

Holmes County School Board

Annual Financial Report

2009-2010

Holmes County School Board
Annual Financial Report
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Holmes County School Board
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

The discussion and analysis of Holmes County School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole while allowing the reader to focus on significant financial issues, identify changes in the financial position, and highlight significant issues in individual funds. The readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

The District's net assets increased by \$49,064.19 (or .12%). The increase is in contrast with the previous year's decrease.

During the current year, the General Fund's fund balance increased by \$698,709.76, primarily as a result of federal American Recovery and Reinvestment Act funds. This may be compared to last year's results when the General Fund's fund balance decreased by \$255,867.44. The June 30, 2010 General Fund fund balance is \$1,895,184,80.

Overview Of The Financial Statements

The basic financial statements consist of three components:

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

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

Government-wide Financial Statements

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

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

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

Holmes County School Board
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

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

Fund Financial Statements

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

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

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

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

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

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

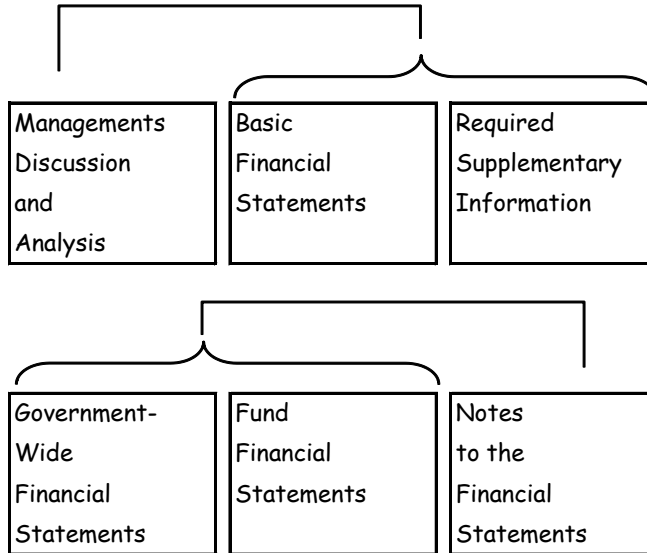
The District uses agency funds to account for resources held for student activities and groups.

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

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

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 Management's Discussion and Analysis
 For the Fiscal Year Ended June 30, 2010

Components of the Annual Financial Report



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

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

Holmes County School Board
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

Government-Wide Financial Analysis

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

Net Assets

	Governmental Activities	
	2010	2009
Current and other assets	6,694,688	5,920,004
Capital assets	40,637,316	41,628,262
Total assets	47,332,004	47,548,266
Long-term liabilities	4,425,683	4,638,183
Other liabilities	603,562	659,811
Total liabilities	5,029,245	5,297,994
Net assets:		
Invested in capital assets		
Net of related debt	39,089,878	39,942,395
Restricted	1,160,841	1,810,360
Unrestricted	2,052,040	497,516
Total Net Assets	42,302,759	42,250,271

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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

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

	Activities	
	2010	2009
Program Revenues:		
Charges for Services	461,211	503,783
Operating Grants	1,836,662	2,038,648
Capital Grants	113,383	212,618
General Revenue:		
Property Taxes	2,847,371	2,604,750
Grants and Entitlements	23,555,062	22,684,366
Other	551,355	487,884
Total Revenues	<u>29,365,044</u>	<u>28,532,050</u>
Functions / Program Expenses:		
Instruction	15,400,580	15,428,030
Pupil Personnel Services	650,722	635,032
Instructional Media Services	743,929	592,077
Instruction and Curriculum	413,982	479,960
Instructional Staff Training	309,830	663,546
Instruction Related Technology	162,470	251,224
Board of Education	174,011	175,279
General Administration	307,127	264,898
School Administration	1,766,026	1,980,499
Facilities Acq & Construction	0	12
Fiscal Services	267,917	291,527
Food Service	1,583,603	1,735,802
Central Services	584,750	682,708
Pupil Transportation Services	1,758,248	1,355,288
Operation of Plant	2,579,838	2,700,623
Maintenance of Plant	796,253	1,076,761
Community Services	42,759	39,790
Interest on Long-Term Debt	74,408	79,844
Depreciation - unallocated*	<u>1,699,528</u>	<u>1,732,669</u>
Total Expenses	<u>29,315,980</u>	<u>30,165,570</u>
Increase (Decrease) in Net Assets	<u>49,064</u>	<u>(1,633,520)</u>

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Financial Analysis of the District's Funds

The unreserved fund balance of the General Fund increased by \$698,709.76 to a total of \$1,895,184.80. This increase resulted primarily from an increase federal American Recovery and Reinvestment Act funds provided to the district and a reduction of personnel costs.

Information about the School District's major funds begins on Exhibit C-1. These funds are accounted for using the modified accrual basis of accounting. Total revenues for all governmental funds were \$29.36 million and expenditures were \$28.54 million.

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

General Fund Budgeting Highlights

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

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

Capital Assets and Debt Administration

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

Capital Assets	Governmental Activities		Outstanding Debt	
	2010	2009	2010	
			Total Payments	Debt Outstanding
Land	450,584	450,584	212,750	1,547,438
Improvements Other than Buildings	1,723,157	1,723,157		
Buildings	54,031,063	54,031,063		
Furniture & Equipment	4,663,228	4,739,619		
Motor Vehicles	3,439,704	3,032,707		
Construction In Progress	0	0		
Totals	64,307,735	63,977,130		

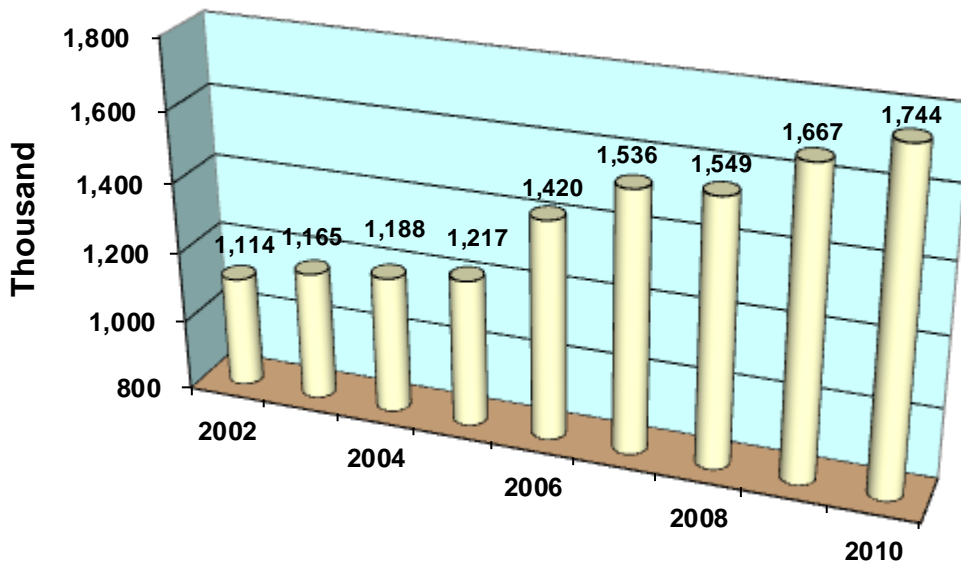
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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

