

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of The Levy		Collections In Subsequent Years (1)	Total Collections to Date	
		Amount (1)	Percentage of Levy		Amount (1)	Percentage of Levy
2011	\$ 200,699,079	\$ 194,080,446	96.70%	\$ 497,257	\$ 194,577,703	96.95%
2010	229,524,151	221,283,064	96.41%	449,435	221,732,499	96.61%
2009	245,510,550	238,690,445	97.22%	763,864	239,454,309	97.53%
2008	263,684,926	253,468,832	96.13%	1,280,401	254,749,233	96.61%
2007	233,125,665	225,084,277	96.55%	139,942	225,224,219	96.61%
2006	195,423,780	187,814,068	96.11%	243,729	188,057,797	96.23%
2005	169,185,573	162,190,390	95.87%	1,912,590	164,102,980	97.00%
2004	154,134,286	146,045,743	94.75%	931,029	146,976,772	95.36%
2003	135,795,965	129,978,560	95.72%	1,195,764	131,174,324	96.60%
2002	119,577,040	114,612,692	95.85%	582,402	115,195,094	96.34%

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

(1) Net of allowable discounts

Source: Manatee County Tax Collector and District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	State Board of Education Bonds	Certificates Of Participation	District Revenue Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income (B)	Per Capita (B)
2010-2011	\$ 12,335,000	\$ 225,898,455	\$ 94,890,000	\$ 13,500,000	\$ 346,623,455	N/A	1,074
2009-2010	11,610,000	173,578,455	106,325,000	20,000,000	311,513,455	2.468%	978
2008-2009	11,425,000	182,218,455	117,395,000	20,000,000	331,038,455	2.596%	1,042
2007-2008	12,275,000	143,073,455	128,005,000	32,500,000	315,853,455	2.537%	1,005
2006-2007	13,105,000	150,273,455	138,340,000	10,000,000	311,718,455	2.556%	998
2005-2006	12,295,000	95,373,455	142,340,000	30,000,000	280,008,455	2.601%	920
2004-2005	13,360,000	98,768,370	112,340,000	-	224,468,370	2.244%	758
2003-2004	14,035,000	71,280,000	112,340,000	11,000,000	208,655,000	2.086%	726
2002-2003	13,530,000	73,925,000	-	21,500,000	108,955,000	1.219%	389
2001-2002	14,105,000	76,450,000	-	-	90,555,000	1.015%	333

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

N/A - Information not yet available

Source:
(A) District Records
(B) Total Primary Government Debt divided by Personal Income and Population from Page 180.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2011
(UNAUDITED)**

	Debt Outstanding	Estimated Percentage Applicable (a)	Estimated Share of Direct and Overlapping Debt
School District of Manatee County Debt:			
Notes Payable	\$ 13,500,000	100.00%	\$ 13,500,000
Bonds Payable	110,323,360	100.00%	110,323,360
Certificates of Participation Payable	228,169,048	100.00%	228,169,048
Total Direct Debt			<u>351,992,408</u>
Overlapping Debt: (a)			
City of Anna Maria	1,149,000	100.00%	1,149,000
City of Bradenton	24,977,264	100.00%	24,977,264
City of Bradenton Beach	592,531	100.00%	592,531
City of Longboat Key	5,140,000	100.00%	5,140,000
City of Palmetto	6,290,948	100.00%	6,290,948
Manatee County	14,385,000	100.00%	14,385,000
Total Overlapping Debt			<u>52,534,743</u>
Total Direct and Overlapping Debt			<u>\$ 404,527,151</u>

(a) Information was obtained from the September 30, 2010 financial statements of each respective governmental entity. Since the geographic boundaries of each governmental entity is within the geographic boundaries for which the District serves, 100% of the debt has been included.

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

<u>Fiscal Year</u>	<u>Taxable Assessed Value</u>	<u>Annual Lease Payment</u>	<u>Millage Levy to Provide 1.00x Coverage ^a</u>
2010-2011	26,599,241,677	\$ 17,122,274	0.671 mills
2009-2010	30,437,276,267	16,611,189	0.574 mills
2008-2009	33,099,465,252	14,087,545	0.448 mills
2007-2008	34,528,464,902	10,981,194	0.335 mills
2006-2007	30,651,229,202	9,723,621	0.334 mills
2005-2006	24,776,838,775	9,505,441	0.404 mills
2004-2005	21,156,036,188	6,261,418	0.312 mills
2003-2004	18,581,524,544	6,256,265	0.354 mills
2002-2003	16,270,421,255	6,262,575	0.405 mills
2001-2002	14,360,158,510	6,260,458	0.459 mills

^a - Millage rate calculated using 95 percent of the school taxable valuation.

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

Source: District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
HISTORICAL SALES SURTAX COLLECTION
LAST NINE FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year Ended June 30</u>	<u>Actual Sales Tax Revenues Received by the School Board (1)</u>	<u>Debt Service Coverage (2)</u>
2011	\$ 21,740,639	1.37
2010	20,324,150	1.27
2009	20,893,833	1.31
2008	22,111,203	1.38
2007	23,846,026	1.49
2006	23,843,178	1.49
2005	21,087,643	1.32
2004	20,077,281	1.26
2003	7,412,080	

NOTES:

- (1) The School Board began to receive Sales Tax Revenues beginning January 1, 2003.
- (2) Debt Service Coverage is calculated for 2004 as the first full year of collections. Coverage calculation is based on Maximum Annual Debt Service of \$15,917,127.

Source: District Records

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS
(UNAUDITED)**

<u>Calendar Year</u>	<u>Population (A)</u>	<u>Personal Income (1)</u>	<u>Per Capita Personal Income (A)</u>	<u>Unemployment Rate (B)</u>
2010	322,833	N/A	N/A	12.30%
2009	318,589	12,622,937	39,650	11.50%
2008	317,699	12,754,061	40,353	6.80%
2007	314,131	12,449,402	39,631	6.00%
2006	312,197	12,197,848	39,071	3.70%
2005	304,364	10,766,001	35,154	3.06%
2004	295,974	10,002,623	33,807	3.90%
2003	287,272	8,941,453	31,143	4.47%
2002	280,148	8,920,616	31,632	4.81%
2001	272,315	8,762,299	32,171	4.05%

(1) - Personal Income is in Thousands.
N/A - Information not yet available

Sources:

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

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

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

<u>Employer</u>	<u>Fiscal Year</u>					
	<u>2010-2011</u>			<u>2001-2002</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Manatee County School Board	5,300	1	3.66%	4,303	1	3.24%
Beall's Inc.	1,671	2	1.15%	821	6	0.62%
Manatee County Government	1,644	3	1.13%	1,685	3	1.27%
Manatee Memorial Hospital	1,400	4	0.97%	1,420	4	1.07%
Tropicana Products, Inc.	1,300	5	0.90%	3,200	2	2.41%
Blake Medical Center	1,156	6	0.80%	1,200	5	0.90%
Manatee County Sheriff's Office	1,034	7	0.71%	-	-	0.00%
Publix	839	8	0.58%	-	-	0.00%
State College of Florida	485	9	0.33%	-	-	0.00%
Hoveround Corp.	484	10	0.33%	-	-	0.00%
City of Bradenton	471	-	0.33%	602	8	0.45%
Pierce Manufacturing	441	-	0.30%	-	-	0.00%
IMG Academies	395	-	0.27%	-	-	0.00%
SYSKO West Coast Florida, Inc.	370	-	0.26%	570	-	0.20%
Manatee Glens	339	-	0.23%	-	-	0.00%
Gevity/Staff Leasing	-	-	-	600	10	0.45%
Hi-Stat Manufacturing, Inc.	-	-	-	600	10	0.45%
Wellcraft Marine	-	-	-	860	7	0.65%
ADT Security Services	-	-	-	700	9	0.53%
Total - Principal Employers	17,329		11.95%	16,561		12.24%

Source: Manatee Economic Development Council, Inc.
Agency for Workforce Innovation

THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
 SCHEDULE OF SELECTED OPERATING INFORMATION
 GRADES K - 12
 LAST TEN FISCAL YEARS
 (UNAUDITED)

<u>Fiscal Year</u>	<u>Number of Schools</u>	<u>Number of Classroom Instructors</u>	<u>Unweighted Full-Time Equivalent Students</u>	<u>Average General Fund Expenditures Per Student</u>
2010-2011	53	2,601	43,516	7,364
2009-2010	53	2,468	42,369	7,318
2008-2009	52	2,436	42,096	7,754
2007-2008	52	2,603	42,349	8,128
2006-2007	47	2,632	42,096	7,720
2005-2006	47	2,593	42,073	6,873
2004-2005	45	2,456	41,756	6,232
2003-2004	43	2,149	41,939	5,652
2002-2003	42	2,075	40,809	5,419
2001-2002	42	2,028	39,554	5,445

Source: Florida Department of Education and District Records



B-89

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**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Placed in Service (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data			Full-Time Equivalent Enrollment Data											
				2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011					
Elementary Schools																		
Anna Maria Elementary	1949	57,463	2	322.02	308.08	305.18												
Ballard Elementary	1922	76,214	-	570.60	610.55	571.38	276.70	311.05	310.80	291.58	297.00	315.00	299.00					
Bayshore Elementary (3)	1958	108,018	2	822.21	828.25	828.25	543.10	560.62	531.80	487.43	461.70	403.46	381.00					
Duette Elementary	1931	6,277	1	28.96	17.50	19.00	767.92	760.27	721.98	772.21	710.24	678.63	712.54					
Manatee Elementary	1926	115,562	3	443.00	400.00	393.65	9.00	9.51	14.00	13.50	11.00	11.00	12.00					
Miller Elementary (3)	1951	98,080	-	648.25	619.14	598.65	403.63	395.16	431.24	408.00	380.58	386.12	419.61					
Myakka City Elementary	1915	63,312	-	417.08	422.57	406.56	613.87	655.09	678.25	646.15	714.18	741.43	745.82					
Oneco Elementary	1922	102,698	-	646.51	686.50	707.48	415.23	447.00	422.67	335.32	320.13	306.95	286.66					
Orange Ridge-Bullock Elementary	1958	119,295	7	659.86	693.52	718.87	709.09	705.74	672.10	673.34	635.31	649.89	563.96					
Palm View Elementary	1926	103,003	5	581.50	595.59	598.20	794.33	822.73	745.33	658.86	629.37	589.24	614.47					
Palma Sola Elementary	1961	100,405	1	627.36	575.90	605.60	608.63	676.61	611.09	577.19	495.43	449.56	414.66					
Palmetto Elementary	1961	102,500	5	873.18	837.49	813.22	608.79	612.83	571.68	569.90	573.77	585.79	550.75					
Prine Elementary	1961	111,237	1	806.53	750.66	783.03	816.80	804.13	820.46	752.74	720.09	716.72	683.38					
Daughtrey Elementary (3)	1964	102,579	14	708.01	669.58	671.50	773.63	845.08	819.08	720.10	746.26	710.95	783.87					
Samoset Elementary	1926	66,942	8	489.50	530.50	459.63	692.25	690.81	710.35	625.98	666.99	690.00	779.97					
Tillman Elementary	1964	103,641	6	614.48	617.94	633.29	486.02	514.92	513.33	464.30	496.89	477.69	519.62					
Blackburn Elementary	1970	111,879	4	832.58	912.81	1,026.07	513.35	501.01	513.37	453.17	458.74	462.02	461.11					
Wakeland Elementary	1973	79,835	5	559.60	502.00	415.41	623.14	644.07	658.65	530.55	492.68	459.82	434.18					
Moody Elementary	1974	87,696	8	704.58	705.46	747.72	463.99	470.89	360.92	378.05	391.94	441.05	503.50					
Abel Elementary	1973	80,999	2	605.06	598.04	591.20	744.76	719.24	678.31	657.34	616.86	602.12	644.05					
Stewart Elementary	1973	79,350	-	545.57	516.60	503.99	590.36	584.70	595.41	654.35	685.75	600.01	582.04					
Bashaw Elementary	1985	98,122	10	761.96	738.34	611.09	452.28	479.29	491.95	461.88	460.87	449.04	474.20					
Braden River Elementary	1988	93,860	1	998.60	1,045.75	609.05	627.32	685.88	686.08	676.68	681.60	664.73	677.44					
Sea Breeze Elementary	1990	102,971	-	728.52	733.50	755.04	588.10	592.50	582.77	565.01	534.47	499.01	484.75					
Tara Elementary	1991	116,805	5	810.14	853.29	804.97	775.17	758.45	673.82	684.90	629.87	635.22	600.43					
Witt Elementary	1993	109,766	1	812.50	931.58	711.85	847.84	824.89	811.76	763.71	688.77	608.96	605.02					
Kinnan Elementary	2001	113,591	10	681.06	734.90	818.53	810.15	848.35	909.34	580.45	571.76	539.88	521.86					
Rowlett Elementary	2001	114,681	5	747.44	726.40	733.73	797.60	765.19	749.66	698.15	697.16	695.10	703.20					
McNeal Elementary	2003	111,076	-	-	-	-	738.43	773.71	791.43	832.43	856.28	913.54	896.32					
Freedom Elementary	2003	117,814	7	-	-	449.67	952.50	735.39	698.69	725.23	663.85	677.23	718.56					
Mills Elementary	2004	120,367	4	-	-	-	530.07	624.21	759.18	825.50	715.24	664.17	677.09					
Willis Elementary	2005	110,422	-	-	-	-	692.51	947.91	1,029.13	897.65	943.87	963.80	972.45					
Willams Elementary	2007	105,871	-	-	-	-	-	320.63	477.49	573.35	616.31	655.71	689.78					
Gullett Elementary	2007	105,336	-	-	-	-	-	-	-	654.41	732.14	697.75	695.39					
G. D. Rogers Garden Elementary	2009	-	-	-	-	-	-	-	-	413.32	509.71	480.74	481.66					
												325.12	280.57					
Total Elementary				18,046.66	18,162.44	18,696.48	19,265.96	20,087.86	20,042.12	20,022.73	19,779.81	19,747.45	19,870.91					
Middle Schools																		
Lincoln Middle	1944	154,426	8	1,043.51	1,113.33	1,115.93												
Sugg Middle	1974	131,944	7	900.72	938.58	899.88	1,201.86	1,202.71	1,171.49	775.11	794.25	711.14	628.63					
Harlee Middle	1974	132,402	3	738.96	746.95	699.44	965.70	989.00	886.07	830.50	738.60	786.88	830.20					
King Middle (3)	1978	162,907	-	1,151.18	1,129.59	991.47	727.00	748.10	750.02	673.88	615.30	563.82	561.55					
Braden River Middle	1990	156,853	3	1,112.52	1,190.99	1,322.58	944.50	774.97	899.53	878.38	902.00	984.50	1,063.15					
Johnson Middle	1992	164,557	2	865.01	790.26	847.00	1,067.03	955.26	941.47	896.05	960.20	964.35	967.83					
Haile Middle	1995	154,025	5	1,152.48	1,162.68	1,237.57	920.89	838.53	793.85	625.90	645.85	490.25	478.67					
Lee Middle	2000	145,247	-	1,026.00	1,070.01	955.75	906.98	922.00	976.33	993.78	1,025.05	972.46	975.33					
Nolan Middle	2004	137,458	1	-	-	-	960.39	927.76	907.39	884.65	925.38	922.14	916.94					
Buffalo Creek Middle	2007	136,754	-	-	-	-	603.91	741.49	765.67	829.50	815.95	837.38	867.30					
												897.64	886.88					
Total Middle Schools				7,990.38	8,142.39	8,069.62	8,298.26	8,099.82	8,091.82	8,086.74	8,258.07	8,130.56	8,176.48					
High Schools																		
Bayshore High	1959	278,510	2	1,732.50	1,734.75	1,762.84												
Manatee High	1926	353,567	13	2,147.42	2,079.11	2,016.90	1,868.13	1,874.58	1,702.47	1,652.55	1,538.80	1,479.55	1,484.59					
Palmetto High	1956	276,359	11	1,448.30	1,522.27	1,543.65	2,002.15	2,144.39	2,155.57	2,183.85	2,084.76	2,096.73	2,158.97					
Southeast High	1960	373,852	9	1,488.46	1,667.82	1,806.92	1,598.98	1,767.82	1,818.47	1,746.39	1,665.21	1,614.11	1,628.67					
Lakewood Ranch High	1996	325,702	12	2,146.08	2,272.77	2,399.83	1,900.20	1,662.00	1,522.86	1,420.14	1,316.43	1,356.14	1,348.37					
Braden River High	2005	285,778	6	-	-	-	2,600.37	2,221.45	2,030.98	1,902.11	1,857.51	1,804.60	1,814.49					
								645.69	1,082.68	1,550.34	1,683.53	1,898.72	1,892.36					
Total High Schools				8,962.76	9,276.72	9,530.14	9,969.83	10,315.93	10,313.03	10,455.38	10,146.24	10,209.85	10,327.45					