Other Significant Matters

Insurance Premiums

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

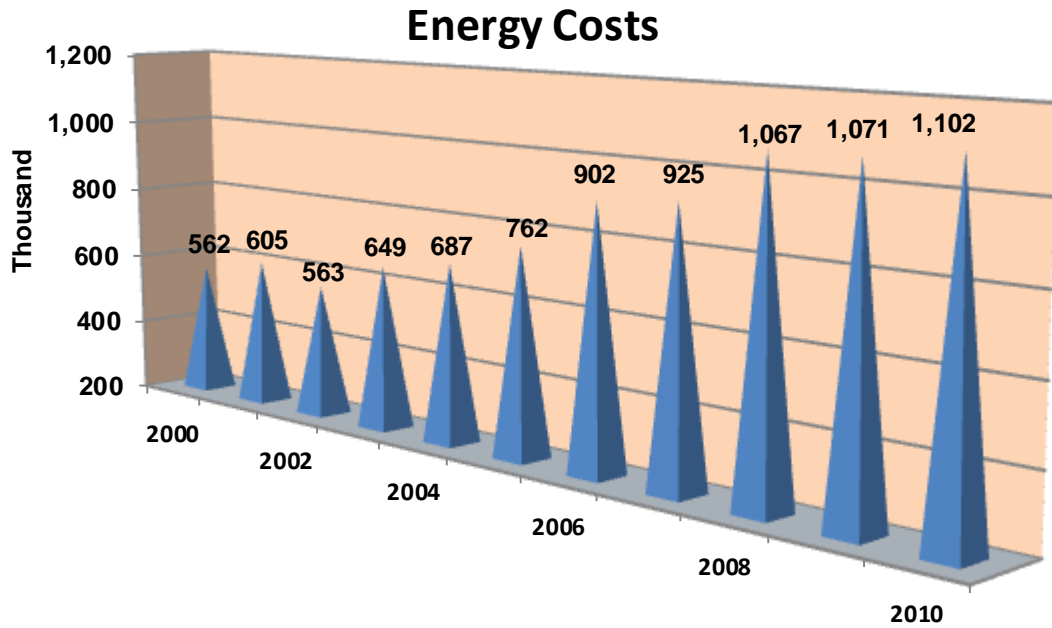
Health Insurance Costs



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Energy Costs

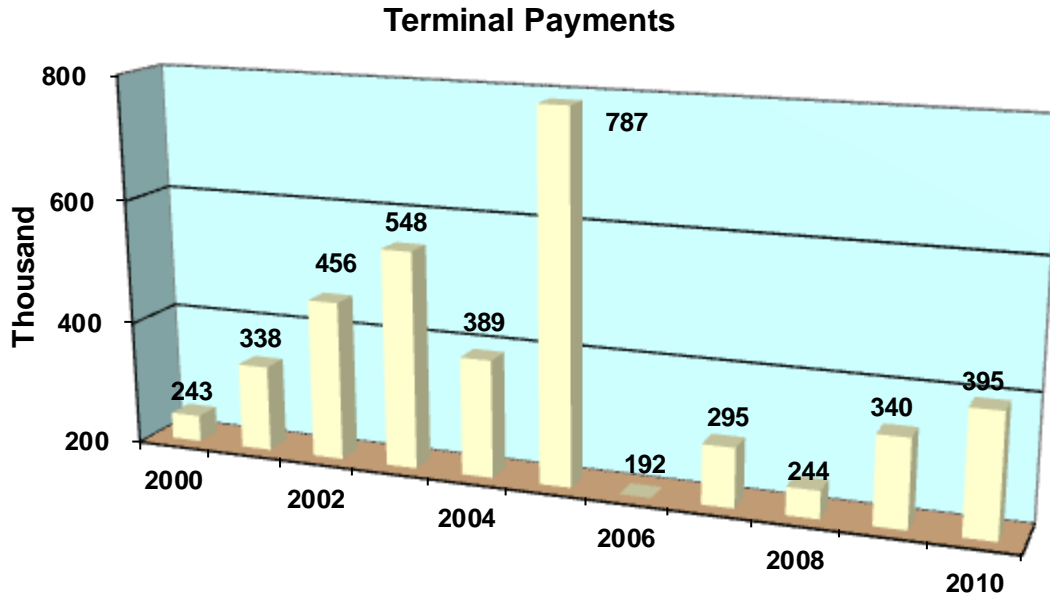
Energy costs for the Operation of Plant have impacted the District's cost containment ability. These energy costs are reflected in the following chart for the indicated years.



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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

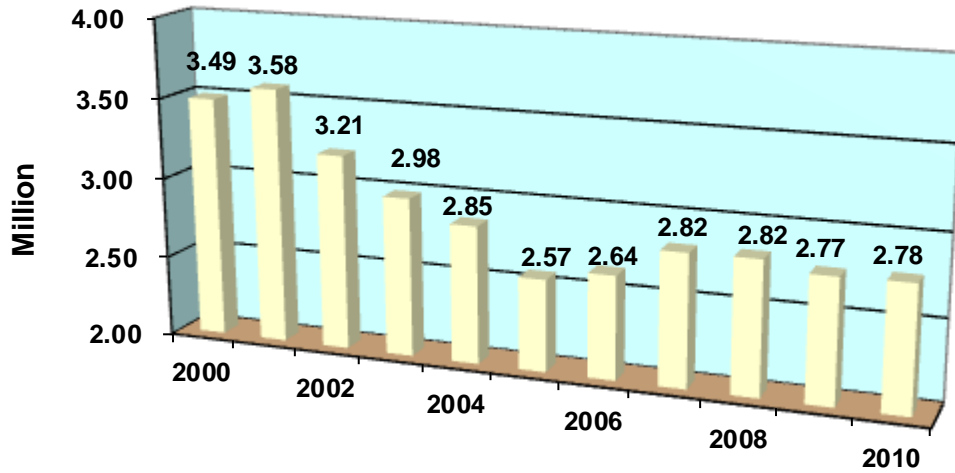
Terminal Pay Benefits

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



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Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010

Terminal Pay Liability



REQUESTS FOR INFORMATION

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF NET ASSETS
June 30, 2010

		Governmental Activities
ASSETS		
Cash	1110	5,595,715.83
Investments	1160	171,545.95
Accounts Receivable, net	1130	62,376.08
Due From Other Agencies	1220	736,121.83
Internal Balances		
Inventory	1150	109,932.93
Restricted Cash with Fiscal Agent	1114	18,995.14
Capital Assets		
Land	1310	450,583.66
Improvements Other Than Bldgs	1320	1,723,157.27
Buildings And Fixed Equipment	1330	54,031,062.63
Furniture, Fixtures and Equip	1340	4,663,227.79
Motor Vehicles	1350	3,439,703.68
Less Accumulated Depreciation	1389	<u>(23,670,419.00)</u>
Total assets		<u><u>47,332,003.79</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	2120	116,188.94
Payroll Withholdings	2170	380,998.86
Due to Other Agencies	2230	106,374.00
Noncurrent liabilities		
Portion due within one year:		
Note Payable	2310	97,165.08
Bonds Payable	2320	50,000.00
Compensated Absences	2330	307,487.00
Portion due after one year:		
Note Payable	2310	670,273.27
Bonds Payable	2320	730,000.00
Compensated Absences	2330	2,468,209.04
Postemployment Healthcare Benefits	2360	<u>102,549.00</u>
Total Liabilities		<u>5,029,245.19</u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt		39,089,877.68
Restricted for:		
Categorical Carryover	2710	3,583.04
Debt Service	2750	18,995.14
Capital Projects	2780	1,138,263.02
Unrestricted		<u>2,052,039.72</u>
Total Net Assets		<u>42,302,758.60</u>
Total Liabilities and Net Assets		<u><u>47,332,003.79</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2010

Functions			Program Revenues		Net (Expense)	
	Expenses		Charges for	Operating Grants	Capital Grants	Revenue
Governmental Activities:			Services	and Contributions	and Contributions	Governmental
						Activities
Instruction	5000	15,807,456.45	66,312.56			(15,741,143.89)
Pupil Personnel Services	6100	650,721.83				(650,721.83)
Instructional Media Services	6200	743,928.97				(743,928.97)
Instruction and Curriculum	6300	413,981.83				(413,981.83)
Instructional Staff Training	6400	309,829.74				(309,829.74)
Instruction Related Technology	6500	162,470.17				(162,470.17)
Board of Education	7100	174,011.22				(174,011.22)
General Administration	7200	307,126.76				(307,126.76)
School Administration	7300	1,766,025.78				(1,766,025.78)
Facilities Acq & Construction	7400	0.00			29,362.43	29,362.43
Fiscal Services	7500	267,917.46				(267,917.46)
Food Service	7600	1,583,602.58	361,920.73	1,147,337.46		(74,344.39)
Central Services	7700	584,750.11				(584,750.11)
Pupil Transportation Services	7800	1,351,371.76	32,978.05	618,601.00		(699,792.71)
Operation of Plant	7900	2,579,838.03				(2,579,838.03)
Maintenance of Plant	8100	796,252.53		70,724.00		(725,528.53)
Community Services	9100	42,758.60				(42,758.60)
Interest on Long-Term Debt	9200	74,408.45			84,020.48	9,612.03
Depreciation - unallocated*	780	1,699,528.00				(1,699,528.00)
Total governmental activities		29,315,980.27	461,211.34	1,836,662.46	113,382.91	(26,904,723.56)
Total primary government		29,315,980.27	461,211.34	1,836,662.46	113,382.91	(26,904,723.56)
General revenues:						
Taxes:						
Property taxes, levied for general purposes						2,847,370.81
Property taxes, levied for capital projects						0.00
Grants and contributions not restricted to specific programs						23,555,062.18
Investment earnings						73,095.95
Miscellaneous						478,258.81
Total general revenues and transfers						26,953,787.75
Change in net assets						49,064.19
Net assets - beginning						42,253,694.41
Net assets - ending						42,302,758.60

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

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2010

		General	Other	ARRA Economic	Other Debt	Capital	Other	Total
		Fund	Federal	Stimulus	Service	Improvement	Government	Governmental
		100	420	430	290	370	Funds	Funds
ASSETS AND OTHER DEBITS:								
Cash	1110	1,616,960.09	134,902.54		913,474.77	719,643.90	711,803.16	4,096,784.46
Cash with Fiscal Agent	1114						18,995.14	18,995.14
Accounts Receivable	1130	62,308.18					67.90	62,376.08
Due From Other Funds:							0.00	0.00
Due From Budgetary Funds	1141	505,802.53					0.00	505,802.53
Inventory	1150	79,787.68					30,145.25	109,932.93
Investments	1160	5,031.99					66,247.60	71,279.59
Due From Other Agencies	1220	51,561.81		533,057.84			151,502.18	736,121.83
Total Assets And Other Debits		<u>2,321,452.28</u>	<u>134,902.54</u>	<u>533,057.84</u>	<u>913,474.77</u>	<u>719,643.90</u>	<u>978,761.23</u>	<u>5,601,292.56</u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2010

	General Fund 100	Other Federal 420	ARRA Economic Stimulus 430	Other Debt Service 290	Capital Improvement Sect 236.25(2) 370	Other Government Funds	Total Governmental Funds
LIABILITIES AND FUND EQUITY							
Salaries and Wages Payable 2110						0.00	0.00
Accounts Payable 2120	78,521.26	26,402.03	285.00			10,980.65	116,188.94
Construction Contracts Payable 2140						0.00	0.00
Due To Budgetary Funds 2161			505,802.53			0.00	505,802.53
Due To Internal Funds 2162						0.00	0.00
Payroll Withholdings 2170	347,746.22	2,126.51	26,970.31			4,155.82	380,998.86
Due To Other Agencies 2230		106,374.00				0.00	106,374.00
Compensated Absences 2330						0.00	0.00
Deferred Revenue 2410						0.00	0.00
Total Liabilities	426,267.48	134,902.54	533,057.84	0.00	0.00	15,136.47	1,109,364.33
FUND BALANCES:							
Reserve For State Categorical Carry-Over Program 2710	3,583.04					0.00	3,583.04
Reserved For Encumbrances 2720						0.00	0.00
Reserved For Capital Projects 2780					719,643.90	418,619.12	1,138,263.02
Reserved For Debt Service 2750						18,995.14	18,995.14
Undesignated 2760	1,891,601.76	0.00		913,474.77		526,010.50	3,331,087.03
Total Fund Equity	1,895,184.80	0.00	0.00	913,474.77	719,643.90	963,624.76	4,491,928.23
Total Liabilities And Fund Equity	2,321,452.28	134,902.54	533,057.84	913,474.77	719,643.90	978,761.23	5,601,292.56

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
June 30, 2010

Total Governmental Fund Balances		4,491,928.23
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		40,637,316.03
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Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds. Long-term liabilities at year end consist of:		
Postemployment Healthcare Benefits Payable	(102,549.00)	
Bonds Payable	(780,000.00)	
Note Payable	<u>(767,438.35)</u>	(1,649,987.35)

The amount to be provided for compensated absences reflected in the funds statements serves as a reduction in available reserves in the governmental activities statements		<u>(1,176,498.31)</u>
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Net Assets - Governmental Activities		<u><u>42,302,758.60</u></u>
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DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2010

	General Fund 100	Other Federal 420	ARRA Economic Stimulus 430	Other Debt Service 290	Capital Improvement 370	Other Government Funds	Total Governmental Funds
Revenues:							
Federal Direct	3100	54,464.34				169,323.08	223,787.42
Federal Through State	3200	80,768.48	3,015,952.81	2,023,016.00		1,124,565.46	6,244,302.75
State Sources	3300	18,640,933.52		209,250.00		207,426.91	19,057,610.43
Local Sources:							
Property Taxes - Operational	3411	2,847,370.81				0.00	2,847,370.81
Property Taxes - Capital Projects	3413					0.00	0.00
Charges For Services - Food Service	3450					361,920.73	361,920.73
Other Local Revenue	3495	566,246.22		18,615.33	8,053.17	24,752.60	617,667.32
Total Revenues	22,189,783.37	3,015,952.81	2,023,016.00	227,865.33	8,053.17	1,887,988.78	29,352,659.46
Expenditures:							
Instruction	5000	12,055,420.15	1,978,005.36	1,731,139.80		0.00	15,764,565.31
Pupil Personnel Services	6100	537,208.80	104,642.01			0.00	641,850.81
Instructional Media Services	6200	589,402.63	144,010.91	19,303.90		0.00	752,717.44
Instruction and Curriculum	6300	175,891.39	214,054.37	17,012.48		0.00	406,958.24
Instructional Staff Training	6400	192,747.86	107,858.45	2,058.00		0.00	302,664.31
Instruction Related Technology	6500	133,096.00	20,583.06	6,367.60		0.00	160,046.66
Board of Education	7100	174,901.22				0.00	174,901.22
General Administration	7200	169,760.93	116,481.28	19,815.29		0.00	306,057.50
School Administration	7300	1,765,196.44				0.00	1,765,196.44
Facilities Acq & Construction	7410					0.00	0.00
Fiscal Services	7500	272,220.76				0.00	272,220.76
Food Service	7600			650.00		1,578,460.20	1,579,110.20
Central Services	7700	632,125.22	1,079.68			0.00	633,204.90
Pupil Transportation Services	7800	1,309,385.98	49,763.51			0.00	1,359,149.49
Operation of Plant	7900	2,499,301.18		83,082.05		0.00	2,582,383.23
Maintenance of Plant	8100	798,988.67		24,826.79		0.00	823,815.46
Community Services	9100	6,758.60	36,000.00			0.00	42,758.60
Facilities Acq & Construction	7420					0.00	0.00
Other Capital Outlay	9300	394,862.78	243,474.18	118,760.09		0.00	757,097.05
Debt Service	9200					0.00	0.00
Redemption of principal	710			93,437.18		45,000.00	138,437.18
Interest	720			34,425.43		39,887.50	74,312.93
Dues and fees	730					59.36	59.36
Miscellaneous Expense	790						
Total Expenditures	21,707,268.61	3,015,952.81	2,023,016.00	127,862.61	0.00	1,663,407.06	28,537,507.09
Excess of Revenues Over (Under) Expenditures	482,514.76	0.00	0.00	100,002.72	8,053.17	224,581.72	815,152.37
Other Financing Sources (Uses):							
Proceeds of Loans	3720					0.00	0.00
Loss Recoveries	3740					0.00	0.00
Transfers In	3600	731,195.00				65,000.00	796,195.00
Transfers Out	9700	(515,000.00)		(225,000.00)		(731,195.00)	(1,471,195.00)
Total Other Financing Sources (Uses)	216,195.00	0.00	0.00	(225,000.00)	0.00	(666,195.00)	(675,000.00)
Net Change in Fund Balance	698,709.76	0.00	0.00	(124,997.28)	8,053.17	(441,613.28)	140,152.37
Fund Balance, July 1, 2009	2800	1,196,475.04	0.00	1,038,472.05	711,590.73	1,405,238.04	4,351,775.86
Fund Balance, June 30, 2010	1,895,184.80	0.00	0.00	913,474.77	719,643.90	963,624.76	4,491,928.23