B-90

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

	Place in Service (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data			Full-Time Equivalent Enrollment Data						
				2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Specialty Schools													
Community High	2000	25,233	24	278.00	311.13	324.98	331.17	353.34	248.08	329.14	337.38	317.33	294.06
Horizons Academy (3)	1999	54,487	-	164.53	171.37	236.15	209.51	246.97	334.16	350.42	327.79	314.59	331.07
Manatee Technical Institute	1963	363,949	-	-	-	-	-	-	-	-	-	-	-
Total Specialty Schools				442.53	482.50	561.13	540.68	600.31	582.24	679.56	665.17	631.92	625.13
Charter Schools													
Manatee School for the Arts and Sciences	N/A	N/A	N/A	209.50	201.50	217.50	227.00	240.50	216.51	199.50	210.00	191.50	218.50
PAL Academy Charter Middle School	N/A	N/A	N/A	209.00	209.00	206.50	209.00	182.06	154.51	127.56	188.38	221.88	262.51
Academy for Applied Training	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-
Manatee School for the Arts	N/A	N/A	N/A	512.53	597.34	719.48	934.85	989.52	1,071.50	1,092.80	1,106.76	1,225.84	1,323.63
PAL Opportunity Charter School	N/A	N/A	N/A	100.18	108.18	78.00	64.50	67.50	60.50	50.50	40.50	-	-
Manatee County Juvenile Justice	N/A	N/A	N/A	136.57	100.52	120.19	109.35	119.19	25.85	-	-	-	-
Richard Milburn Academy	N/A	N/A	N/A	175.37	234.27	214.13	214.68	217.26	132.78	140.94	215.00	242.53	241.27
Center Academy	N/A	N/A	N/A	120.00	125.50	141.50	131.76	134.53	109.50	92.50	89.50	92.00	83.15
Oasis Middle School	N/A	N/A	N/A	-	-	-	-	-	33.00	63.00	79.00	78.50	78.51
Imagine Charter School - North	N/A	N/A	N/A	-	-	-	-	-	73.10	164.50	203.52	230.74	329.35
Imagine Charter School - Lakewood Ranch	N/A	N/A	N/A	-	-	-	-	-	-	-	103.00	420.30	573.18
Palmetto Charter	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	335.48
State College of Florida College Charter	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	131.29
Island Middle School, Inc.	N/A	N/A	N/A	48.00	88.50	108.00	-	-	-	-	-	-	-
Total Charter Schools				1,511.15	1,664.81	1,805.30	1,891.14	1,950.56	1,877.25	1,931.30	2,235.66	2,703.29	3,576.87
Other Programs													
Gulf Coast Marine Institute	N/A	N/A	N/A	75.51	79.00	68.64	69.04	71.58	65.06	47.90	60.90	54.23	53.14
Juvenile Detention Center	N/A	N/A	N/A	114.43	98.00	97.02	85.74	109.57	79.95	87.61	90.13	81.31	79.33
Children's Haven	N/A	N/A	N/A	7.50	9.00	7.00	7.50	9.00	11.50	14.50	11.00	-	-
Manatee Glens Adolescent	N/A	N/A	N/A	12.36	11.30	12.36	15.50	12.40	13.10	13.00	10.50	-	-
Hospital Homebound Instruction	N/A	N/A	N/A	8.58	12.07	29.49	13.56	12.06	12.90	13.18	16.10	13.37	16.49
Easter Seals	N/A	N/A	N/A	21.00	26.00	26.50	27.00	25.50	23.00	23.00	28.50	36.50	37.00
Charter Hospital	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-
PACE	N/A	N/A	N/A	64.61	56.49	67.08	66.89	66.46	82.21	92.04	69.52	66.78	67.00
Manasota ARC	N/A	N/A	N/A	18.50	20.50	20.00	23.00	25.00	15.00	15.00	15.00	12.00	12.00
Hurricane Island - Outward Bound	N/A	N/A	N/A	52.48	41.26	23.01	-	-	-	-	-	-	-
Manatee Sheriff's Youthful Offenders	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-
Just for Girls, Inc.	N/A	N/A	N/A	40.00	39.50	43.00	42.00	43.00	41.00	35.00	42.17	49.00	47.50
Transitions High School	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-
M.A.T.S. Halfway House Program	N/A	N/A	N/A	98.66	113.40	110.24	113.30	110.10	110.90	103.69	109.84	1.90	-
Manatee PAL Aftercare	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	-
Manatee Glens	N/A	N/A	N/A	16.60	16.70	15.07	15.50	11.68	12.00	12.50	12.50	12.50	13.00
Pinnacle Academy, Inc.	N/A	N/A	N/A	-	9	7.50	15.50	20.50	21.50	20.50	19.50	20.50	20.00
Ramsay Youth Services	N/A	N/A	N/A	57.00	44.50	53.50	61.50	57.00	29.00	20.00	56.00	58.21	-
Florida Sheriff's Youth Ranch	N/A	N/A	N/A	19.50	18.00	20.00	18.00	15.00	21.16	18.50	18.50	16.50	13.00
McKay Scholarships	N/A	N/A	N/A	-	168	248.50	269.50	295.50	311.50	353.00	363.50	391.00	362.50
Palmetto Youth Academy	N/A	N/A	N/A	-	-	-	-	-	-	28.10	66.50	61.26	65.33
Premier Behavioral Solutions (Manatee Palms)	N/A	N/A	N/A	-	-	-	-	-	-	-	-	-	85.00
Miscellaneous	N/A	N/A	N/A	65.36	21.72	42.03	-	-	-	-	20.43	50.81	68.23
Total Other Programs				672.09	783.94	890.94	843.53	884.35	849.78	897.52	1,010.59	925.87	939.52
Total District				37,625.57	39,227.49	39,553.61	40,809.40	41,938.83	41,756.24	42,073.23	42,095.54	42,348.94	43,516.36

(1) - Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodeling.
 (2) - Square footage is current including portables
 (3) - Total Replacement of Existing Facilities: Bayshore (2003), Miller (2007), and Daughtrey (2007) Elementaries, King Middle School (2006), and N/A - Information Not Applicable

Source: District Records

B-91

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
NUMBER OF PERSONNEL
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>(A) Instructional</u>	<u>(B) Administrative</u>	<u>(C) Support Services</u>	<u>Total</u>	<u>Ratio of Students to Instructional Personnel</u>	<u>Ratio of Instructional Personnel to Administrators</u>
2010-2011	3,073	218	2,295	5,586	13.78	14.10
2009-2010	2,934	205	2,221	5,360	14.43	14.31
2008-2009	2,912	213	2,558	5,398	14.54	13.67
2007-2008	2,793	229	2,524	5,546	15.16	12.20
2006-2007	2,823	220	2,458	5,501	15.00	12.83
2005-2006	2,783	204	2,366	5,353	15.13	13.64
2004-2005	2,639	193	2,227	5,059	15.94	13.67
2003-2004	2,491	180	2,167	4,838	16.76	13.84
2002-2003	2,486	198	2,145	4,829	16.87	12.56
2001-2002	2,425	178	2,174	4,777	16.83	13.62

Note: Full-Time Employees funded out of the General Fund.

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

Source: District Records, Schedule 19

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
TEACHERS BASE SALARIES
LAST TEN FISCAL YEARS
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Minimum Salary^a</u>	<u>Maximum Salary^a</u>	<u>County Average Salary^b</u>	<u>Statewide Average Salary^b</u>
2010-2011	\$ 38,517	\$ 61,450	\$ 47,819	\$ 45,732
2009-2010	38,517	61,450	48,463	46,708
2008-2009	38,517	60,836	48,810	46,938
2007-2008	39,300	61,450	49,496	46,922
2006-2007	37,550	59,050	47,480	45,296
2005-2006	35,000	55,150	44,440	42,702
2004-2005	32,000	52,016	41,422	41,578
2003-2004	30,100	50,016	40,081	40,598
2002-2003	28,284	48,123	39,283	40,275
2001-2002	27,594	46,796	37,444	39,275

^a - 10 Month Teachers with Bachelor's Degree

^b - Averages include All degree levels

Source: District Records



THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
PUBLIC EDUCATION CAPITAL OUTLAY AND CAPITAL OUTLAY AND DEBT SERVICE FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Public Education Capital Outlay Funds			Total	Capital Outlay and Debt Service (CO & DS)
	OEI	Maintenance	Manatee Technical Institute		
2010-2011	\$ -	\$ 1,752,013	\$ -	\$ 1,752,013	\$ 218,639
2009-2010	1,917,946	611,975	4,500,000	7,029,921	337,337
2008-2009	-	1,626,894	-	1,626,894	427,795
2007-2008	2,032,482	2,893,210	2,700,000	7,625,692	240,897
2006-2007	6,998,157	2,308,778	946,878	10,253,813	221,503
2005-2006	2,443,964	2,038,353	2,244,988	6,727,305	319,238
2004-2005	1,711,157	1,614,446	-	3,325,603	207,374
2003-2004	4,028,817	1,050,415	-	5,079,232	239,316
2002-2003	4,488,868	2,964,319	2,850,000	10,303,187	293,153
2001-2002	1,887,094	2,195,276	-	4,082,370	216,482

Source: District Records

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

School Board and Superintendent
School District of Manatee County, Florida
Bradenton, Florida

We have audited the financial statements of the governmental activities, each major fund, the aggregate discretely presented component units, and the aggregate remaining fund information of the School District of Manatee County, Florida (the "District"), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2011. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the aggregate discretely presented component units, as described in our report on the School District of Manatee County, Florida's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

School Board and Superintendent
School District of Manatee County, Florida
Bradenton, Florida

Compliance

We have audited the compliance of the School District of Manatee County, Florida (the "District"), with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2011. The District's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major Federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

As described in Federal Finding 11-03 in the accompanying Management Letter, the District did not comply with the requirements regarding earmarking that are applicable to its Special Education program. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the fiscal year ended June 30, 2011.

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a Management Letter dated December 15, 2011.

The District's response to the audit findings identified in our audit is described in the accompanying Management Response. We did not audit the District's response, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the School Board, the Audit Committee, others within the entity, and Federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 15, 2011

B-94

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2011**

Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to Federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major Federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a material weakness.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described under the heading *Current Year Findings and Recommendations* in the accompanying Management Letter as Finding 11-03 to be a material weakness.

The District's response to the audit finding identified in our audit is described in the accompanying Management Response. We did not audit the District's response, and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the School Board, the Audit Committee, others within the entity, and Federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties

Mauldin & Jenkins, LLC

Bradenton, Florida
December 15, 2011

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass Through Grantor Number	Federal Expenditures
United States Department of Agriculture			
Indirect:			
Florida Department of Agriculture and Consumer Services			
Noncash Assistance Commodities	10.555	None	\$ 996,438
Florida Department of Education			
Child Nutrition Cluster:			
School Breakfast Program	10.553	321	2,991,703
National School Lunch Program	10.555	300	10,103,745
Summer Food Service Program for Children	10.559	323	394,798
Total Nutrition Cluster			<u>13,490,246</u>
Fresh Fruit and Vegetable Program	10.582	01-0041	231,494
Total United States Department of Agriculture			<u>14,718,178</u>
United States Department of Justice			
Indirect			
Manatee County			
Public Safety Partnership and Community Policing Grants	16.710	N/A	130,927
Total United States Department of Justice			<u>130,927</u>
United States Department of Labor			
Indirect			
Florida Department of Education			
National Farm Worker Jobs Program	17.264	405	275,371
Transition Program for Adult Learners and Postsecondary Education	17.267	408	93,557
Suncoast Workforce Board, Inc.			
ARRA WIA Youth Activities, Recovery Act	17.259	09-23	34,220
Total United States Department of Labor			<u>403,148</u>
United States Department of Education			
Direct			
Student Financial Aid Cluster			
Federal Supplemental Educational Opportunity Grants	84.007	N/A	14,185
Federal Work-Study Program	84.033	N/A	52,548
Federal Pell Grant Program	84.063	N/A	2,565,724
Total Student Financial Aid Cluster			<u>2,632,457</u>
Safe and Drug-Free Schools and Communities, National Programs	84.184	N/A	217,348
Fund for the Improvement of Education	84.215	N/A	2,865,022
Arts in Education	84.351	N/A	237,529
Total Direct			<u>5,952,356</u>
Indirect			
Title I Cluster			
Florida Department of Education:			
Title I Grants to Local Educational Agencies	84.010	212, 222, 223, 226, 228	11,668,727
Title I Grants to Local Educational Agencies, Recovery Act	84.389	212, 223, 226	2,684,973
Total Title I Cluster			<u>14,353,700</u>
Special Education Cluster			
Florida Department of Education:			
Special Education, Grants to States	84.027	263	7,238,796
Special Education, Preschool Grants	84.173	267	373,253
Special Education Grants to States, Recovery Act	84.391	263	6,728,361
IDEA Part B Preschool, Recovery Act	84.392	267	233,647
School District of Sarasota County:			
Special Education, Grants to States	84.027	None	51,170
Total Special Education Cluster			<u>14,625,227</u>

(continued)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2011**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass Through Grantor Number	Federal Expenditures
State Fiscal Stabilization Cluster			
Florida Department of Education			
ARRA State Fiscal Stabilization Funds, Education State Grants, Recovery Act	84.394	591, 592	14,765,042
ARRA State Fiscal Stabilization Funds, Government Services, Recovery Act	84.397	592	50,814
Total State Fiscal Stabilization Cluster			<u>14,815,856</u>
Florida Department of Education			
Adult Education, Basic Grants to States	84.002	191, 193	429,948
Migrant Education, State Grant Program	84.011	217	811,747
Career and Technical Education, Basic Grants to States	84.048	161	798,722
Safe and Drug-Free Schools and Communities, State Grants	84.186	103	24,362
Education for Homeless Children and Youth	84.196	127	125,370
Charter Schools	84.282	298	573,989
Twenty-First Century Community Learning Centers	84.287	244	1,628,888
English Language Acquisition Grants	84.365	102	781,767
Improving Teacher Quality State Grants	84.367	224	2,118,206
ARRA Education Technology State Grants, Recovery Act	84.386	121, 122	789,249
ARRA Education for Homeless Children and Youth, Recovery Act	84.387	127	10,570
Educations Job Fund	84.410	541	9,120,254
ARRA Race to the Top	84.395	RL1	208,221
State College of Florida			
Career and Technical Education, Basic Grants to States	84.048	N/A	65,000
Corporation for National and Community Service			
Learn and Serve America	94.004	234	8,784
ARRA TANF Emergency Food Service	93.714	540	68,529
Total Indirect			<u>61,358,389</u>
Total United States Department of Education			<u>67,310,745</u>
United States Department of Defense			
Direct:			
Army Junior Reserve Officers Training Corps	None	N/A	517,394
Total United States Department of Defense			<u>517,394</u>
Total Expenditures of Federal Awards			<u>\$ 83,080,392</u>

Notes:

Basis of Presentation: The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the 2010-2011 fiscal year as determined based on the modified accrual basis of accounting.

Noncash Assistance, Food Donation: Represents the amount of donated food consumed during the 2010-2011 fiscal year. Donated food is valued at fair value as determined at the time of donation by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution.