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For the Fiscal Year Ended June 30, 2010

Net Change in Fund Balances - Total Governmental Funds 140,152.37

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

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

Capital Outlay	781,712.82	
Depreciation expense	<u>(1,699,528.00)</u>	
Excess of capital outlay over depreciation expense		(917,815.18)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amount actually paid for compensated absences. This is the net amount of compensated absences paid in excess of the amount earned in the current period. 679,213.54

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces the long-term liabilities in the statement of net assets. 138,401.02

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

Net value of surplus property disposed		(73,130.56)
The net changes in the liability for postemployment healthcare benefits payable is reported in the government-wide statements, but not the governmental funds statements	<u>82,243.00</u>	

Change in Net Assets - Governmental Activities 49,064.19

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2010

		Total	Governmental Activities Internal Service Funds
ASSETS			
Cash	1110	1,498,931.37	1,498,931.37
Investments	1160	100,266.36	100,266.36
Total Assets		1,599,197.73	1,599,197.73
 LIABILITIES AND FUND EQUITY			
Liabilities:			
Compensated Absences Payable	2330	1,599,197.73	1,599,197.73
Total Liabilities		1,599,197.73	1,599,197.73
Fund Equity	2700	0.00	0.00
Total Liabilities and Fund Equity		1,599,197.73	1,599,197.73

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2010

		Total	Governmental Activities Internal Service Funds
Nonoperating Revenues			
Interest on Investments	3431	12,385.00	12,385.00
Nonoperating Expenses			
Miscellaneous Expense	790	(687,385.00)	(687,385.00)
Income (Loss) before operating transfers		(675,000.00)	(675,000.00)
Transfers In			
From General Fund	3610	450,000.00	450,000.00
From Debt Service	3620	225,000.00	225,000.00
Total Transfers In	3600	675,000.00	675,000.00
Change in Net Assets		0.00	0.00
Net Assets, July 1, 2009	2880	0.00	0.00
Net Assets, June 30, 2010	2780	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2010

	<u>Total</u>	<u>Governmental Activities Internal Service Funds</u>
Cash Flows From Noncapital Financing Activities		
Transfers From Other Funds	675,000.00	675,000.00
Net cash provided (used) by noncapital financing activities	<u>675,000.00</u>	<u>675,000.00</u>
Cash Flows From Investing Activities		
Sale of Investments	29,004.21	29,004.21
Interest	12,385.00	12,385.00
Net Cash Provided by Investing Activities	<u>41,389.21</u>	<u>41,389.21</u>
Net Increase in Cash and Cash Equivalents	<u>716,389.21</u>	<u>716,389.21</u>
Cash Beginning	<u>782,542.16</u>	<u>782,542.16</u>
Cash Ending	<u><u>1,498,931.37</u></u>	<u><u>1,498,931.37</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	<u>0.00</u>	<u>0.00</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:	<u>0.00</u>	<u>0.00</u>
Total Adjustments	<u>0.00</u>	<u>0.00</u>
Net Cash Provided by Operating Activities	<u><u>0.00</u></u>	<u><u>0.00</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
June 30, 2010

	School Internal Funds 891	Total Agency Funds
	<u> </u>	<u> </u>
ASSETS		
Cash	300,535.28	300,535.28
	<u> </u>	<u> </u>
Total Assets	<u>300,535.28</u>	<u>300,535.28</u>
 LIABILITIES		
Internal Accounts Payable	300,535.28	300,535.28
	<u> </u>	<u> </u>
Total Liabilities	<u>300,535.28</u>	<u>300,535.28</u>

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

1 Summary of Significant Accounting Policies

A Reporting Entity

The District School Board has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Holmes County School District is part of the Florida system of public education under the general direction of the State Board of Education.

The governing body of the school district is the Holmes County District School Board which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the Board. The general operating authority of the District School Board and the Superintendent is contained in Chapters 1000 through 1013, Florida Statutes. Geographic boundaries of the district correspond with those of Holmes County.

Pursuant to Section 1001.51, Florida Statutes, the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education.

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

B Basis of Presentation

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

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

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

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

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

The District reports the following major governmental funds:

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

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

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

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

Capital Projects - Local Capital Improvement Fund - to account for the financial resources generated by a local millage to be used for educational capital outlay needs, maintenance, and equipment purchases.

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

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

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

C Basis of Accounting

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

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 45 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The Proprietary Fund is accounted for as a proprietary activity under standards issued by the Financial Accounting Standards Board through November 1989 and applicable standards issued by the Governmental Accounting Standards Board.

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

D Budgetary Basis Accounting

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

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

E 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. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) Local Government Surplus Funds Trust Fund Investment Pool (LGIP), which, effective July 1, 2009, is known as Florida PRIME.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Investments consist of amounts placed in State Board of Administration Debt Service accounts for investment of debt service moneys and amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund Investment Pools created by Sections 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 the Local Government Surplus Funds Trust Fund, which the State Board of Administration indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

The District's investments in the Fund B Surplus Funds Trust Fund are accounted for as a fluctuating net asset value pool. Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the State Board of Administration, are effected by transferring eligible cash or securities to the Local Government Surplus Funds Trust Fund, consistent with the pro rata allocation of pool shareholders of record at the creation of Fund B. One hundred percent of such distributions from Fund B are available as a liquid balance within the Local Government Surplus Funds Trust Fund.

F Inventories

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

G Capital Assets

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

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

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

H Internal Funds

The Board is responsible for the administration of certain moneys collected at various schools in connection with school and student organization activities. These moneys are commonly described as "Internal Funds" and are subject to State Board of Education Rules as set forth in the Florida Administrative Code.

I Long-Term Liabilities

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

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

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

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

J Program Revenues

Amounts reflected on the Statement of Activities as program revenues represent funds received for grant monies applied for and awarded to the School District in contradistinction to state revenues and categorical funds received on a systematic basis. These awards must be spent for the specific purposes as outlined in the application.

K State Revenue Sources

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

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

for in the General Fund. A portion of the fund balance of the General Fund is reserved in the governmental fund financial statements for the unencumbered balance of categorical educational program resources.

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

A schedule of revenue from State sources for the current year is presented in Exhibits K-1 and K-13.

L District Property Taxes

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

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

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

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

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

M 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.

N BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

1. Budgets are prepared, public hearings are held, and final budgets are adopted for all governmental fund types by the Board and submitted to the Commissioner of Education

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

pursuant to the procedural steps and time intervals prescribed by law and State Board of Education rules.

2. Appropriations are controlled at the object level within each function and may be amended by resolution of the Board at any Board meeting prior to the due date for the annual financial report.
3. Budgets are prepared using the same modified accrual basis as is used to account for actual transactions.
4. Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year end and encumbrances outstanding are honored from the subsequent year's appropriations.