Subrecipients: Of the Federal expenditures presented in the schedule, the School District of Manatee County, Florida provided Federal awards to subrecipients as follows:

Title I Grants to Local Agencies	84.010	\$319,903
ARRA, Title I Grants to Local Educational Agencies, Recovery Act	84.389	55,732
ARRA, Special Education Grants to States, Recovery Act	84.391	54,244

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

Section I – Summary of Auditor's Results

Basic Financial Statements

Type of auditor's report issued: Unqualified Opinion

Internal control over financial reporting:

Material weaknesses identified? yes X no

Significant deficiency identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Type of auditor's report issued on compliance for major programs: Qualified Opinion

Internal control over major programs:

Material weaknesses identified? X yes no

Significant deficiencies identified? yes X none reported

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? X yes no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
10.553, 10.555, 10.559	U.S. Department of Education, Child Nutrition Cluster
84.007, 84.033, 84.063	Student Financial Assistance Cluster
84.215	Fund for Improvement of Education Grant
84.010, 84.389	Title I, Part A Cluster
84.027, 84.173, 84.391, 84.392	Special Education Cluster
84.394, 84.397	State Fiscal Stabilization Fund Cluster
84.287	Twenty-First Century Community Learning Centers Grant
84.410	Education Jobs Fund Grant

Dollar threshold used to distinguish Type A programs. \$ 2,492,412

Auditee qualified as low-risk auditee? yes X No

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2011**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the basic financial statements that are required to be reported in accordance with *Government Auditing Standards*.

No significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, or abuse related to the basic financial statements were identified.

Section III – Federal Awards Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs as well as any abuse findings involving Federal awards that are material to a major program, as required by Circular A-133 Section 510(a).

No significant deficiencies were identified in accordance with Circular A-133. A material weakness and material instance of noncompliance involving federal awards material to a major program was identified and reported under the heading *Current Year Findings and Recommendations* in the accompanying Management Letter as item 11-03.

Section IV – Summary Schedule of Prior Audit Findings

The status of all prior year audit findings is reported in the *Summary Schedule of Prior Audit Findings*.

**THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2011**

Audit Finding Number	Title/Program	Brief Description	Status	Comments
Federal 10-01	Special Education Cluster (CFDA No. 84.027)/Matching, Level of Effort, Earmarking-Early Intervention Earmark	The District needs to establish procedures to ensure that coordinated early intervention services are provided for Special Education Programs	Not Corrected	See audit finding 11-03.
Federal 10-02	Special Education Cluster (CFDA Nos. 84.027, 84.173, and 84.391-ARRA)/Matching, Level of Effort, Earmarking-Maintenance of Effort	The District needs to establish controls over State and local resources allocated and expended for District Special Education programs to ensure compliance with Federal maintenance of effort requirements.	Not Corrected	No exceptions were noted during the current audit, however the District has not documented to the Florida Department of Education how the District complied with the Federal maintenance of effort requirement or restored the \$459,718 to the Special Education program.
Federal 10-03	Twenty-First Century Community Learning Centers (CFDA No. 84.287)/Matching, Level of Effort, Earmarking-Matching	The District needs to establish procedures to ensure that Federal matching requirements are met and properly supported.	Not Corrected	No exceptions were noted during the current audit, however the District has not documented to the grantor how the District complied with the Federal matching requirement or restored the \$209,720 to the Twenty-First Century program.
Federal 10-04	Special Education Cluster (CFDA Nos. 84.027, 84.173, and 84.391-ARRA)/Allowable Costs/Cost Principles-Compensation of Personnel Services	The District needs to enhance procedures to ensure that employees who perform services for Federal programs maintain the required documentation to support salary and benefit expenditures.	Corrected	No exceptions were noted during the current audit.
Federal 10-05	Title I Grants to Local Educational Agencies (CFDA No. 84.010)/Period of Availability	The District should enhance procedures to ensure that Federal awards are only charged for costs resulting from obligations incurred during the funding period.	Corrected	No exceptions were noted during the current audit.
Federal 10-06	Child Nutrition Cluster (CFDA Nos. 10.553, 10.555, and 10.559)/ Allowable Cost/Cost Principles	The District should enhance procedures to ensure that it calculates indirect costs pursuant to guidance from the Florida Department of Education, and restore \$47,636 to the food service program.	Corrected	No exceptions were noted during the current audit. The District restored the \$47,636 to the food service program.

AUDITOR'S MANAGEMENT LETTER

School Board and Superintendent
School District of Manatee County, Florida
Bradenton, Florida



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We have audited the financial statements of the School District of Manatee County, Florida (the "District"), as of and for the fiscal year ended June 30, 2011, and have issued our report thereon dated December 15, 2011. We did not audit the financial statements of Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; Developmental Center-Manatee, Inc., d/b/a Bradenton Charter School; Imagine-Manatee County, LLC, d/b/a Imagine Charter School at North Manatee; Imagine-East Manatee County, LLC d/b/a Imagine School at Lakewood Ranch; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; and Team Success A School of Excellence, Inc. which are reported as aggregate discretely presented component units. Those financial statements, which represent 85%, 62% and 89%, respectively, of the assets, net assets and revenues of the aggregate discretely presented component units, were audited by other auditors whose reports have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. This letter does not include the results of the other auditors' management letter comments and other matters that are reported on separately by those auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated December 15, 2011, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.800, *Rules of the Auditor General*, which governs the conduct of district school board audits performed in the State of Florida and requires that certain items be addressed in this letter.

Section 10.804(1)(f)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The status of prior year audit findings and recommendations are reported in the *Summary Schedule of Prior Audit Findings*.

Section 10.804(1)(f)2., Rules of the Auditor General, requires a statement be included as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did meet any of the conditions described in Section 218.503(1), Florida Statutes.

B-98

Section 10.804(1)(f)3., Rules of the Auditor General, requires our audit to include a review of the provisions of Section 218.415, Florida Statutes regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes.

Section 10.804(1)(f)4., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. Matters required to be disclosed are reported under the heading *Current Year Findings and Recommendations*.

Section 10.804(1)(f)5., Rules of the Auditor General, requires that we address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

Section 10.804(1)(f)6., Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on the financial statements considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. Matters disclosed are reported under the heading *Current Year Findings and Recommendations*.

Pursuant to Section 10.804(1)(f)7.a. and 10.805(6), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and review of the financial information provided by same. Subsequent to year-end, in accordance with Florida Statutes 1011.051, the Superintendent notified the School Board and Commissioner of Education that the District's ending fund balance in the General Fund had fallen below the 3 percent threshold. At June 30, 2011, the portion of fund balance in the General Fund not classified as restricted, committed, or nonspendable was 1.65% of revenues.

Section 10.804(1)(f)8., Rules of the Auditor General, requires the auditor to state whether or not the district school board complied with transparency requirements. Section 2, Specific Appropriation 115A of Chapter 2010-152, Laws of Florida, provides that district school boards include a link on their Web Sites to the Transparency Florida Web Site. We determined that the District complied with the transparency requirements.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the School Board, Audit Committee, management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Mauldin & Jenkins, LLC

Bradenton, Florida
December 15, 2011

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

(11-01) Adult General Education – Reporting Instructional Hours

In accordance with Section 1004.02, Florida Statutes, each school district shall report enrollment for adult general education programs in accordance with the Florida Department of Education (FDOE) instructional hours reporting procedures. As noted in previous audits, improvements in controls were needed over enrollment hours reported to FDOE. Our review of adult education instructional hours for fifteen students disclosed numerous discrepancies. Hours reported on the class roster, which is used for data entry purposes to report hours to the FDOE, did not agree with the daily attendance sheets maintained by the instructors. In addition, the District continued to have problems throughout the year with discrepancies between hours reported on the class roster and hours reported in the student system. Since future funding may be based, in part, on enrollment data submitted to FDOE, it is important that such data be calculated and submitted correctly.

Therefore, we again recommend the following:

- **District personnel implement procedures to ensure hours reported on the class roster agree with hours reported on the daily attendance sheets, and are in accordance with FDOE guidelines.**
- **Review and correct the noted problems with the number of instructional hours being reported per the student system.**

(11-02) Commodities/Inventories

Our audit disclosed that the District needed to make improvements for recording commodities. Our audit disclosed that the amounts reported by the Florida Department of Agriculture (FDOA) as being submitted to the District and District's processor were not reconciled to the amounts recorded on the District's records. Therefore, the District could not determine if all amounts reported by the FDOA were received. Upon our inquiries, the District reconciled the current year receipts to the FDOA listing noting discrepancies on the FDOA listing, as well as the District's records. Subsequently, the District's inventory was adjusted.

In the absence of adequate and timely reconciliations, there is an increased risk that errors or fraud could happen without timely detection.

Therefore, we recommend that the District perform an annual reconciliation of the commodities inventory to the FDOA listing, identifying and reporting all discrepancies noted. Any reporting errors noted on the FDOA report should be reported to the proper authorities. In addition, this reconciliation should be reviewed and approved by the Director of Food Services.

FEDERAL FINDINGS

**(11-03) Federal Agency: United States Department of Education
Pass-through Entity: Florida Department of Education
Programs: Special Education—Grants to States (CFDA 84.027),
Finding Type: Material Noncompliance and Material Weakness
Matching, Level of Effort, Earmarking – Early Intervention Earmark**

The Individuals with Disabilities Education Act (IDEA) provides funds for services to children with disabilities, including early intervention, special education, and related services. Title 34, Section 300.226, Code of Federal Regulations, limits the District to use no more than 15 percent of the amount received under Part B of the Act, in combinations with other amounts, to develop and implement early intervention services for students who are not currently identified as needing special education or related services. The Florida Department of Education determined that the District had significantly disproportionate data for race or ethnicity of students with disabilities, requiring the District to set aside 15 percent of its IDEA funds for coordinated early intervention services (CEIS). Expenditures for CEIS could include personnel costs, such as behavioral specialists, exceptional student education teachers, paraprofessionals, and other staff, to reduce the significantly disproportionate data.

The District identified students as eligible for Special Education program regular instruction, such as reading, speech, behavioral, and emotional, based on individual educational plans prepared yearly that include annual goals for the students. Students identified for CEIS receive remediation through the general education setting, typically by a general education teacher under the guidance of a behavioral specialist or exceptional student education specialist. The Florida Department of Education awarded the District \$10,693,562 for the Special Education Program of which the District expended \$7,238,796 for the current fiscal year. The District was required to set aside \$1,085,819, representing 15 percent of the total of these awards, for CEIS. However, as noted in the prior year, District records did not evidence the identification of CEIS expenditures because, according to District personnel, they were unable to provide detailed tracking for CEIS. District personnel also indicated that while they are currently following the Florida Department of Education’s directive to reserve 15 percent of IDEA funds for intervening services, the tracking of intervening services provided has not been current.

To correlate District records to CEIS, personnel activity reports or alternative records could be maintained to demonstrate how the District complied with this requirement. Without such, the District incurred questioned costs totaling \$1,085,819, contrary to Federal regulations.

We recommend the District establish procedures to ensure that coordinated early intervention services are provided for Special Education programs. Additionally, the District should document to the grantor (Florida Department of Education) the allowability of the questioned costs, totaling \$1,085,819, for the required coordinated early intervention services, or restore the questioned costs to the program.



SCHOOL BOARD

Harry G. Kinnan
Chair

Karen Carpenter
Vice Chair

Julie B. Aranibar

Robert C. Gause

Barbara A. Harvey

SUPERINTENDENT

Tim McGonegal, Ed.D.

P.O. Box 9069
Bradenton, Florida
34206-9069
215 Manatee Ave. W.
Bradenton, FL
34205
PH. (941) 708-8770
FAX. (941) 708-8686
www.manateeschools.net



SCHOOL DISTRICT OF MANATEE COUNTY

December 15, 2011

Mr. David Martin, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Mr. Martin:

Noted below are Manatee County District School Board’s responses to the external auditor’s management letter for the 2010-2011 fiscal year audit. Implementation of these recommendations serves to increase accountability and promote effective and efficient operations throughout the District.

Finding No. 11-01: Adult Education – Reporting Instructional Hours

Improvements in the reporting of Adult General Educational Instructional hours are necessary.

Response:

Procedures will be implemented to ensure that hours reported on the class roster agree with those reported on the daily attendance and are in accordance with relevant guidelines. Those problems noted with the number of instructional hours being reported will be reviewed and corrected.

Finding No. 11-02: Commodities/Inventories

Improvements in the reporting and reconciliation of the District’s commodities inventory are necessary.

Response:

Procedures will be implemented to ensure that commodities reported on the District’s records agree with those reported on the Florida Department of Agriculture (FDOA) Listing. Any reporting errors, along with the reconciliation will be reviewed and approved by the Director of Food Services.

B-100

Federal Findings

Finding No. 11-03: Matching, Level of Effort, Earmarking – Early Intervention Earmark

The District did not properly document charges to Special Education programs for coordinated early intervention services, resulting in \$1,085,819, of questioned costs.

Response:

The District has established procedures for the 2011-2012 fiscal year that will more clearly document the coordinated early intervention services that the District provides. The District will provide documentation to the grantor as to the allowability of the questioned costs.

We appreciate the professionalism and courtesy of the audit staff throughout the process. Please feel free to contact Mr. Jim Drake, Assistant Superintendent for Business Services, at 941-708-8770, extension 2110, if you have any questions.

Sincerely,

Mr. Tim McGonegal, Superintendent
Manatee County School District

B-101

AFFIDAVIT

I do hereby swear or affirm that the School District of Manatee County, Florida, complied with the requirements of Section 163.31801, Florida Statutes.

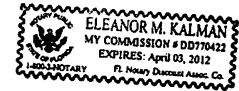
	<u>12-16-11</u>
Signature	Date
<u>Jim Drake</u>	<u>Assistant Superintendent</u>
Printed name	Title
	<u>for Business Services</u>

SUBSCRIBED AND SWORN BEFORE ME THIS ___ DAY OF December 2011.

April 3, 2012
My Commission Expires

Eleanor M. Kalman
Signature of Notary Public

Eleanor M. Kalman
Print, Type, or Stamp Commissioned Name of Notary Public





EdVantage

Inspiring Our Students to Learn, Dream and Achieve.

MISSION

The mission of the Manatee County School District is to inspire our students with a passion for learning, empowered to pursue their dreams confidently and creatively while contributing to our community, nation and world.

CORE VALUES

We believe that...

- ▲ All people have value and can add value
- ▲ Embracing diversity strengthens communities
- ▲ Family is the first and most powerful influence on a person's life
- ▲ Individuals are responsible for their choices and actions
- ▲ Honesty and integrity are vital
- ▲ Lifelong learning is essential for individuals and communities to flourish

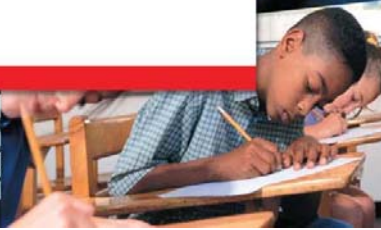
STRATEGIC OBJECTIVES

By the year 2015 each student will...