2 Investments

Section 218.415(17), Florida Statutes, authorizes the District to invest in the State Board of Administration (SBA) Local Government Surplus Funds Trust Fund Investment Pool (LGIP); any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. The District's investment policy does not further limit its investment choices, and the policy does not limit investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Investments, reported as cash equivalents, with a fair value of \$10,033.42 at June 30, 2010, are in SBA LGIP. A portfolio's weighted average days to maturity (WAM) reflects the average maturity 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. The District's investment in LGIP is rated AAAM by Standard & Poor's.

Investments with a fair value of \$161,512.53 at June 30, 2010 are in the SBA Fund B Surplus Funds Trust Fund (Fund B). 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, 2010. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the WAL. The District's investment in Fund B is unrated.

In addition, the District reports investments totaling \$18,995.14 at June 30, 2010 in the SBA Debt Service accounts to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. These investments consist of United States Treasury securities, with maturity dates of six months or less, and are reported at fair value. The District relies on policies developed by SBA for managing credit risk for this account.

3 Florida Retirement System

All regular employees of the District are covered by the State-administered Florida Retirement System (FRS). Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112 Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

of participating employers are eligible and must enroll as members of FRS. FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (PEORP).

Employees in the Plan vest at six years of service. All vested members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments.

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

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

FRS Retirement Contribution Rates

The Florida Legislature establishes, and may amend, contribution rates for each membership class of FRS. During the 2009-10 fiscal year, contribution rates were as follows:

DISTRICT SCHOOL BOARD
OF HOLMES COUNTY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	0.00	9.85
Florida Retirement System, Elected County Officers	0.00	16.53
Senior Management		13.12
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes or Plans	0.00	10.91
Florida Retirement System, Reemployed Retiree	(B)	(B)

Note: (A) Employer rates include 1.11 percent for the post-employment health insurance supplement. The employer rates other than for DROP participants, include 0.05 percent for administrative costs of the Public Optional Retirement Program.

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

The District's liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's expense to the Plan for the preceding and current fiscal years totaled \$1,703,751.34 and \$1,633,343.39 respectively.

4 Changes In General Fixed Assets

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

	Balance 06-30-09	Additions	Deductions	Balance 06-30-10
Land	450,583.66	0.00	0.00	450,583.66
Improvements Other Than Building	1,723,157.27	0.00	0.00	1,723,157.27
Buildings and Fixed Equipment	54,031,062.63	0.00	0.00	54,031,062.63
Furniture, Fixtures, and Equipment	4,739,619.43	374,715.92	451,107.56	4,663,227.79
Motor Vehicles	3,032,706.78	406,996.90	0.00	3,439,703.68
Construction in Progress	0.00	0.00	0.00	0.00
	<u>63,977,129.77</u>	<u>781,712.82</u>	<u>451,107.56</u>	<u>64,307,735.03</u>
Less Accumulated Depreciation for:				
Improvements Other Than Building	1,355,964.00	54,119.00	0.00	1,410,083.00
Buildings and Fixed Equipment	14,990,580.00	1,141,416.00	0.00	16,131,996.00
Furniture, Fixtures, and Equipment	3,868,070.00	307,514.00	377,984.00	3,797,600.00
Motor Vehicles	2,134,254.00	196,486.00	0.00	2,330,740.00
Total Accumulated Depreciation	<u>22,348,868.00</u>	<u>1,699,535.00</u>	<u>377,984.00</u>	<u>23,670,419.00</u>
Capital Assets, net	<u>41,628,261.77</u>	<u>(917,822.18)</u>	<u>73,123.56</u>	<u>40,637,316.03</u>

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

5 Changes In General Long-Term Debt

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

	Balance 06-30-09	Additions	Deductions	Balance 06-30-10
Bonds Payable	825,000.00	0.00	45,000.00	780,000.00
Note Payable	860,866.31	0.00	93,427.96	767,438.35
Compensated Absences	2,767,524.58	348,072.21	339,900.75	2,775,696.04
Other Post Employment Benefits	85,465.00	17,084.00	0.00	102,549.00
Total	4,538,855.89	365,156.21	478,328.71	4,425,683.39

6 Risk Management Programs

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Holmes County District School Board is a member of the Panhandle Area Educational Consortium - Risk Management Consortium under which several district school boards have established a combined limited self-insurance program for property protection, general liability, automobile liability, workers' compensation, money and securities, employee fidelity and faithful performance, boiler and machinery, and other coverage deemed necessary by the members of the Consortium. Section 1001.42(10)(k), Florida Statutes, provides the authority for the District to enter into such a risk management program. The Consortium is self-sustaining through member assessments (premiums), and purchases coverage through commercial companies for claims in excess of specified amounts. The Board of Directors for the Consortium is composed of superintendents of all participating districts. The Washington County District School Board serves as fiscal agent for the Consortium. Health and hospitalization coverage are being provided through purchased commercial insurance, with minimum deductibles for each line of coverage. Settled claims resulting from the risks described above have not exceeded commercial coverage in any of the past three fiscal years.

7 Reserve For Encumbrances

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered. The Florida Department of Education requires that fund balances be reserved at fiscal year-end to report an amount likely to be expended from the 2009-10 fiscal year budget as a result of purchase orders outstanding at June 30, 2009. Because revenues of grants accounted for in the Special Revenue – Other Fund are not recognized until expenditures are incurred, these grant funds generally do not accumulate fund balances. Accordingly, no reserve for encumbrances is reported for grant funds.

8 Special Termination Benefits

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

9 Note Payable

The note payable is comprised of the following:

	Balance <u>06-30-10</u>
Wachovia Bank – Borrowed \$1,200,000.00 on 06-30-2005 under the provisions of Section 1013.23, Florida Statutes. Repayment to be made over a 12 year period.	\$767,438.35

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

<u>Year Ended</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2011	127,862.61	97,165.08	30,697.53
2012	127,862.61	101,051.68	26,810.93
2013	127,862.61	105,093.75	22,768.86
2014	127,862.61	109,297.50	18,565.11
2015	127,862.61	113,669.40	14,193.21
2016-2017	<u>255,725.17</u>	<u>241,160.94</u>	<u>14,564.23</u>
 Total	 <u>895,038.22</u>	 <u>767,438.35</u>	 <u>127,599.87</u>

10 Bonds Payable

The State Board of Education on behalf of the District issued School Bonds Series 2001-A. The bonds mature serially and are secured by a pledge of the District’s portion of the State-assessed motor vehicle license tax. The State’s full faith and credit is also pledged as security for these bonds. Principal payments, interest payments, Debt Service Fund resources, and compliance with reserve requirements are administered by the State Board of Education and the State Board of Administration. These bonds are issued to finance capital outlay projects in the District. The overall average interest rate for the entire bond issue is 4.96% with individual rates for the bond maturities ranging from 4.10% to 5.25%. The bonds mature through the fiscal year ended 2021.

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Fiscal Year June 30	Total Payment	Principal Principal	Interest
2011	87,975.00	50,000.00	37,975.00
2012	90,787.50	55,000.00	35,787.50
2013	88,312.50	55,000.00	33,312.50
2014	90,768.75	60,000.00	30,768.75
2015	92,918.75	65,000.00	27,918.75
Later Years	586,000.00	495,000.00	91,000.00
Total	<u>1,036,762.50</u>	<u>780,000.00</u>	<u>256,762.50</u>

11 Interfund Receivables, Payables, and Transfers

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

Funds	Receivables	Payables
Major:		
General	505,802.53	
Special Revenue - Federal Funds		<u>505,802.53</u>
Total	<u>505,802.53</u>	<u>505,802.53</u>

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

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

Funds	Transfers In	Transfers Out
Major:		
General	731,195.00	515,000.00
Special Revenue - Food Service	65,000.00	
Debt Service - Other Debt Service		225,000.00
Capital Projects		
Public Education Capital Outlay		731,195.00
Internal Service	<u>675,000.00</u>	
Total	<u>1,471,195.00</u>	<u>1,471,195.00</u>

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

12 Postemployment Healthcare Benefits Payable

Effective for the 2008-09 fiscal year, the District implemented Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, for certain postemployment healthcare benefits provided by the District. The requirements of this statement are being implemented prospectively, with the actuarially determined liability of \$4,408,903 at the July 1, 2008, date of transition amortized over 30 years. Accordingly, for financial reporting purposes, no liability is reported for the postemployment healthcare benefits liability at the date of transition.