- ▲ Continually demonstrate enthusiasm for the self-directed pursuit of knowledge
- ▲ Articulate personal goals, create plans to achieve those goals and exhibit progress toward their attainment
- ▲ Continually participate in democratic processes
- ▲ Actively engage in global outreach



adjective - describes something or somebody. ex - lumpy, soft, ugly, short
adverb - tells how something is done. It modifies a verb and usually ends in -ly.
ex - stupidly, carefully, quickly



APPENDIX C

**YEAR TO DATE FINANCE REPORT THROUGH THE
PERIOD ENDING APRIL 30, 2012 (UNAUDITED)**

THE SCHOOL DISTRICT OF MANATEE COUNTY



YEAR TO DATE FINANCIAL REPORT THROUGH THE PERIOD ENDING APRIL 30, 2012

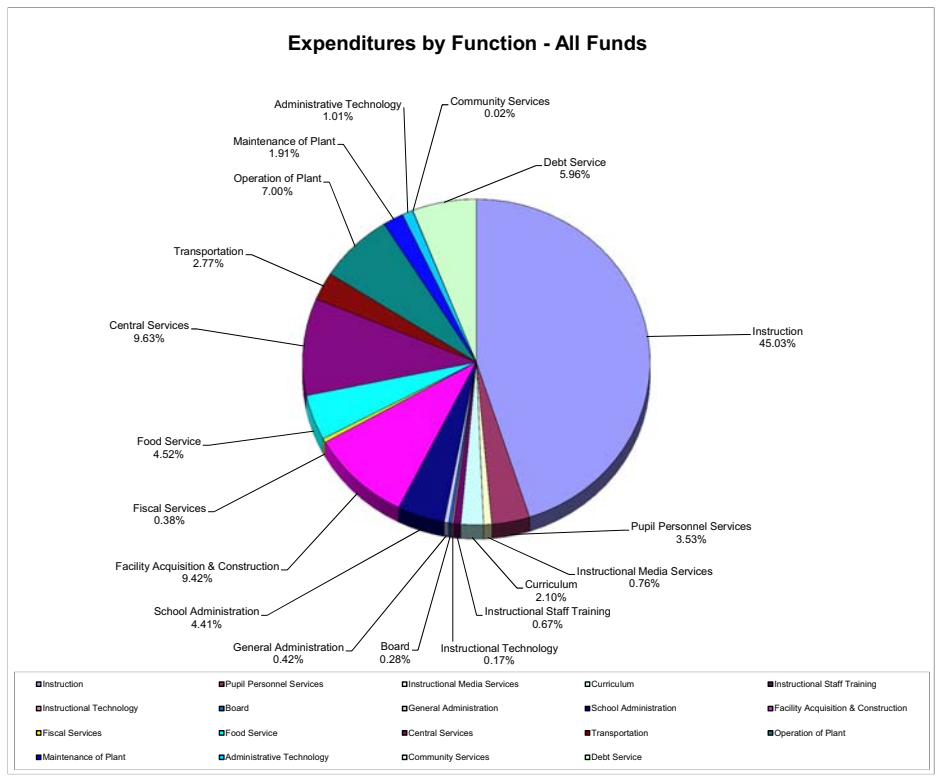


School Board of Manatee County
Combined Balance Sheet
As of April 30, 2012

	General Fund	Debt Service Funds	Capital Projects Funds	Food Service Fund	Other Special Revenue Funds	Internal Service Funds	Trust & Agency Funds	TOTAL April 2012	TOTAL April 2011
Assets									
Current Assets									
Cash	\$ 47,675,282	\$ 2,199,350	\$ 22,554,534	\$ 13,015	\$ -	\$ -	\$ -	\$ 72,442,181	\$ 58,874,037
Taxes Receivable	-	-	-	-	-	-	-	-	-
Accounts Receivable	1,810,733	-	-	1,501,546	865	15,062	-	3,328,206	2,343,059
Due From/To	(37,232,516)	(492,989)	31,954,307	4,722,943	(1,662,045)	2,653,348	56,952	-	-
Inventory	912,582	-	-	1,199,364	-	-	-	2,111,946	2,741,348
Investments	20,009,622	325,047	465,096	12,765	-	-	100,794	20,913,324	37,876,518
Other Current Assets									
Deposits Receivable	-	-	-	-	-	-	-	-	-
Prepaid Expense	-	-	-	-	-	-	-	-	-
Due From Other Agencies	(29)	-	130,048	150,802	176,561	-	-	457,382	4,151,779
Total Assets	\$ 33,175,674	\$ 2,031,408	\$ 55,103,985	\$ 7,600,435	\$ (1,484,619)	\$ 2,668,410	\$ 157,746	\$ 99,253,039	\$ 105,986,741
Liabilities									
Current Liabilities									
Salaries & Wages Payable	\$ 3,711	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,711	\$ -
Payroll Deductions & WH	1,407,496	-	-	-	-	-	-	1,407,496	2,461,633
Accounts Payable	1,936,135	-	297,038	942,309	791,991	600	100,794	4,068,867	2,836,301
Construction Payable	-	-	941,027	-	-	-	-	941,027	1,592,595
Retainage Payable	-	-	-	-	-	-	-	-	-
Other Current Liabilities									
Arbitrage Rebate Payable	-	-	-	-	-	-	-	-	-
Due To Other Agencies	-	-	-	-	(2,276,610)	-	-	(2,276,610)	1,869,052
Sales Tax Payable	(2,071)	-	-	-	-	-	-	(2,071)	-
Estimated Unpaid Claims	-	-	-	-	-	9,321,852	-	9,321,852	8,828,282
Long-Term Liabilities									
Other Credits									
Section 1011 Loan	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	304,440	-	-	-	304,440	225,322
Total Liabilities	\$ 3,345,271	\$ -	\$ 1,238,065	\$ 1,246,749	\$ (1,484,619)	\$ 9,322,452	\$ 100,794	\$ 13,768,712	\$ 17,813,185
Fund Equity									
Revenue Over Expenditures									
Nonspendable	\$ 23,036,316	\$ 778,659	\$ (8,297,653)	\$ 1,779,735	\$ -	\$ 1,700,402	\$ 6,181	\$ 19,003,640	\$ 34,891,971
Prepaid Items	444,302	-	-	-	-	-	-	444,302	-
Inventories	1,243,529	-	-	831,166	-	-	-	2,074,695	1,285,471
Restricted									
State Required Carryover	132,154	-	-	-	-	-	-	132,154	163,742
Food Services	-	-	-	3,742,785	-	-	-	3,742,785	-
Debt Service	-	1,252,749	-	-	-	-	-	1,252,749	966,151
Capital Projects	-	-	62,163,573	-	-	-	-	62,163,573	-
Other Purposes	-	-	-	-	-	(8,354,444)	50,771	(8,303,673)	-
Assigned									
Encumbrances	1,579,405	-	-	-	-	-	-	1,579,405	44,175,510
Unassigned	3,394,697	-	-	-	-	-	-	3,394,697	6,690,711
Total Fund Equity	\$ 29,830,403	\$ 2,031,408	\$ 53,865,920	\$ 6,353,886	\$ -	\$ (6,654,042)	\$ 56,952	\$ 85,484,327	\$ 88,173,556
Total Liab & Fund Equity	\$ 33,175,674	\$ 2,031,408	\$ 55,103,985	\$ 7,600,435	\$ (1,484,619)	\$ 2,668,410	\$ 157,746	\$ 99,253,039	\$ 105,986,741

School Board of Manatee County
 Combined Statement of Revenues and Expenditures
 As of April 30, 2012

	General Fund	Debt Service Funds	Capital Projects Funds	Food Service Fund	Other Special Revenue Funds	Internal Service Funds	Trust & Agency Funds	TOTAL April 2012	TOTAL April 2011
Revenue									
Federal Direct	\$ 407,098	\$ 545,400	\$ -	\$ -	\$ 3,409,076	\$ 27,087	\$ -	\$ 4,388,661	\$ 4,400,128
Federal Through State	353,137	-	-	13,134,135	25,321,344	-	-	38,808,616	52,970,037
State	106,006,074	-	1,222,250	219,593	-	-	-	107,447,917	110,496,245
Local	156,903,829	28,797	51,336,485	5,523,381	-	32,670,155	135,709	246,598,356	240,945,481
Total Revenue	\$ 263,670,138	\$ 574,197	\$ 52,558,735	\$ 18,877,109	\$ 28,730,420	\$ 32,697,242	\$ 135,709	\$ 397,243,550	\$ 408,811,891
Expenditures									
Instruction	\$ 151,116,931	\$ -	\$ -	\$ -	\$ 19,176,494	\$ -	128,568	\$ 170,421,993	\$ 180,908,406
Pupil Personnel Services	11,023,047	-	-	-	2,335,459	-	-	13,358,506	14,158,903
Instructional Media Services	2,880,150	-	-	-	1,398	-	960	2,882,508	3,354,347
Curriculum	4,551,766	-	-	-	3,411,369	-	-	7,963,135	8,573,058
Instructional Staff Training	1,022,719	-	-	-	1,496,470	-	-	2,519,189	4,261,736
Instructional Technology	626,198	-	-	-	190	-	-	626,388	164,212
Board	1,077,034	-	-	-	-	-	-	1,077,034	1,529,472
General Administration	786,652	-	-	-	799,249	-	-	1,585,901	2,270,694
School Administration	16,686,636	-	-	-	2,643	-	-	16,689,279	17,421,471
Facility Acquisition & Construction	2,072,898	-	33,586,977	-	4,898	-	-	35,664,773	44,130,938
Fiscal Services	1,418,909	-	-	-	33,513	-	-	1,452,422	1,438,478
Food Services	-	-	-	17,097,374	-	-	-	17,097,374	14,895,349
Central Services	5,316,101	-	-	-	121,880	30,996,840	-	36,434,821	38,297,563
Transportation	9,148,598	-	-	-	1,346,857	-	-	10,495,455	10,400,677
Operation of Plant	26,475,892	-	-	-	-	-	-	26,475,892	23,149,742
Maintenance of Plant	7,242,017	-	-	-	-	-	-	7,242,017	7,805,655
Administrative Technology	3,804,716	-	-	-	-	-	-	3,804,716	3,782,383
Community Services	88,257	-	-	-	-	-	-	88,257	104,646
Debt Service	763,465	21,796,678	-	-	-	-	-	22,560,143	20,819,293
Total Expenditures	\$ 246,101,986	\$ 21,796,678	\$ 33,586,977	\$ 17,097,374	\$ 28,730,420	\$ 30,996,840	\$ 129,528	\$ 378,439,803	\$ 397,472,023
Excess (Deficiency) of Revenue over Expenditures	\$ 17,568,152	\$ (21,222,481)	\$ 18,971,758	\$ 1,779,735	\$ -	\$ 1,700,402	\$ 6,181	\$ 18,803,747	\$ 11,339,868
Other Financing Sources (Uses)									
Other Financing Sources	\$ 154,659	\$ -	\$ 45,235	\$ -	\$ -	\$ -	\$ -	\$ 199,894	\$ 23,552,103
Other Financing Uses	-	-	-	-	-	-	-	-	-
Transfers In	5,313,505	22,001,140	-	-	-	-	-	27,314,645	25,635,191
Transfers Out	-	-	(27,314,646)	-	-	-	-	(27,314,646)	(25,635,191)
Total Other Financing Sources (Uses)	\$ 5,468,164	\$ 22,001,140	\$ (27,269,411)	\$ -	\$ -	\$ -	\$ -	\$ 199,893	\$ 23,552,103
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ 23,036,316	\$ 778,659	\$ (8,297,653)	\$ 1,779,735	\$ -	\$ 1,700,402	\$ 6,181	\$ 19,003,640	\$ 34,891,971



School Board of Manatee County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Capital Projects Funds
As of April 30, 2012

	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Collected/ Expended	Actual as a % of Budget	YTD as of April 2011
REVENUES						
Federal Through State						
State Fiscal Stabilization-K12	-	-	-	-	-	122,087
Total Federal Through State	-	-	-	-	-	-
State						
COJOS Distributed	226,000	226,000	-	226,000	0%	-
Public Education Capital Outlay PECO	1,422,384	1,139,793	282,601	282,601	80%	1,752,013
Charter School Cap Outlay PECO	75,000	82,457	82,457	82,457	100%	172,000
Other Miscellaneous State Revenue	1,723,384	1,730,851	1,222,250	508,601	3,088,591	-
Total State	3,666,810	3,668,810	34,714,070	2,105,809	94%	30,080,487
Local						
Sublet Capital Taxes	23,320,022	23,320,022	16,579,825	6,740,197	71%	15,508,060
Local Sales Tax	-	33,315	33,315	33,315	100%	19,953
Interest on Investments	-	-	-	-	-	5
Other Miscellaneous Local Sources	-	-	-	-	-	6,350
Impact Fees	-	-	-	-	-	(620,145)
Refund of Prior Year Expense	-	9,275	9,275	9,275	100%	45,094,708
Total Local	60,005,832	60,182,491	51,356,465	8,846,006		-
Other Financing Sources						
SBE Bonds	-	-	-	-	-	1,924,186
Section 1011 Loan	2,000,000	2,000,000	2,000,000	2,000,000	0%	-
Sale of Land	-	45,235	45,235	45,235	100%	21,600,000
Other Financing Sources	-	-	-	-	-	-
Premium on Sale of Bonds	-	-	-	-	-	-
Premium on COFs	-	-	-	-	-	-
Total Other Financing Sources	2,000,000	2,045,235	45,235	2,000,000		23,524,186
Total REVENUES	\$ 63,729,226	\$ 63,998,577	\$ 52,603,970	\$ 11,354,607	82%	\$ 72,439,572
EXPENDITURES						
Facility Acquisition & Construction						
Audio Visual Materials	1,766	2,263	14,465	782	95%	110,276
New Construction	47,474,438	43,880,415	17,386,740	26,493,675	20%	3,221
Furniture, Fixtures, and Equipment	3,010,632	8,888,352	5,278,635	3,709,717	40%	23,623,773
School Buses	4,989,361	4,990,621	4,990,621	4,990,621	59%	6,024,311
Computers	-	-	-	-	100%	-
Other Vehicles	9,136	11,326	5,520	5,806	49%	328,573
Land	282,005	332,241	298,673	73,568	78%	1,870,886
Improvements Other Than Buildings	4,537,749	6,845,511	4,884,171	1,961,340	71%	8,589,506
Remodeling and Renovation	4,335,686	1,303,746	767,696	536,050	59%	1,513,789
Computer Software	64,639,973	66,389,722	33,586,977	32,782,745		42,044,335
Total Facility Acquisition & Construction	64,639,973	66,389,722	33,586,977	32,782,745		42,044,335
Debt Service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Dues and Fees	-	-	-	-	-	-
Total Debt Service	-	-	-	-	-	-
Transfers Out						
To General Fund	15,209,684	16,793,595	5,313,595	11,480,000	32%	1,984,177
To Debt Service	46,299,436	42,589,923	22,001,141	20,567,782	51%	20,537,977
Total Transfers Out	61,509,120	59,383,518	27,314,736	32,047,782		22,522,170
TOTAL EXPENDITURES & TRANSFERS	\$ 126,232,103	\$ 126,122,150	\$ 60,901,623	\$ 65,220,527	48%	\$ 64,466,505
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ (62,502,878)	\$ (62,163,573)	\$ (8,297,653)	\$ (7,973,067)		\$ 7,973,067
Beginning Fund Balance	62,502,878	62,163,573	62,163,573	62,163,573		62,163,573
Balance	\$ -	\$ -	\$ 53,865,920	\$ -		\$ -

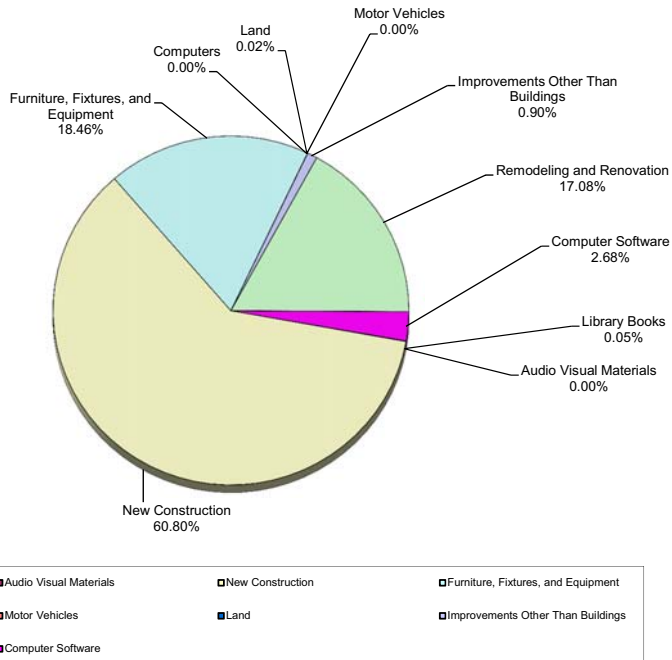
School Board of Manatee County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Debt Service Funds
As of April 30, 2012

	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Collected/ Expended	Actual as a % of Budget	YTD as of April 2011
REVENUES						
Federal Direct						
Miscellaneous Federal Direct	-	545,400	545,400	-	-	-
Total Federal Direct	-	545,400	545,400	-	-	-
State						
COJOS W/F Bonds	1,615,000	1,615,000	-	1,615,000	0%	-
COJOS Bond Interest	-	-	-	-	-	-
Total State	1,615,000	1,615,000	-	1,615,000		-
Local						
Interest on Investments	-	28,797	28,797	-	100%	14,195
Refund of Prior Year Exp	-	-	-	-	-	-
Total Local	-	28,797	28,797	-	-	14,195
Transfers In						
From Capital Project Funds	46,299,436	43,288,228	22,001,140	21,287,088	51%	20,437,993
Other Financing Sources	-	-	-	-	-	-
Section 1011 Loans	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-
Total Transfers In & Other Financing Sources	46,299,436	43,288,228	22,001,140	21,287,088		20,437,993
TOTAL REVENUES	\$ 47,914,436	\$ 45,467,425	\$ 22,575,337	\$ 22,912,088	50%	\$ 20,462,188
EXPENDITURES						
Debt Service						
Redemption of Principal	29,178,455	29,178,250	11,835,000	17,343,250	41%	11,435,000
Interest	18,692,428	15,656,103	9,896,852	5,799,541	63%	8,839,558
Dues and Fees	43,553	78,875	65,116	13,759	83%	125,690
Pmts to Refunding Bond Escrow	-	-	-	-	-	-
Total Debt Service	47,914,436	44,913,228	21,796,878	23,116,550		20,399,248
Appropriations						
Unappropriated Fund Balance	1,260,589	1,926,846	-	1,656,846		-
Total Appropriations	1,260,589	1,926,846	-	1,656,846		-
TOTAL EXPENDITURES	\$ 49,175,025	\$ 46,740,174	\$ 21,796,678	\$ 24,943,496	47%	\$ 20,399,248
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ (1,260,589)	\$ (1,252,749)	\$ 778,659	\$ 778,659		\$ 52,940
Beginning Fund Balance	1,260,589	1,252,749	1,252,749	1,252,749		1,252,749
Balance	\$ -	\$ -	\$ 2,031,408	\$ -		\$ -

School Board of Manatee County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Food Service Fund
As of April 30, 2012

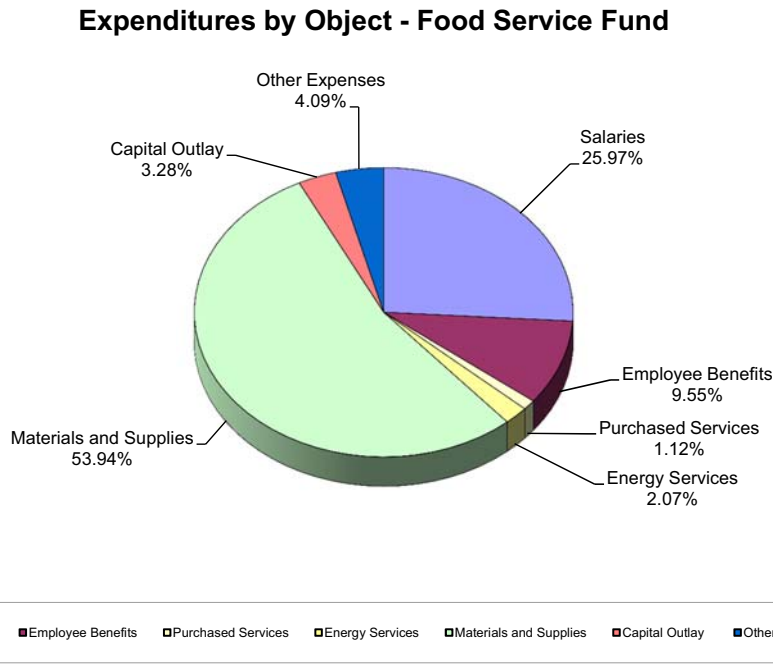
	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Collected/Expended	Actual as a % of Budget	YTD as of April 2011
REVENUES						
Federal Through State						
School Lunch Reimbursement	9,764,000	9,764,000	8,939,232	824,768	92%	8,323,890
School Breakfast Reimbursement	2,987,000	2,987,000	2,884,897	82,113	97%	2,519,261
After-School Snack Reimbursement	316,500	316,500	283,255	33,245	83%	235,414
Other Federal/State	225,000	225,000	377,497	(152,497)	188%	1,131,415
Summer Food Service Program	275,150	487,522	212,372	275,150	44%	182,715
Other Food Service Revenue	14,546,502	14,738,874	13,134,135	1,624,739		12,546,276
Total Federal Through State						
State						
School Breakfast Supplement	145,067	145,067	104,268	40,799	72%	145,067
School Lunch Supplement	147,557	147,557	115,325	32,232	78%	147,557
Other Miscellaneous State	5,100	5,100	-	5,100	0%	-
Total State	297,724	297,724	219,693	78,131		292,624
Local						
Interest on Investments	-	-	5,488	(5,488)		5,842
Student Lunches	3,451,000	3,451,000	2,920,505	530,495	85%	2,890,065
Student Breakfasts	246,500	246,500	174,673	71,827	71%	192,814
Adult Breakfast/Lunch	315,000	315,000	283,265	31,735	77%	228,764
Other Food Sales	2,449,000	2,449,000	2,062,825	386,175	61%	2,132,322
Catering/Spacial	74,000	74,000	22,983	51,017	31%	39,552
Other Food Sales	-	-	1,861	(1,861)		123
Vending Sales	-	-	7,286	(7,286)		4,786
Prepaid Adjustment	-	-	-	-		-
Cash Over/(Short)	113,100	113,100	(4,753)	4,753		(1,789)
Other (Various Local) Sources	-	-	100,386	(100,386)		87,294
Revised Prior Year Expense	-	-	5,523,381	1,112,719	89%	-
Total Local	6,636,100	6,636,100	5,523,381	1,112,719		5,484,767
TOTAL REVENUES	\$ 21,480,326	\$ 21,692,698	\$ 18,877,109	\$ 2,815,589	87%	\$ 18,323,667
EXPENDITURES						
Food Service						
Salaries & Benefits	5,165,574	5,769,757	4,440,312	1,319,545	77%	4,213,042
Utilities	1,431,052	1,431,052	1,358,675	72,377	100%	1,358,675
Purchased Services	445,400	445,400	180,675	264,725	43%	189,670
Energy Services	619,750	619,750	353,243	266,507	57%	344,316
Materials and Supplies	9,800,251	11,206,891	9,221,951	1,985,430	82%	7,690,935
Capital Outlay	959,500	959,754	580,122	379,632	58%	191,768
Other Expenses	3,247,702	1,685,093	689,938	389,955	65%	677,817
Total Food Service	21,480,326	21,692,698	17,097,374	4,595,324		14,844,878
Appropriations						
Reserved Fund Balance	4,399,092	4,399,092	-	4,399,092	0%	-
Unappropriated Fund Balance	-	-	-	-		-
Total Appropriations	\$ 25,879,418	\$ 26,266,649	\$ 17,097,374	\$ 9,169,275	65%	\$ 14,844,878
TOTAL EXPENDITURES						
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ (4,399,092)	\$ (4,573,951)	\$ 1,779,735	\$ 1,779,735		\$ 3,478,769
Beginning Fund Balance	4,399,092	4,573,951	4,573,951	4,573,951		4,573,951
Balance	\$ -	\$ -	\$ 6,353,686	\$ 6,353,686		\$ -

Expenditures by Object - Capital Projects Funds



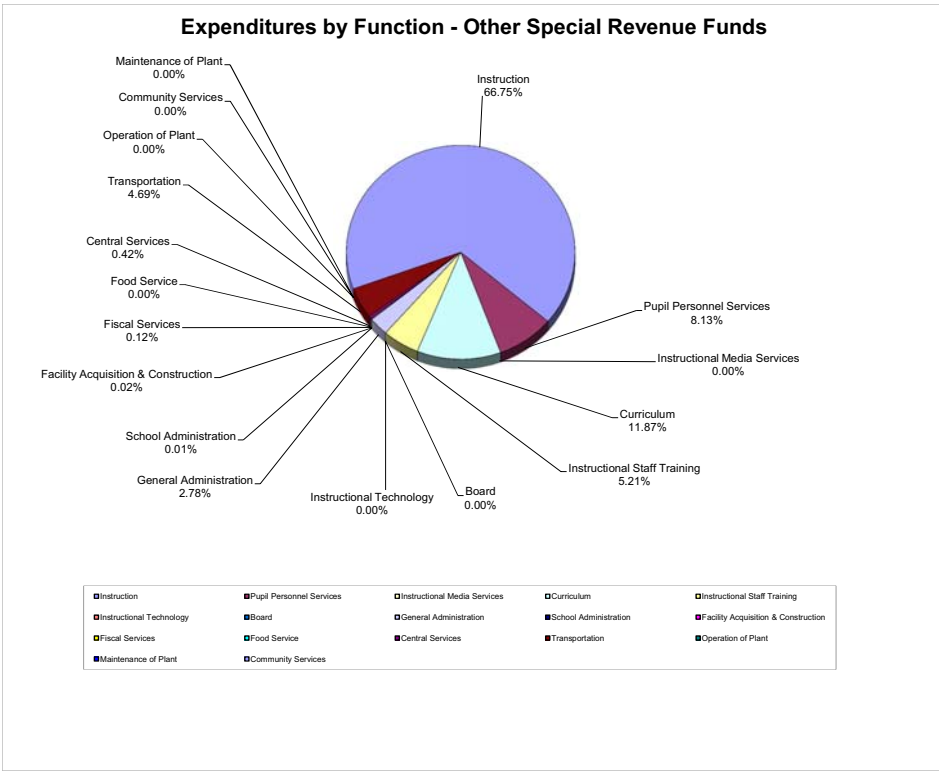
School Board of Manatee County
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Other Special Revenue Funds
 As of April 30, 2012

	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Expenditure	Actual as % of Budget	YTD as of April 2011
REVENUES						
Federal Direct						
Other Federal Direct	628,082	3,002,672	1,332,736	1,669,936	44%	2,053,651
Miscellaneous Federal Direct	119,895	2,474,101	2,076,340	397,761	84%	1,827,502
Total Federal Direct	747,977	5,476,773	3,409,076	2,067,697		3,875,153
Federal Through State						
Vocational Education Acts	36,230	784,336	433,114	351,222	55%	454,188
State Fiscal Stabilization - K12	-	-	-	-	-	8,064,305
State Fiscal Stabilization - Workforce	-	-	-	-	-	300,012
Education Jobs Fund ARRA	-	-	-	-	-	4,560,425
Race To The Top	2,090,444	2,133,786	810,095	1,323,751	38%	-
Job Training Partnership Act	-	277,158	223,251	53,907	81%	24,360
Early Childhood Education	-	-	-	-	-	-
Energy Over Match & Science	-	1,898,289	1,212,183	687,096	64%	-
IDEA	16,930,775	17,427,984	9,735,983	7,694,061	56%	12,719,949
Elementary and Secondary Title I	15,306,843	16,259,627	10,014,583	6,245,044	62%	10,500,183
Adult General Education	1,963	652,731	487,287	165,464	75%	538,796
Federal Through Local	-	-	-	-	-	1,942
Other Federal Through State	1,375,250	3,665,957	1,962,721	1,723,136	53%	2,768,122
English Language Acquisition	551,277	595,152	444,277	140,855	76%	401,777
Total Federal Through State	36,292,782	43,705,910	25,321,344	18,384,566		40,334,069
TOTAL REVENUES	\$ 37,040,759	\$ 49,182,683	\$ 28,730,420	\$ 20,452,263	58%	\$ 44,209,222
EXPENDITURES						
Instructional	23,570,128	32,215,063	19,176,494	13,038,569	60%	31,833,878
Pupil Personnel Services	3,103,101	3,705,190	2,335,459	1,368,731	63%	2,714,239
Instructional Media Services	-	1,398	1,398	-	100%	199,688
Curriculum	4,863,446	5,287,439	3,411,369	1,876,070	65%	3,602,332
Instructional Staff Training	2,896,170	4,107,622	1,496,470	2,605,292	38%	2,864,975
Instructional Technology	7,430	7,430	190	7,240	3%	-
General Administration	525,371	1,632,936	799,249	833,687	49%	1,433,002
School Administration	15,245	15,245	2,643	12,602	17%	11,985
Food Services	4,488	4,488	4,488	-	100%	-
Facilities Acquisition & Construction	36,793	43,088	33,513	9,545	78%	3,580
Food Service	-	-	-	-	-	50,470
Central Services	26,048	178,721	121,890	56,841	68%	147,306
Transportation	1,896,381	1,890,543	1,346,857	643,686	68%	1,337,314
Operation of Plant	-	-	-	-	-	10,753
Maintenance of Plant	-	-	-	-	-	-
Community Services	-	-	-	-	-	-
TOTAL EXPENDITURES	\$ 37,040,759	\$ 49,182,683	\$ 28,730,420	\$ 20,452,263	58%	\$ 44,209,222
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -		
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -		
Balance	\$ -	\$ -	\$ -	\$ -		



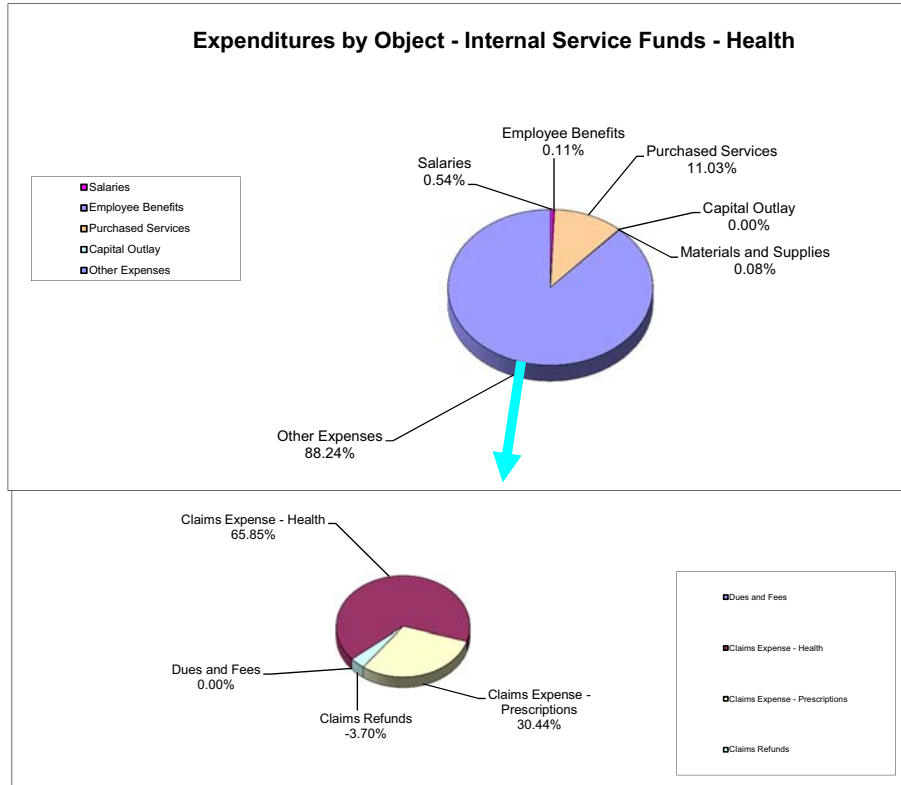
School Board of Manatee County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Internal Service Funds - Health
As of April 30, 2012