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

Funding Policy. Contribution requirements of the District are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) costs or the net OPEB obligation and the Plan is financed on a pay as you go basis. For the 2009-10 fiscal year, 106 retirees received postemployment healthcare benefits. The District provided required contributions of \$452,977 toward the annual OPEB cost, comprised of benefit payments made on behalf of retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums, and net of retiree contributions totaling \$417,251.

Annual OPEB Cost and Net OPEB Obligation. The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC). The District has elected to calculate the ARC and related information using the alternative measurement method permitted by GASB 45 for employers in plans with fewer than 100 total plan members, even though the District has 336 plan members. The District has elected to use this method in lieu of obtaining the required actuarial valuation. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation for other postemployment benefits:

DISTRICT SCHOOL BOARD
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Description	Amount
Normal Cost at year end	178,410
Amortization of Unfunded Actuarial Accrued Liability	265,955
Interest on Normal Cost and Amortization	<u>21,552</u>
Annual Required Contribution	465,917
Interest on Net OPEB Obligation	4,145
Adjustment to Annual Required Contribution	<u>0</u>
Annual OPEB Cost	470,062
Contributions to OPEB Cost	<u>452,978</u>
Increase in Net OPEB Obligation	17,084
Net OPEB Obligation – beginning of year	<u>85,465</u>
Net OPEB Obligation – end of year	<u><u>102,549</u></u>

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

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Beginning 2008-09	462,447	60.0%	184,792
2009-10	470,062	96.4%	102,549

Funded Status and Funding Progress. As of June 30, 2008, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$4,360,952, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$4,360,952 and a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$10,874,083, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 40 percent.

The projection of future benefit payments for 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 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 required schedule of funding progress immediately following the notes to financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

DISTRICT SCHOOL BOARD
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NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Retirement age for active employees. Active plan members are assumed to accept retiree medical benefits upon retiring at the earlier of 30 years of service or age 62 with at least 6 years of service. Twenty five percent of participants retiring on an unreduced basis are assumed to elect to enter the Deferred Retirement Option Program for a period of three years. Thirty-three percent of eligible members are assumed to elect coverage upon retirement. Members are assumed to elect Medicare coverage as soon as they are eligible.

Marital status. Spouses are ineligible for coverage upon death of the active member. Active members that have spousal coverage are assumed to elect coverage at retirement.

Mortality. Life expectancies were based on mortality tables from the National Center for Health Statistics. The 2003 United States Life Table for males and females was used to estimate average years of life remaining for plan participants.

Turnover. Non-group-specific age-based turnover data from GASB 45 were used as the basis for assigning active members a probability of remaining employed until the assumed retirement age and for developing an expected future working life-time assumption for purposes of allocating to periods the present value of total benefits to be paid.

Healthcare cost trend rate. Future healthcare cost trends were based on projected national healthcare expenditure increases for state and local public entities as published by the Centers for Medicare & Medicaid Services, Office of the Actuary, in its report titled National Health Expenditure Projections 2008-2018. An annual rate of 6.6 percent initially beginning June 30, 2010, increasing to an ultimate rate of 7.6 percent beginning June 30, 2017, was used.

Health insurance premiums. The 2010 health insurance premiums were used as the basis for calculation of the present value of total benefits to be paid.

Other economic assumptions. An expected long-term inflation rate assumption of 3.3 percent was used, which was based upon projected future changes in the Consumer Price Index in The 2001 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance and Disability Insurance Trust Funds with growth estimated to be intermediate. The payroll growth rate is assumed to equal this long-term inflation assumption.

The District's initial OPEB valuation as of June 30, 2009 used a simplified version of the unit credit actuarial method to estimate the unfunded actuarial liability as of June 30, 2010 and the District's 2009-10 fiscal year annual required contribution. Because the OPEB liability is currently unfunded, the assumptions included a 4.85 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The unfunded actuarial accrued liability is being amortized using a level dollar amount on a closed basis. The remaining amortization period at June 30, 2010, was 29 years.

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF FUNDING PROGRESS
 OTHER POSTEMPLOYMENT BENEFITS PLAN
 June 30, 2010

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liabilities (AAL)	Unfunded Actuarial Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 2009	0	4,408,903	4,408,903	0.00%	11,028,315	40.0%
June 30, 2010		4,360,952	4,360,952	0.00%	10,874,083	40.1%

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2010

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Direct	3100	139,511.00	139,511.00	54,464.34	(85,046.66)
Federal Through State	3200			80,768.48	80,768.48
State Sources	3300	19,136,562.00	18,605,562.00	18,640,933.52	35,371.52
Local Sources:					
Property Taxes - Operational	3411	2,789,000.00	2,789,000.00	2,847,370.81	
Other Local	3495	376,199.00	376,199.00	566,246.22	190,047.22
Total Revenues		22,441,272.00	21,910,272.00	22,189,783.37	221,140.56
Expenditures:					
Instruction	5000	11,883,659.00	12,056,619.92	12,055,420.15	1,199.77
Pupil Personnel Services	6100	542,524.00	538,409.00	537,208.80	1,200.20
Instructional Media Services	6200	599,740.00	591,893.06	589,402.63	2,490.43
Instruction and Curriculum	6300	275,376.00	177,091.00	175,891.39	1,199.61
Instructional Staff Training	6400	337,941.00	193,948.00	192,747.86	1,200.14
Instruction Related Technology	6500	176,175.00	133,590.00	133,096.00	494.00
Board of Education	7100	188,042.00	176,101.00	174,901.22	1,199.78
General Administration	7200	177,556.00	170,961.00	169,760.93	1,200.07
School Administration	7300	1,891,566.00	1,766,396.02	1,765,196.44	1,199.58
Facilities Acq & Construction	7410		0.00		0.00
Fiscal Services	7500	331,453.00	273,421.14	272,220.76	1,200.38
Central Services	7700	678,006.00	633,325.00	632,125.22	1,199.78
Pupil Transportation Services	7800	1,475,366.00	1,310,586.08	1,309,385.98	1,200.10
Operation of Plant	7900	2,803,666.00	2,500,501.00	2,499,301.18	1,199.82
Maintenance of Plant	8100	831,538.00	800,189.00	798,988.67	1,200.33
Community Services	9100		7,959.00	6,758.60	1,200.40
Capital Outlay:					
Other Capital Outlay	9300		394,862.78	394,862.78	0.00
Total Expenses		22,192,608.00	21,725,853.00	21,707,268.61	18,584.39
Excess of Revenues Over (Under) Expenditures		248,664.00	184,419.00	482,514.76	239,724.95
Other Financing Sources (Uses):					
Loss Recoveries	3740				0.00
Transfers In	3600	510,000.00	510,000.00	731,195.00	221,195.00
Transfers Out	9700	(258,000.00)	(516,200.00)	(515,000.00)	1,200.00
Total Other Financing Sources (Uses)		252,000.00	(6,200.00)	216,195.00	222,395.00
Net Change in Fund Balances		500,664.00	178,219.00	698,709.76	462,119.95
Fund Balance, July 1, 2009	2800	1,196,475.00	1,196,475.04	1,196,475.04	0.00
Fund Balance, June 30, 2010	2700	1,697,139.00	1,374,694.04	1,895,184.80	462,119.95