	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Collected/Expended	Actual as a % of Budget	YTD as of April 2011
REVENUES						
Federal Direct						
Miscellaneous Federal Direct	200,000	-	27,087	(27,087)	-	150,808
Total Federal Direct	200,000	-	27,087	(27,087)	-	150,808
Local						
Interest on Investments	50,000	95,000	-	-	100%	96,000
Gifts, Grants, & Bequests	31,244,340	20,580,462	10,663,878	66%	20,672,860	4,69%
Premium - Employer	10,000,000	6,555,094	3,444,506	66%	4,940,972	0.00%
Premium - Retiree	3,000,000	2,331,864	688,438	78%	2,029,929	0.00%
Premium - Workers' Compensation	200,000	423,513	(223,513)	212%	201,352	0.00%
Premium - Workers' Compensation - Self Insurance	50,000	50,000	4,220	92%	44,940	0.00%
Miscellaneous Local Revenue	44,544,340	44,589,340	30,031,413	14,557,927	67%	27,903,488
Refund of Prior Year Expenditure	-	-	-	-	-	-
Total Local	44,544,340	44,589,340	30,058,500	14,530,840	67%	28,080,662
Other Financing Sources						
Insurance Recovery	-	-	-	-	-	26,366
Total Other Financing Sources	-	-	-	-	-	26,366
TOTAL REVENUES	\$ 44,744,340	\$ 44,589,340	\$ 30,058,500	\$ 14,530,840	67%	\$ 28,080,662
EXPENDITURES						
Central Services						
Salaries	130,500	165,000	150,445	14,555	91%	102,538
Employee Benefits	16,000	16,000	16,000	-	99%	16,000
Travel	3,108,845	3,143,838	3,075,286	68,552	98%	2,982,213
Materials and Supplies	30,825	30,195	22,645	7,550	75%	4,389
Capital Outlay	4,500	-	-	-	-	-
Other Expenses	250	2,000	721	1,279	36%	228
Dues and Fees	33,102,500	24,102,500	17,698,923	6,403,577	72%	16,034,179
Subs for A/D	-	9,300,000	8,069,831	1,230,169	87%	7,321,751
Claims Expense - Health	-	-	-	-	-	-
Claims Expense - Prescriptions	-	-	(100,071)	100,071	-	-
E&O Claims	-	-	(682,817)	282,817	-	-
Claims Refunds - Health	-	(600,000)	24,606,597	8,497,913	147%	(636,071)
Claims Refunds - Prescriptions	-	-	-	-	-	-
Total Other Expenses	33,102,750	33,104,500	24,606,597	8,497,913	147%	22,720,087
Total Central Services	36,407,000	36,475,119	27,884,459	8,590,660	72%	25,840,076
Appropriations						
Unexpended Fund Balance	2,234,852	2,152,055	-	2,152,055	0%	-
Total Appropriations	2,234,852	2,152,055	-	2,152,055	0%	-
TOTAL EXPENDITURES	\$ 38,641,852	\$ 38,627,174	\$ 27,884,459	\$ 10,742,715	72%	\$ 25,840,076
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ 6,102,488	\$ 5,962,167	\$ 2,174,041	\$ (5,962,167)		\$ 2,240,586
Beginning Fund Balance	(6,102,488)	(5,962,167)	(5,962,167)	(3,788,126)		-
Balance	\$ -	\$ -	\$ -	\$ (3,788,126)		\$ -



School Board of Manatee County
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Internal Service Funds - Workers Compensation
 As of April 30, 2012

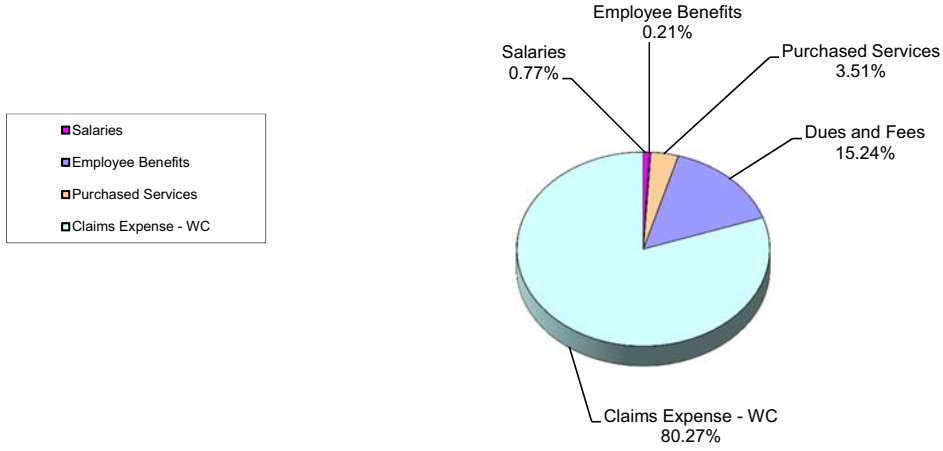
	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Collected/ Expended	Actual as a % of Budget	YTD as of April 2011
REVENUES						
Local						
Premium - Employer	4,126,585	4,126,585	2,638,742	1,487,843	64%	2,304,672
Total Local	4,126,585	4,126,585	2,638,742	1,487,843		2,304,672
TOTAL REVENUES	\$ 4,126,585	\$ 4,126,585	\$ 2,638,742	\$ 1,487,843	\$ -	\$ 2,304,672
EXPENDITURES						
Central Services						
Salaries	26,305	26,305	24,051	2,254	91%	23,160
Employee Benefits	9,128	9,128	6,380	2,738	70%	7,657
Purchased Services	103,030	103,147	103,147	-	100%	-
Other Expenses	488,122	482,005	474,364	7,641	98%	534,309
Dues and Fees	2,500,000	2,500,000	2,498,429	1,571	100%	2,873,755
Claims Expense - Workers Comp	2,982,122	2,982,005	2,972,793	9,212		3,408,064
Total Other Expenses	3,126,585	3,126,585	3,112,381	14,204		3,438,881
Total Central Services	(1,392,276)	(1,392,276)	(1,392,276)	(1,392,276)	0%	-
Appropriations						
Unappropriated Fund Balance	(1,392,276)	(1,392,276)	-	(1,392,276)		-
Total Appropriations	\$ 1,734,309	\$ 1,734,309	\$ 3,112,381	\$ (1,378,072)	179%	\$ 3,438,881
TOTAL EXPENDITURES	\$ 1,734,309	\$ 1,734,309	\$ 3,112,381	\$ (1,378,072)	179%	\$ 3,438,881
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ 2,392,277	\$ 2,392,277	\$ (473,639)			\$ (1,134,209)
Beginning Fund Balance	(2,392,277)	(2,392,277)	(2,392,277)			(2,392,277)
Balance	\$ 0	\$ 0	\$ 0			\$ (2,865,916)



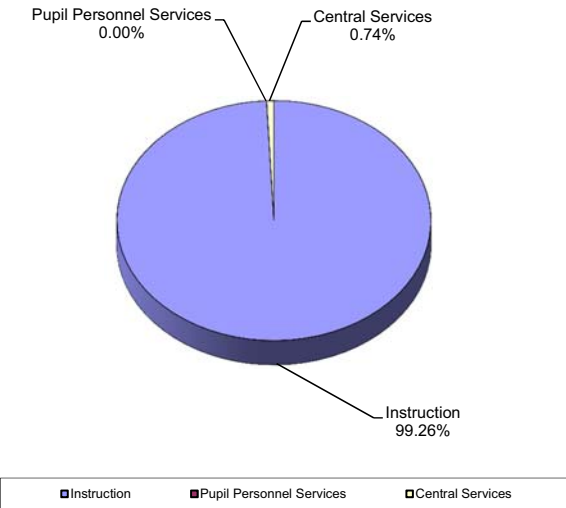
School Board of Manatee County
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Trust and Agency Funds
 As of April 30, 2012

	Original Budget	Current Budget	YTD as of April 2012	Under/(Over) Expenditure	Actual of Budget	YTD as of April 2011
REVENUES						
Local						
Interest on Investments	-	-	-	-	-	-
Gifts, Grants, & Bequests	-	1,805	1,805	-	100%	5,101
Postsecondary Vocational Course Fees	240,000	396,453	135,904	262,549	34%	105,028
Financial Aid Fees	240,000	396,258	135,709	262,549		110,129
Total Local	\$ 240,000	\$ 398,258	\$ 135,709	\$ 262,549	34%	\$ 110,129
EXPENDITURES						
Instruction	249,151	395,604	128,588	268,036	33%	238,895
Professional Services	10,387	10,274	960	9,314	0%	212
Central Services	9,011	39,241	39,241	-	8%	5,879
Transportation	-	448,029	128,528	319,501	0%	-
Total Trust and Agency	251,529	448,029	128,528	319,501		245,916
Appropriations	39,242	-	-	-	-	-
Unappropriated Fund Balance	39,242	-	-	-	-	-
Total Appropriations	\$ 290,771	\$ 449,029	\$ 129,528	\$ 280,260	29%	\$ 245,916
TOTAL EXPENDITURES	\$ 290,771	\$ 449,029	\$ 129,528	\$ 280,260	29%	\$ 245,916
Excess (Deficiency) of Revenue over Expenditures & Financing Sources (Uses)	\$ (50,771)	\$ (50,771)	\$ 6,181			\$ (135,787)
Beginning Fund Balance	50,771	50,771	50,771			
Balance	\$ -	\$ -	\$ 56,952			

Expenditures by Object - Internal Service Funds Workers Compensation



Expenditures by Function - Trust and Agency Funds



APPENDIX D

FORM OF RESOLUTION

A RESOLUTION OF THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA AUTHORIZING THE ISSUANCE OF TAX ANTICIPATION NOTES, SERIES 2012 OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA NOT EXCEEDING THE AGGREGATE PRINCIPAL AMOUNT OF \$50,000,000 TO PROVIDE INTERIM FUNDS FOR THE PAYMENT OF OPERATING EXPENSES OF THE DISTRICT; PLEDGING CERTAIN TAX RECEIPTS TO THE PAYMENT OF THE NOTES; AUTHORIZING CERTAIN REMEDIES TO THE HOLDERS OF THE NOTES AND MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING THE FORM, MATURITY DATE, AND CERTAIN PARAMETERS WITH RESPECT TO THE OTHER TERMS AND DETAILS OF THE NOTES; AUTHORIZING THE AWARDED OF SAID NOTES PURSUANT TO A PUBLIC BID; DELEGATING CERTAIN AUTHORITY TO THE SUPERINTENDENT OR HIS DESIGNEE FOR THE AWARD OF THE NOTES AND APPROVAL OF THE TERMS OF THE NOTES; APPOINTING THE PAYING AGENT AND NOTE REGISTRAR FOR SAID NOTES; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT WITH RESPECT THERETO; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; AUTHORIZING CERTAIN OFFICIALS OF THE BOARD TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE OF SAID NOTES; AND PROVIDING AN EFFECTIVE DATE.

NOW THEREFORE, BE IT RESOLVED BY THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Chapter 1011, Florida Statutes, as amended, and other applicable provisions of law.

SECTION 2. DEFINITIONS. The following capitalized terms shall have the following meanings herein, unless the text otherwise expressly requires:

"**Act**" means Chapter 1011, Florida Statutes, as amended.

"**Board**" means the School Board of Manatee County, Florida, the governing body of the District.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Computation Date**" means any date of calculation of the Cumulative Cash Flow Deficit.

"**Continuing Disclosure Certificate**" means the Continuing Disclosure Certificate to be executed by the District on or prior to the issuance of the Notes, the form of which is attached hereto as Exhibit D.

"**County**" means Manatee County, Florida, a political subdivision of the State of Florida.

"**Cumulative Cash Flow Deficit**" means, as of any Computation Date during the 2012-2013 Fiscal Year, an amount equal to:

(a) The amount the District will expend from the date of issuance of the Notes to such Computation Date for expenditures which would ordinarily be paid out of or financed by ad valorem taxes and other available Non-Ad Valorem Funds, minus

(b) The sum of the "available amounts," as defined in the Code, (excluding proceeds of the Notes), whether in the form of cash, investments, or other amounts, which will be available for the payment of working capital expenditures of the type to be paid from the proceeds of the Notes without legislative or judicial action and without a legislative, judicial or contractual requirement that those amounts be reimbursed. Said amounts shall be measured from the date of issuance of the Notes to the Computation Date referred to in paragraph (a) above.

"**Director of Finance**" means the Director of Finance of the District or her designee.

"**District**" means the School District of Manatee County, Florida, created by Article IX, Section 4 of the Constitution of Florida.

"**Disclosure Counsel**" means Bryant Miller Olive, P.A., Tampa, Florida.

"**Financial Advisor**" means Public Financial Management, Inc., Orlando, Florida.

"**Holder**" or "**Noteholder**" means the registered owner of a Note.

"**Maturity Date**" means the maturity date of the Note, which shall be no later than twelve months from the date of issuance thereof.

"**Non-Ad Valorem Funds**" means all legally available funds of the District or Board derived from sources other than ad valorem taxation.

"Note" or "Notes" means one or more of the tax anticipation notes authorized by this Resolution in substantially the form attached as Exhibit A hereto, with such modifications as shall be approved by the Superintendent or his designee upon the advice of Note Counsel to the District, approval of such changes to be presumed by the execution thereof by the Superintendent or his designee.

"Note Counsel" means Nabors, Giblin & Nickerson, P.A., Tampa, Florida, or such other firm of attorneys having expertise in the state and federal laws applicable to the issuance of public securities and obligations.

"Note Payment Fund" means the School District of Manatee County, Florida Tax Anticipation Notes, Series 2012 Note Payment Fund created by this Resolution.

"Official Notice of Sale" means the Official Notice of Sale pursuant to which the Notes shall be advertised for competitive bid, which Official Notice of Sale shall be substantially in the form attached hereto as Exhibit B.

"Official Statement" means the Official Statement prepared on behalf of the District, dated the date of sale of the Notes and pertaining to the Notes, in substantially the form of the Preliminary Official Statement, the form of which is attached hereto as Exhibit C.

"Operating Budget" means the District's operating budget for the 2012-2013 Fiscal Year prepared in accordance with the Act.

"Paying Agent" or "Note Registrar" means the District, acting through its Director of Finance.

"Permitted Investments" means investments from time to time legal for District moneys pursuant to the provisions of Sections 1010.53(2) and 218.415, Florida Statutes, as amended.

"Pledged Revenues" means (a) receipts of ad valorem taxes collected by the tax collector of the County for the benefit of the District during the 2012-2013 Fiscal Year, but only to the extent such tax receipts are levied or legally available for payment of operating expenses of the District and (b) amounts on deposit in the Note Payment Fund. "Pledged Revenues" shall not include ad valorem taxes collected to pay the principal of and interest on bonds of the District issued pursuant to Sections 1010.40-1010.55, Florida Statutes, or to pay the principal of and interest on any obligations issued by the District pursuant to Section 1011.14, Florida Statutes, or otherwise levied pursuant to Section 1011.71(2), Florida Statutes.

"Preliminary Budget" means a budget of the District prepared preliminary to the Tentative Budget.

"Preliminary Official Statement" shall mean the Preliminary Official Statement "deemed final," except as for permitted omissions, in accordance with Rule 15c2-12 of the Securities and Exchange Commission and Section 17 of this Resolution, the form of which is attached hereto as Exhibit C, with such modifications as shall be approved by the Superintendent or his designee upon the advice of Disclosure Counsel to the District, approval of such changes to be presumed by the execution thereof by the Superintendent or his designee.

"Principal Amount" shall mean not exceeding \$50,000,000, the maximum authorized aggregate principal amount of Notes issued hereunder.

"Purchaser" shall mean the underwriter or underwriters that submit(s) the proposal accepted by the District in accordance with the terms hereof and the Official Notice of Sale. The Purchaser shall be the initial purchaser and underwriter of the Notes.

"Record Date" shall mean the 15th day of the month (whether or not a business day) immediately preceding the Maturity Date of the Notes.

"Regulations" means the Income Tax Regulations promulgated by the Internal Revenue Service under Section 103 and Sections 141-150 of the Code of 1986.

"State" means the State of Florida.

"Superintendent" means the Superintendent of Schools of the District, Secretary to the Board, and in his or her absence or unavailability, any Assistant Superintendent of the District and such other persons who may be duly authorized to act on the Superintendent's behalf.

"Tentative Budget" means the proposed budget to be considered by the Board at public hearings, after due notice, for the 2012-2013 Fiscal Year prior to adoption of the Operating Budget.

"2012-2013 Fiscal Year" means the fiscal year of the District commencing July 1, 2012 and ending June 30, 2013.

SECTION 3. FINDINGS. It is hereby found, determined and declared as follows:

(A) Pursuant to Section 1011.13, Florida Statutes, as amended, and other applicable provisions of law, the school board of any school district in the State of Florida is authorized to negotiate a current loan at any time the current school funds on hand are estimated to be insufficient to pay obligations created by such school board, in accordance with the applicable budget of such school district.

(B) The Board has caused to be prepared a Preliminary Budget reflecting the reasonable estimates of receipts and expenditures during the 2012-2013 Fiscal Year.

(C) The Board, to the extent possible, has endeavored to arrange the expenditures of the District for the 2012-2013 Fiscal Year so as to make it unnecessary for the District to incur loans.

(D) It is estimated based on the Preliminary Budget that the school funds will be insufficient, at various times during the 2012-2013 Fiscal Year, to satisfy obligations to be created by the Board in accordance with the Operating Budget of the District.

(E) It is necessary for the benefit of the schools of the District for a loan to be obtained to meet the disbursement requirements of the Operating Budget, such loan to be retired from Pledged Revenues anticipated to be received in accordance with the Operating Budget and, if necessary, from the Non-Ad Valorem Funds.

(F) The loan or loans shall be evidenced by the issuance of the Notes (or installments thereof), in the aggregate principal amount not exceeding the Principal Amount. The principal of and the interest on the Notes will be payable at maturity.

(G) The Principal Amount shall be less than 80% of the amount estimated to be available from taxes levied by the District for operating purposes for the 2012-2013 Fiscal Year.

(H) The Principal Amount does not exceed the Cumulative Cash Flow Deficit plus any reasonable working capital reserve not in excess of the amount permitted by Section 1.148-6(d)(3)(iii)(B) of the Regulations.

(I) The loan or loans, as evidenced by the Notes and computed as prescribed by Section 1011.13, Florida Statutes, as amended, will be, in the aggregate, not in excess of the amount necessary for the proper operation of the schools in the District.

(J) The Notes will be payable as to both principal and interest from the Pledged Revenues estimated in the Operating Budget to be available, and, if necessary, are additionally payable from, but are not secured by, the Non-Ad Valorem Funds. Neither the faith and credit nor the taxing power of the State of Florida, the County, the Board or the District are pledged to the payment of the principal of or the interest on the Notes.

(K) It is estimated that the Pledged Revenues will be sufficient to pay the principal of and interest on the Notes when due.

(L) The Superintendent has authorized Disclosure Counsel to prepare a Preliminary Official Statement on behalf of the District, and it is necessary and desirable that the Board delegate to the Superintendent the authority to deem the Preliminary

Official Statement "final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission and to authorize the use of the Preliminary Official Statement and a final Official Statement in connection with the marketing and competitive sale of the Notes in accordance with the terms hereof.

(M) It is necessary and desirable that the Notes be issued in book-entry only form and that the Superintendent be authorized to make such provision and perform such acts as are necessary to provide for the issuance of the Notes in book-entry form.

(N) In accordance with Section 218.385, Florida Statutes, and pursuant to this Resolution, the Notes shall be advertised for competitive bids pursuant to the Official Notice of Sale, the form of which is attached hereto as Exhibit B.

(O) Pursuant to the Official Notice of Sale, competitive bids received on such date and time as is determined by the Superintendent in accordance with the terms and provisions of the Official Notice of Sale, shall be publicly opened and announced.

(P) Due to the present volatility and uncertainty of the market for tax-exempt obligations such as the Notes, it is desirable for the District to be able to advertise and award the Notes at the most advantageous time and date which shall be determined by the Superintendent; and, accordingly, the District hereby determines to delegate the advertising and awarding of the Notes to the Superintendent within the parameters described herein.

(Q) It is necessary and appropriate that the Board determine the parameters for the terms and details of the Notes and to delegate certain authority to the Superintendent for the award of the Notes and the approval of the terms of the Notes in accordance with the provisions hereof.

(R) In the event Note Counsel shall determine that the Notes have not been awarded competitively in accordance with the provisions of Section 218.385, Florida Statutes, the Board shall adopt such resolutions and make such findings as shall be necessary to authorize and ratify a negotiated sale of the Notes in accordance with said Section 218.385, Florida Statutes.

SECTION 4. RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the acceptance of the Notes authorized to be issued hereunder, this Resolution shall be deemed to be and shall constitute a contract between the District and the Holders of the Notes. The covenants and agreement herein set forth to be performed by the District and the Board shall be for the equal benefit, protection and security of the Holder of each such Note, all of which shall be of equal rank and without preference, priority or distinction of any of such Notes over any other thereof, except as expressly provided therein and herein.

SECTION 5. AUTHORIZATION, DESCRIPTION AND BOOK-ENTRY PROVISIONS OF THE NOTES. For the purpose of financing the cost of obligations incurred in the ordinary operations of the District in the 2012-2013 Fiscal Year there are hereby authorized to be issued "School District of Manatee County, Florida Tax Anticipation Notes, Series 2012," in the aggregate principal amount not to exceed \$50,000,000. The exact aggregate principal amount of Notes to be issued pursuant to this Resolution shall be determined by the Superintendent in accordance with the terms of this Resolution; provided such amount shall not exceed \$50,000,000.

The Notes may be issued in one or more installments. The Notes shall be dated as of their date of delivery, shall be in denominations of \$5,000 or integral multiples thereof, as agreed to between the District and the Purchaser, shall be in fully-registered form, shall mature at such time and shall bear interest from their date of delivery until maturity, calculated on a 360-day year basis (consisting of twelve 30-day months), payable at maturity at a rate not to exceed the maximum rate allowed by law, all as provided in the Official Notice of Sale. The Notes shall not be redeemable prior to maturity.

The Notes shall initially be issued in book-entry only form. The Notes shall be registered to Cede & Co., as nominee for The Depository Trust Company ("DTC"). All payments for the principal of and interest on the Notes shall be paid in lawful money of the United States of America, by check, draft or wire transfer to DTC.

To the extent permitted by the provisions of the DTC Blanket Issuer Letter of Representations previously executed by the District and delivered to DTC (the "DTC Blanket Letter of Representations"), the District shall issue Notes directly to beneficial owners of Notes other than DTC, or its nominee, in the event that:

- (i) DTC determines not to continue to act as the securities depository for the Notes; or
- (ii) The Board has advised DTC of its determination that DTC is incapable of discharging its duties; or
- (iii) The Board, upon compliance with applicable DTC policies and procedures, determines that it is in the best interest of the District not to continue the book-entry system or that the interest of the beneficial owners of the Notes might be adversely affected if the book-entry system is continued.

Upon occurrence of either of the events described in clauses (i) or (iii) above (the Board undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Board to make any such determination) or if the Board fails to locate another qualified securities depository to replace DTC upon occurrence of either of the events described in clauses (i) or (ii) above, the Board shall mail a notice to DTC for distribution to the beneficial owners of the Notes stating that DTC will no

longer serve as securities depository, whether a new securities depository will or can be appointed, the procedures for obtaining authenticated replacement Notes and the provisions which govern the Notes including, but not limited to, provisions regarding authorized denominations, transfer and exchange, principal and interest payments and other related matters. The DTC Blanket Letter of Representations previously executed and delivered by the District shall apply with respect to the Notes.

SECTION 6. EXECUTION AND AUTHENTICATION OF NOTES. The Notes shall be executed in the name of the District by the Chairman or Vice-Chairman of the Board, and attested and countersigned by the Superintendent, as Ex-Officio Secretary of the Board, and the corporate seal of the District or a facsimile thereof shall be affixed thereto or reproduced thereon. The Notes may be signed and sealed on behalf of the District by any person who at the actual time of the execution of such Notes shall hold such offices in the District, although at the date of such Notes such person may not have been so authorized. The Notes may be executed by the facsimile signatures of the Chairman or Vice-Chairman or Superintendent so long as the Notes bear at least one manual signature.

There shall be a Certificate of Authentication of the Note Registrar on the Notes, and no Note shall be valid or obligatory for any purpose or be entitled to any security or benefit under the provisions of this Resolution unless such certificate shall have been duly executed on such Notes. The authorized signature for the Note Registrar shall be either manual or in facsimile, provided, however, that at least one of the above signatures, including that of the authorized signature for the Note Registrar, appearing on the Notes shall be a manual signature.

SECTION 7. NOTES MUTILATED, DESTROYED, STOLEN OR LOST. In case any Note shall be mutilated, destroyed, stolen or lost, upon the Holder furnishing the District proof of its ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the District may prescribe and paying such expenses as the District may incur, the District shall issue and deliver a new Note of like tenor as the Note so mutilated, destroyed, stolen or lost, in lieu of or substitution for the Note, if any, destroyed, stolen or lost, or in exchange and substitution for such mutilated Note, upon surrender of such mutilated Note, if any, to the District and the cancellation thereof; provided however, if the Note shall have matured or be about to mature, instead of issuing a substitute Note, the District may pay the same, upon being indemnified as aforesaid, and if such Note be lost, stolen or destroyed, without surrender thereof. Any Note surrendered under the terms of this Section 7 shall be cancelled by the Superintendent.

Any such duplicate Note issued pursuant to this Section 7 shall constitute an original, additional contractual obligation on the part of the District whether or not, as to duplicate Notes, the lost, stolen or destroyed Note be at any time found by anyone, and such duplicate Note shall be entitled to equal and proportionate benefits and rights as to

lien on and source and security for payment from the special funds, as hereinafter pledged, to the same extent as the other Notes issued hereunder.

SECTION 8. REGISTRATION AND TRANSFER OF NOTES. The following Section 8 is subject to the provisions of the DTC Blanket Letter of Representations.

The Notes shall be and shall have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code-Investment Securities Laws of the State of Florida, and each successive Holder, in accepting any of the Notes, shall be conclusively deemed to have agreed that such Notes shall be and have all of said qualities and incidents of such negotiable instruments.

There shall be a Note Registrar with respect to each series or installment of Notes, which shall be the District or a bank or trust company located within or without the State of Florida with corporate trust powers. The Note Registrar initially shall be the District acting through its Director of Finance. The Note Registrar shall be responsible for maintaining the books for the registration of the transfer and exchange of the Notes.

The Notes presented for transfer, exchange or payment (if so required by the District or the Note Registrar) shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the District or the Note Registrar, as the case may be, duly executed by the Holder or by his duly authorized attorney.

Upon surrender to the Note Registrar for transfer or exchange of any Note accompanied by an assignment or written authorization for exchange, whichever is applicable, duly executed by the Holder or his attorney duly authorized in writing, the Note Registrar shall deliver in the name of the Holder or the transferee or transferees, as the case may be, a new fully registered Note or Notes of authorized denominations and of the same maturity and interest rate for the aggregate principal amount which the Holder is entitled to receive.

The District and the Note Registrar may charge the Holder a sum sufficient to reimburse them for any expenses incurred in making any exchange or transfer after the first such exchange or transfer following the delivery of such Notes. The Note Registrar or the District may also require payment from the Holder or his transferee, as the case may be, of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. Such charges and expenses shall be paid before any such new Note shall be delivered.

New Notes delivered upon any transfer or exchange shall be valid obligations of the District, evidencing the same debt as the Notes surrendered, shall be secured under

this Resolution, and shall be entitled to all of the security and benefits hereof to the same extent as the Notes surrendered.

The District and the Note Registrar may treat the Holder of any Note as the absolute owner thereof for all purposes, whether or not such Notes shall be overdue, and shall not be bound by any notice to the contrary. The person in whose name any Note is registered shall be deemed the Holder thereof by the District and the Note Registrar, and any notice to the contrary shall not be binding upon the District or the Note Registrar.

Whenever any Note shall be delivered to the Note Registrar for cancellation, upon payment of the principal amount thereof, or for replacement, transfer or exchange, such Note shall be cancelled and destroyed by the Note Registrar, and counterparts of a certificate of destruction evidencing such destruction shall be furnished to the District.

SECTION 9. FORM OF NOTES. The Notes shall be in substantially the form of Exhibit A hereto, with such variations, deletions and insertions as may be necessary and desirable, and as may be authorized or permitted by this Resolution.

SECTION 10. SECURITY FOR NOTES; SPECIAL OBLIGATIONS OF DISTRICT. To the extent necessary to pay when due the principal of and the interest on the Notes, the Pledged Revenues are irrevocably pledged to the payment of the Notes. The Notes and the interest thereon do not constitute a general obligation or indebtedness of, or a pledge of the faith and credit of, the Board, the District, the County, the State or any political subdivision or agency thereof within the meaning of any constitutional or statutory provision or limitation but shall be payable from and secured solely by a lien upon and pledge of the Pledged Revenues in the manner provided herein and therein. If necessary, the Notes are additionally payable from, but are not secured by, the Non-Ad Valorem Funds of the District. The Notes and the obligations evidenced thereby shall not constitute a lien upon any property of or in the District other than the Pledged Revenues in the manner provided in this Resolution. No Holder of the Notes shall ever have the right to compel the exercise of the ad valorem taxing power of the Board, the District, the County or the State or any political subdivision or agency thereof, other than the levy, collection and application of the Pledged Revenues, for the payment of the principal of or interest on the Notes in the manner herein and in the Notes provided.

SECTION 11. NOTE PAYMENT FUND. (a) There is hereby established the "School District of Manatee County, Florida Tax Anticipation Notes, Series 2012 Note Payment Fund" (the "Note Payment Fund") to be held by the District as a separate special fund for the benefit of the Noteholders; provided that the cash required to be accounted for therein may be pooled with other funds of the District so long as adequate accounting records are maintained to reflect and control the restricted purposes of such Note Payment Fund moneys. The Note Payment Fund shall be held in trust by the District for the sole benefit of the Holders, and the Holders are granted an express lien on the moneys and/or investments held in the Note Payment Fund. The Holders of the Notes

shall have no lien upon all or any portion of the Non-Ad Valorem Funds unless and until any such funds are deposited into the Note Payment Fund. The District covenants that it shall deposit sufficient monies or Permitted Investments into the Note Payment Fund on or before February 1, 2013, March 1, 2013 and April 1, 2013 in an amount not less than an amount equal to one-third (1/3) of the principal of and interest on the Notes due on the Maturity Date, such that not later than April 1, 2013, or the first business day thereafter, the balance on deposit therein will equal the amount of principal and interest becoming due on the Notes on the Maturity Date. If, on April 1, 2013, or the first business day thereafter, and continuously thereafter, there is not on deposit in the Note Payment Fund an amount (including Permitted Investments and the income or earnings to be received thereon) equal to all principal of and interest on the Notes at maturity, the Board shall designate the Note Payment Fund as its depository for the receipt of Pledged Revenues and continue such designation until such time as the amount in the Note Payment Fund, together with the earnings to be received thereon, is equal to all principal of and interest on the Notes at maturity.

(b) All investments held in the Note Payment Fund shall mature on or prior to the Maturity Date. All such investments shall be valued for the purpose of this Section 11 at their principal amount, and interest income or earnings to be received on or prior to the date of maturity of the Notes shall be included in the Note Payment Fund balance for purposes of determining whether the requirements of this Section 11 have been met.

(c) Funds in the Note Payment Fund may be invested only in Permitted Investments. Earnings on investments held in the Note Payment Fund shall be retained and reinvested in the Note Payment Fund until the amount on deposit in the Note Payment Fund together with the earnings to be received thereon, is equal to the entire principal of and interest on the Notes at their maturity. Thereafter, such earnings may be withdrawn by the District and used in the District's discretion as provided by law except as provided in Subsection 11(d) hereof.

(d) Amounts in the Note Payment Fund, other than earnings permitted to be withdrawn by the District pursuant to Subsection 11(c) hereof, shall be applied solely to the payment of the principal of and interest on the Notes. After all such principal and interest shall have been paid, or at such time as provision for payment thereof shall have been made pursuant to Section 15 hereof, any amounts remaining in the Note Payment Fund may be used in the District's discretion as provided by law.