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE - OTHER
 For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Federal Direct	3100			0.00
Federal Through State	3200	2,091,088.00	3,032,915.00	3,015,952.81
State Sources	3300			(16,962.19)
Local Sources	3400			0.00
Total Revenues		2,091,088.00	3,032,915.00	3,015,952.81
Expenditures:				
Instruction	5000	1,557,707.00	1,979,205.17	1,978,005.36
Pupil Personnel Services	6100	76,229.00	105,842.00	104,642.01
Instructional Media Services	6200		146,104.66	144,010.91
Instruction and Curriculum	6300	211,653.00	215,253.99	214,054.37
Instructional Staff Training	6400	112,814.00	109,058.00	107,858.45
Instruction Related Technology	6500	9,900.00	24,889.00	20,583.06
Board of Education	7100			4,305.94
General Administration	7200	83,759.00	117,681.00	116,481.28
School Administration	7300		0.00	1,199.72
Facilities Acq & Construction	7410			0.00
Fiscal Services	7500			0.00
Food Service	7600			0.00
Central Services	7700	3,253.00	2,280.00	1,079.68
Pupil Transportation Services	7800	35,773.00	50,964.00	49,763.51
Operation of Plant	7900	0.00		1,200.32
Maintenance of Plant	8100	0.00		1,200.49
Community Services	9100		37,200.00	36,000.00
Capital Outlay:				1,200.00
Other Capital Outlay	9300		243,474.18	243,474.18
Total Expenses		2,091,088.00	3,031,952.00	3,015,952.81
Excess of Revenues Over (Under) Expenditures		0.00	963.00	0.00
Other Financing Sources (Uses):				(963.00)
Loss Recoveries	3740			0.00
Transfers In	3600			0.00
Transfers Out	9700			0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00
Net Change in Fund Balances		0.00	963.00	0.00
Fund Balance, July 1, 2009		0.00	0.00	0.00
Fund Balance, June 30, 2010		0.00	963.00	0.00

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL - MAJOR SPECIAL REVENUE - ARRA ECONOMIC STIMULUS FUNDS
 For the Fiscal Year Ended June 30, 2010

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Direct	3100				0.00
Federal Through State	3200	1,025,213.00	2,039,213.00	2,023,016.00	(16,197.00)
State Sources	3300				0.00
Local Sources	3400				0.00
Total Revenues		1,025,213.00	2,039,213.00	2,023,016.00	(16,197.00)
Expenditures:					
Instruction	5000	1,025,213.00	1,733,539.91	1,731,139.80	2,400.11
Pupil Personnel Services	6100				0.00
Instructional Media Services	6200		20,504.00	19,303.90	1,200.10
Instruction and Curriculum	6300		18,212.00	17,012.48	1,199.52
Instructional Staff Training	6400		3,258.00	2,058.00	1,200.00
Instruction Related Technology	6500		8,768.00	6,367.60	2,400.40
Board of Education	7100				0.00
General Administration	7200		21,015.00	19,815.29	1,199.71
School Administration	7300				0.00
Facilities Acq & Construction	7410				0.00
Fiscal Services	7500				0.00
Food Service	7600		1,850.00	650.00	1,200.00
Central Services	7700				0.00
Pupil Transportation Services	7800		1,200.00		1,200.00
Operation of Plant	7900		84,282.00	83,082.05	1,199.95
Maintenance of Plant	8100		26,027.00	24,826.79	1,200.21
Community Services	9100				0.00
Capital Outlay:					
Other Capital Outlay	9300		118,760.09	118,760.09	0.00
Total Expenses		1,025,213.00	2,037,416.00	2,023,016.00	14,400.00
Excess of Revenues Over (Under) Expenditures		0.00	1,797.00	0.00	(1,797.00)
Other Financing Sources (Uses):					
Loss Recoveries	3740				0.00
Transfers In	3600				0.00
Transfers Out	9700				0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00
Net Change in Fund Balances		0.00	1,797.00	0.00	(1,797.00)
Fund Balance, July 1, 2009		0.00	0.00	0.00	0.00
Fund Balance, June 30, 2010		0.00	1,797.00	0.00	(1,797.00)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SPECIAL REVENUE FUNDS
 June 30, 2010

		Food Service 410	Total Nonmajor Special Revenue Funds
ASSETS			
Cash	1110	283,708.52	283,708.52
Accounts Receivable	1130	67.90	67.90
Due From Budgetary Funds	1141		0.00
Inventory	1150	30,145.25	30,145.25
Investments	1160		0.00
Due From Other Agencies	1220	16,323.18	16,323.18
		<u>330,244.85</u>	<u>330,244.85</u>
Total Assets			
LIABILITIES AND FUND EQUITY			
Liabilities:			
Accounts Payable	2120	10,980.65	
Due To Budgetary Funds	2161		0.00
Payroll Deductions	2170	4,155.82	4,155.82
Due To Other Agencies	2230		0.00
		<u>15,136.47</u>	<u>4,155.82</u>
Total Liabilities			
Fund Balances:			
Reserved For Encumbrances	2720	0.00	0.00
Unreserved	2760	315,108.38	315,108.38
		<u>315,108.38</u>	<u>315,108.38</u>
Total Fund Balances			
		<u>330,244.85</u>	<u>319,264.20</u>
Total Liabilities and Fund Equity			

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUNDS
 June 30, 2010

		Other Debt Service 290	Total Nonmajor Debt Service Funds
ASSETS			
Cash	1110	913,474.77	0.00
Cash with Fiscal Agent	1114		18,995.14
Investments	1160		0.00
Total Assets		913,474.77	18,995.14
 LIABILITIES AND FUND BALANCES			
Total Liabilities		0.00	0.00
 Fund Balances:			
Reserved for Debt Service	2750		18,995.14
Unreserved	2760	913,474.77	0.00
Total Fund Balances		913,474.77	18,995.14
Total Liabilities and Fund Balances		913,474.77	18,995.14

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECTS FUNDS
 June 30, 2010

		Public Education Capital Outlay (PECO) 340	Capital Outlay and Debt Service Funds (CO & DS) 360	Other Capital Projects 390	Total Nonmajor Capital Project Funds
ASSETS					
Cash	1110	93,862.24	123,330.28	210,902.12	428,094.64
Accounts Receivable	1130				0.00
Due From Budgetary Funds	1141				0.00
Investments	1160	66,247.60			66,247.60
Due From Other Agencies	1220	135,179.00			135,179.00
Total Assets		295,288.84	123,330.28	210,902.12	629,521.24
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	2120				0.00
Construction Contract Payable	2140				0.00
Due to Budgetary Funds	2161				0.00
Due to Other Agencies	2230				0.00
Note Payable	2250				0.00
Deferred Revenue	2410				0.00
Total Liabilities		0.00	0.00	0.00	0.00
Fund Balances:					
Reserve for Encumbrances	2720				
Reserved For Capital Projects	2780	295,288.84	123,330.28		418,619.12
Unreserved	2760	(0.00)	0.00	210,902.12	210,902.12
Total Fund Balances		295,288.84	123,330.28	210,902.12	629,521.24
Total Liabilities and Fund Balances		295,288.84	123,330.28	210,902.12	629,521.24

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2010

	Special Revenue Funds	
	Food Service 410	Total Nonmajor Special Revenue Funds
Revenues:		
Federal Direct	3100	
Federal Through State	3200	1,124,565.46
State Sources	3300	23,320.00
Charges For Services - Food Service	3450	361,920.73
Other Local Revenue		8,333.66
		8,333.66
Total Revenues	1,518,139.85	1,518,139.85
Expenditures:		
Instruction	5000	0.00
Food Service	7600	1,578,460.20
Facilities Acq & Construction	7420	0.00
Other Capital Outlay	9300	0.00
		0.00
Total Expenditures	1,578,460.20	1,578,460.20
Excess Deficiency of Revenues Over (Under) Expenditures	(60,320.35)	(60,320.35)
Other Financing Sources (Uses):		
Transfers In	3600	65,000.00
		65,000.00
Total Other Financing Sources (Uses)	65,000.00	65,000.00
Net Change in Fund Balance	4,679.65	4,679.65
Fund Balance, July 1, 2009	2800	310,428.73
		310,428.73
Fund Balance, June 30, 2010	2700	315,108.38