(e) On or prior to April 1, 2013, the District shall, if necessary, adjust the amount on deposit in the Note Payment Fund in order to ensure that sufficient funds are on deposit therein on the Maturity Date to pay the principal of and interest on the Notes in full.

SECTION 12. APPLICATION OF NOTE PROCEEDS. The proceeds of the sale of the Notes shall first be applied by the District to pay the costs of preparation

and issuance of the Notes. The remaining proceeds from the sale of the Notes shall be used by the District to pay the lawful expenses of the District as the Board shall direct. The Holders of the Notes issued hereunder shall have no responsibility for the use of the proceeds of said Notes, and the use of such Note proceeds by the District shall in no way affect the rights of such Noteholders.

SECTION 13. COVENANTS OF DISTRICT AND BOARD. The Board covenants on its behalf and on behalf of the District with the Holders so long as any of the Notes are outstanding and unpaid as follows:

(a) to comply promptly with the Act and other applicable statutes in regard to (i) adoption of the Tentative Budget and Operating Budget, (ii) determination of the amounts necessary to be raised for current operating purposes for the 2012-2013 Fiscal Year, (iii) determination of millage necessary to be levied for current operating purposes for the 2012-2013 Fiscal Year, (iv) certification of such millage to the County Property Appraiser, (v) ordering the County Property Appraiser to assess such millage, and (vi) collecting the taxes paid and due to the Board from the County tax collector;

(b) in preparing, approving and adopting its Operating Budget controlling or providing for the expenditures of its funds, so long as any principal of or interest on the Notes are outstanding and unpaid, to appropriate, allot and approve, in the manner required by law from funds of the District derived from sources other than ad valorem taxes and legally available therefor, amounts sufficient to pay the principal of and interest on the Notes;

(c) not to issue any (i) indebtedness of any kind payable from the Pledged Revenues which indebtedness is secured by a lien upon the Pledged Revenues superior to that of the Notes, (ii) obligations (other than additional installments of Notes) payable from or secured by a lien on the moneys on deposit in the Note Payment Fund, and (iii) additional obligations having an equal lien upon the Pledged Revenues if the issuance of such additional indebtedness would violate the provisions of Section 1011.13(1), Florida Statutes, as amended. Subject to the foregoing limits, the Board may issue additional obligations (including additional installments of Notes) payable from and secured by a lien upon the Pledged Revenues on a parity with the Notes, and may issue obligations having a first lien upon moneys of the District other than the Pledged Revenues and the moneys on deposit in the Note Payment Fund;

(d) except as otherwise expressly provided herein, not to enter into any contract or other agreement and not to take any action by which the rights of any Holder might be impaired or diminished; and

(e) not to modify or amend this Resolution or any resolution amendatory hereof or supplemental hereto, unless such modification or amendment would not, in the opinion of Note Counsel, have a material adverse effect on the interest of the Holders,

without the consent in writing of Holders of fifty-one percent (51%) or more in principal amount of the Notes then outstanding, provided that no modification or amendment shall permit, without the consent of all the Holders, a change (i) in the Maturity Date of the Notes or a reduction in the rate of interest thereon, (ii) in the amount of the principal obligation evidenced by the Notes, (iii) that would affect the unconditional promise of the District to collect the ad valorem tax revenues and to make the deposits to the Note Payment Fund required herein, (iv) that would reduce the percentage of Holders required above, for modifications or amendments hereto, (v) that would affect the tax covenants of the District contained in Section 14 hereof, or (vi) that would impair the obligation of the District to pay the principal of and interest on the Notes at maturity or the remedies granted herein for the enforcement of such obligation. For the purpose of Holders' voting rights or consents, the Notes owned by or held for the account of the District, directly or indirectly, shall not be counted.

Any rating agency providing a rating for the Notes shall be notified, in writing, and supplied with a copy, of any modification, amendment or supplement to this Resolution so long as the rating assigned by such rating service is in effect.

SECTION 14. TAX COMPLIANCE. Neither the Board, the District nor any third party over whom the Board or the District has control, will make any use of the proceeds of the Notes or the Pledged Revenues at any time during the term hereof and thereof which would cause the Notes to be "private activity bonds" within the meaning of Section 103(b)(1) of the Code or "arbitrage bonds" within the meaning of Section 103(b)(2) of the Code. The Board, on behalf of the District, covenants throughout the term of the Notes, to comply with the requirements of the Code and the Regulations, as such may be amended from time to time.

SECTION 15. DEFEASANCE. If, at any time the Board shall have paid, or shall have made provision for payment of the principal of and interest on the Notes then, and in that event, the pledge of and lien on the Pledged Revenues in favor of the Holders of the Notes shall be no longer in effect and the Notes shall no longer be deemed to be outstanding and unpaid for the purposes of this Resolution. For purposes of the preceding sentence, deposit of Permitted Investments in irrevocable trust or pursuant to an irrevocable letter of instruction with a bank or trust company with corporate trust powers for the sole benefit of the Noteholders, the principal of which, together with the earnings to be received thereon, will be sufficient to make timely payment of the principal of and interest on the Notes, shall constitute provision for payment.

SECTION 16. OFFICIAL STATEMENT; OFFICIAL NOTICE OF SALE; SALE AND AWARD OF NOTES. (a) The form of, and the distribution and delivery on behalf of the District of, the Preliminary Official Statement for the Notes, in substantially the form attached hereto as Exhibit C, and the distribution and delivery to the Purchaser of final Official Statements, substantially in the form of the Preliminary Official Statement with such changes, insertions, deletions and modifications as shall be

necessary to reflect the final terms and details of the Notes, are hereby authorized and approved. The Superintendent, on behalf of the District, is hereby authorized to deem the Preliminary Official Statement "final" for purposes of Rule 15c2-12(b)(1) of the Securities and Exchange Commission.

(b) The form of the Official Notice of Sale attached hereto as Exhibit B and the terms and provisions thereof are hereby authorized and approved. The Superintendent, on behalf of the District, is hereby authorized to make such changes, insertions and modifications as he shall deem necessary prior to the advertisement of such Official Notice of Sale including, without limitation, to change the competitive bidding platform pursuant to which the Notes shall be sold. The Superintendent is hereby authorized to advertise and publish the Official Notice of Sale at such time as he shall deem necessary and appropriate, upon the advice of the Financial Advisor, to accomplish the competitive sale of the Notes.

(c) The Superintendent, on behalf of the District and only in accordance with the terms hereof, shall award the Notes to the underwriter or underwriters that submit the bid which complies in all material respects with the Official Notice of Sale and offers to purchase the Notes at the lowest net interest cost to the District, as calculated by the Financial Advisor in accordance with the terms and provisions of the Official Notice of Sale.

SECTION 17. EXECUTION OF DOCUMENTS. The Chairman, Vice Chairman, Superintendent, Secretary of the Board, and their designee(s) are hereby authorized to execute and deliver such documents and certificates, including the Official Statement and the Notes, in addition to those expressly authorized by this Resolution, and to take such further actions as they shall deem reasonably necessary or appropriate to effect the issuance of the Notes and the other transactions contemplated by this Resolution.

Those officers are further authorized to make or effect any election, selection, choice, consent, approval, or waiver on behalf of the District with respect to the Notes as the District is permitted or required to make or give under the federal income tax laws, for the purpose of assuring, enhancing or protecting favorable tax treatment or characterization of the Notes or interest thereon or assisting compliance with requirements for that purpose, reducing the burden or expense of such compliance, reducing the rebate amount or payments of penalties thereon, or making payments in lieu thereof, or obviating such amounts or payments, as determined by such officer. Any such action of such officer shall be in writing and signed by the officer.

SECTION 18. NOTE REGISTRAR AND PAYING AGENT AND AGREEMENT THEREFOR. The District, acting through its Director of Finance, is hereby appointed Note Registrar and Paying Agent hereunder. The Note Registrar and

Paying Agent shall perform such duties as are more fully described herein and in the Notes.

The Director of Finance shall fulfill the functions of Note Registrar and Paying Agent with respect to the Notes until a qualified successor shall have been designated by the District and accepted such duties, such designation to be subject to written notice to the Note Registrar and Paying Agent, or until the Notes have been paid in full pursuant to the terms hereof and of the Notes.

SECTION 19. SECONDARY MARKET DISCLOSURE. The District hereby covenants and agrees that, in order to provide for compliance by the District with the secondary market disclosure requirements of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule"), it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the District and dated the date of delivery of the Notes, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be substantially in the form attached hereto as Exhibit D with such changes, amendments, modifications, deletions and additions as shall be approved by the Superintendent who is hereby authorized to execute and deliver such Certificate. Notwithstanding any other provision of this Resolution, failure of the District to comply with such Continuing Disclosure Certificate shall not be considered an event of default under this Resolution; provided, however, to the extent allowable by law, any Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section 19 and the Continuing Disclosure Certificate.

SECTION 20. REMEDIES. Any Holder may sue to protect and enforce any and all rights, including the right to the appointment of a receiver, existing under the laws of the State or the United States of America or granted and contained in this Resolution, and to enforce and compel the performance of all duties required by this Resolution or by any applicable laws to be performed by the District, the Board or by any officer thereof, and may take all steps to enforce this Resolution to the full extent permitted or authorized by the laws of the State or the United States of America.

SECTION 21. SEVERABILITY. If any one or more of the covenants, agreements or provisions of this Resolution should be held contrary to any express provision of law or contrary to the policy of express law, although not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separate from the remaining covenants, agreements or provisions of this Resolution and shall in no way affect the validity of all other provisions of this Resolution or of the Notes issued hereunder.

SECTION 22. REPEALING CLAUSE. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

SECTION 23. EFFECTIVE DATE. This Resolution shall be effective immediately upon its adoption.

Adopted at a regular meeting this 25th day of June, 2012.

THE SCHOOL BOARD OF MANATEE COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA

(SEAL)

By: _____
Chairman

ATTEST:

By: _____
Superintendent of Schools

APPENDIX E

FORM OF LEGAL OPINION

**FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A.,
WITH RESPECT TO THE NOTES**

Upon delivery of the Notes in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Note Counsel, proposes to render its opinion with respect to such Notes in substantially the following form:

(Date of Delivery)

School Board of Manatee County, Florida
Bradenton, Florida

Board Members:

We have examined a record of proceedings relating to the issuance of \$50,000,000 Tax Anticipation Notes, Series 2012 (the "Notes") of the School District of Manatee County, Florida (the "District").

The Notes are issued under and pursuant to the Laws of the State of Florida, including, particularly, Chapter 1011, Florida Statutes, as amended, and pursuant to a resolution adopted by the School Board of Manatee County, Florida (the "Board"), as the governing body of the District, on June 25, 2012 (the "Resolution").

The Notes are dated and shall bear interest from their date of delivery. The Notes will mature on May 1, 2013 and will bear interest at the rate per annum as set forth thereon. Interest on the Notes shall be payable at maturity. The Notes are not subject to redemption prior to maturity. The Notes are in the form of fully registered Notes in denominations of \$5,000 or any integral multiple thereof.

The Notes are being issued for the principal purpose of providing interim funds for the payment of the District's operating expenses as more particularly described in the Resolution.

As to questions of fact material to our opinion, we have relied upon the representations of the Board contained in the Resolution and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The District is a duly created and validly existing school district and a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida and the Board is the duly constituted governing body of the District.

2. The Board has the right and power under the Constitution and Laws of the State of Florida to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Board, is in full force and effect in accordance with its terms and is valid and binding upon the Board and enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Pledged Revenues (as defined in the Resolution). To the extent necessary, the Notes are additionally payable from, but are not secured by a lien upon or pledge of, legally available funds of the District derived from sources other than ad valorem taxation.

3. The District is duly authorized and entitled to issue the Notes, and the Notes have been duly and validly authorized and issued by the District in accordance with the Constitution and Laws of the State of Florida and the Resolution. The Notes constitute valid and binding obligations of the District as provided in the Resolution, are enforceable in accordance with their terms and the terms of the Resolution and are entitled to the benefits of the Resolution and the laws pursuant to which they are issued.

4. Under existing statutes, regulations, rulings and court decisions, the interest on the Notes (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (as defined for federal income tax purposes); however, it should be noted that with respect to certain corporations, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinions set forth in the preceding sentence are subject to the condition that the Board comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Notes to be so included in gross income retroactive to the date of issuance of the Notes. The Board has covenanted to comply with all such requirements. Ownership of the Notes may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Notes.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that the enforceability of the Resolution and the Notes, respectively, may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

We have not been engaged or undertaken to review the compliance with laws of the State of Florida or the United States with regard to the sale or distribution of the Notes and we express no opinion relating thereto.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Notes and, in our opinion, the form of the Notes is regular and proper.

Respectfully submitted,

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by The School District of Manatee County, Florida (the “Issuer”) in connection with the issuance of its \$50,000,000 School District of Manatee County, Florida Tax Anticipation Notes, Series 2012 (the “Notes”). The Notes are being issued under the authority of Section 1011.13, Florida Statutes, as amended, pursuant to and subject to the terms and conditions of a Resolution adopted by the School Board of Manatee County, Florida on June 25, 2012, approving the issuance of the Notes (the “Resolution”). The Issuer covenants and agrees as follows:

SECTION 1. PURPOSE OF THE DISCLOSURE CERTIFICATE. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriters in complying with the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12.

SECTION 2. DEFINITIONS. In addition to the definitions set forth in the Resolution which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Notes for federal income tax purposes.

“Dissemination Agent” shall mean the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Event of Bankruptcy” shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“Obligated Person” shall mean any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

“Participating Underwriters” shall mean the original underwriters of the Notes required to comply with the Rule in connection with offering of the Notes.

“Repository” shall mean each entity authorized and approved by the Securities and Exchange Commission from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the Securities and Exchange Commission may be found by visiting the Securities and Exchange Commission’s website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the Securities and Exchange Commission for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure submissions through its Electronic Municipal Market Access (“EMMA”) web portal at “<http://emma.msrb.org>.”

“Rule” shall mean the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Florida.

SECTION 3. REPORTING OF SIGNIFICANT EVENTS.

(a) Pursuant to the provisions of this Section 3, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes. Such notice shall be given in a timely manner not in excess of ten (10) business days after the occurrence of the event:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on the debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Notes;
7. modifications to rights of the holders of the Notes, if material;
8. Note calls (other than scheduled mandatory redemption), if material, and tender offers;

9. defeasances;
10. release, substitution, or sale of property securing repayment of the Notes, if material;
11. ratings changes; and
12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. appointment of a successor or additional trustee or the change of name of a trustee, if material;

(b) The notice required to be given in paragraph 5(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

SECTION 4. IDENTIFYING INFORMATION. In accordance with the Rule, all disclosure filings submitted in pursuant to this Disclosure Certificate to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

SECTION 5. TERMINATION OF REPORTING OBLIGATION. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Notes, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. If such termination occurs prior to the final maturity of the Notes, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 3.

SECTION 6. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Certificate. The initial Dissemination Agent shall be the Issuer.

SECTION 7. AMENDMENT; WAIVER. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Notes, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Notes in the same manner as provided in the Resolution for amendments to the Resolution with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Notes.

Notwithstanding the foregoing, the Issuer shall have the right to adopt amendments to this Disclosure Certificate necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the same manner as for a Listed Event under Section 3, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, notice of such change shall be given in the same manner as for a Listed Event under Section 3, and should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 8. ADDITIONAL INFORMATION. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of

dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future notice of occurrence of a Listed Event.

SECTION 9. DEFAULT. The continuing disclosure obligations of the Issuer set forth herein constitute a contract with the holders of the Notes. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any holder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate; provided, however, the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with the provisions of this Disclosure Certificate shall be an action to compel performance. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Resolution.

SECTION 10. DUTIES, IMMUNITIES AND LIABILITIES OF DISSEMINATION AGENT. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Notes.

SECTION 11. BENEFICIARIES. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

Dated as of August __, 2012.

SCHOOL DISTRICT OF MANATEE
COUNTY, FLORIDA

[SEAL]

By: _____
Chairman, School Board of Manatee County,
Florida

ATTEST:

Superintendent, ex-officio Secretary,
School Board of Manatee County, Florida