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2010

	Debt Service Funds	
	SBE/COBI Bonds 210	Total Nonmajor Debt Service Funds
Revenues:		
Federal Through State	3200	0.00
State Sources	3300	84,020.48
Local Sources:		
Other Local	3495	0.00
Total Revenues	84,020.48	84,020.48
Expenditures:		
Retirement of Principal	710	45,000.00
Interest	720	39,887.50
Dues, Fees and Issuance Costs	730	59.36
Miscellaneous Expenditures	790	0.00
Total Expenditures	84,946.86	84,946.86
Excess Deficiency of Revenues Over (Under) Expenditures	(926.38)	(926.38)
Other Financing Sources (Uses):		
Transfers In	3600	0.00
Transfers Out	9700	0.00
Total Other Financing Sources (Uses)	0.00	0.00
Net Change in Fund Balance	(926.38)	(926.38)
Fund Balance, July 1, 2009	2800	19,921.52
Fund Balance, June 30, 2010	2700	18,995.14

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2010

	Capital Projects Funds			
	Public Education Capital Outlay 340	Capital Outlay & Debt Service 360	Other Capital Projects 390	Total Nonmajor Capital Projects Funds
	Revenues:			
Miscellaneous Federal	3100		169,323.08	169,323.08
State Sources	3300	70,724.00	29,362.43	100,086.43
Local Sources:				
Property Taxes - Capital Projects	3413			0.00
Other Local	3495	12,615.87	1,078.01	2,725.06
Total Revenues		83,339.87	30,440.44	172,048.14
Expenditures:				
General Administration	5000	0.00		0.00
School Administration	7300	0.00		0.00
Facilities Acq & Construction	7410	0.00	0.00	0.00
Food Service	7600	0.00		0.00
Operation of Plant	7900	0.00		0.00
Maintenance of Plant	8100	0.00	0.00	0.00
Debt Service	9200	0.00		
Capital Outlay:				
Facilities Acquisition and Construction	7420	0.00	0.00	0.00
Other Capital Outlay	9300			
Total Expenditures		0.00	0.00	0.00
Excess Deficiency of Revenues Over (Under) Expenditures		83,339.87	30,440.44	172,048.14
Other Financing Sources (Uses):				
Transfers In	3600			0.00
Proceeds of Loans	3720			
Transfers Out	9700	(731,195.00)		(731,195.00)
Total Other Financing Sources (Uses)		(731,195.00)	0.00	0.00
Net Change in Fund Balance		(647,855.13)	30,440.44	172,048.14
Fund Balance, July 1, 2009	2800	943,143.97	92,889.84	38,853.98
Fund Balance, June 30, 2010	2700	295,288.84	123,330.28	210,902.12
		629,521.24		

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - FOOD SERVICE (NONMAJOR)
For the Fiscal Year Ended June 30, 2010

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Direct	3100				0.00
Federal Through State	3200	1,019,778.00	1,019,778.00	1,124,565.46	104,787.46
State Sources	3300	23,611.00	23,611.00	23,320.00	(291.00)
Charges For Services - Food Service	3450	426,544.00	426,544.00	361,920.73	(64,623.27)
Other Local Revenue				8,333.66	8,333.66
Total Revenues		1,469,933.00	1,469,933.00	1,518,139.85	48,206.85
Expenditures:					
Food Services	7600	1,726,924.00	1,726,924.00	1,578,460.20	148,463.80
Total Expenses		1,726,924.00	1,726,924.00	1,578,460.20	148,463.80
Excess of Revenues Over (Under) Expenditures		(256,991.00)	(256,991.00)	(60,320.35)	196,670.65
Other Financing Sources (Uses):					
Loss Recoveries	3740				0.00
Transfers In	3600	258,000.00	258,000.00	65,000.00	(193,000.00)
Transfers Out	9700				0.00
Total Other Financing Sources (Uses)		258,000.00	258,000.00	65,000.00	(193,000.00)
Net Change in Fund Balances		1,009.00	1,009.00	4,679.65	3,670.65
Fund Balance, July 1, 2009	2800	310,428.00	310,428.73	310,428.73	0.00
Fund Balance, June 30, 2010		311,437.00	311,437.73	315,108.38	3,670.65

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE - SBE/COBI BOND
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Federal Direct	3100			0.00
Federal Through State	3200			0.00
State Sources	3300	84,888.00	84,888.00	84,020.48
				(867.52)
Local Sources:				
Other Local	3495			0.00
Total Revenues		84,888.00	84,888.00	84,020.48
				(867.52)
Expenditures:				
Debt Service: (Function 9200)				0.00
Retirement of Principal	710	45,000.00	45,000.00	45,000.00
Interest	720	39,888.00	39,888.00	39,887.50
Dues and fees	730		100.00	59.36
Miscellaneous Expenditures	790			40.64
				0.00
Total Expenses		84,888.00	84,988.00	84,946.86
				41.14
Excess of Revenues Over (Under) Expenditures		0.00	(100.00)	(926.38)
				(826.38)
Other Financing Sources (Uses):				
Loss Recoveries	3740			0.00
Transfers In	3600			0.00
Transfers Out	9700			0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00
				0.00
Net Change in Fund Balances		0.00	(100.00)	(926.38)
Fund Balance, July 1, 2009	2800	19,921.00	19,921.00	19,921.52
				0.52
Fund Balance, June 30, 2010	2700	19,921.00	19,821.00	18,995.14
				(825.86)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - DEBT SERVICE - OTHER DEBT SERVICE
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Federal Direct	3100			0.00
Federal Through State	3200			0.00
State Sources	3300	209,250.00	209,250.00	209,250.00
Local Sources				
Other Local	3495	19,500.00	19,500.00	18,615.33
				(884.67)
Total Revenues		228,750.00	228,750.00	227,865.33
				(884.67)
Expenditures:				
Debt Service: (Function 9200)				0.00
Retirement of Principal	710	93,428.00	93,528.00	93,437.18
Interest	720	34,434.00	34,434.00	34,425.43
Dues and fees	730			0.00
Miscellaneous Expenditures	790			0.00
Total Expenses		127,862.00	127,962.00	127,862.61
				99.39
Excess of Revenues Over (Under) Expenditures		100,888.00	100,788.00	100,002.72
				(785.28)
Other Financing Sources (Uses):				
Loss Recoveries	3740			0.00
Transfers In	3600			0.00
Transfers Out	9700		(226,000.00)	(225,000.00)
				1,000.00
Total Other Financing Sources (Uses)		0.00	(226,000.00)	(225,000.00)
				1,000.00
Net Change in Fund Balances		100,888.00	(125,212.00)	(124,997.28)
Fund Balance, July 1, 2009	2800	1,038,472.00	1,038,472.05	1,038,472.05
				0.00
Fund Balance, June 30, 2010		1,139,360.00	913,260.05	913,474.77
				214.72

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS - PECO
For the Fiscal Year Ended June 30, 2010

		Budgeted Amounts		Actual Amounts	Variance With Final Budget
		Original	Final		
Revenues:					
Federal Direct	3100				0.00
Federal Through State	3200				0.00
State Sources	3300	70,724.00	70,724.00	70,724.00	0.00
Local Sources:					
Other Local	3495	25,311.00	25,311.00	12,615.87	(12,695.13)
Total Revenues		96,035.00	96,035.00	83,339.87	(12,695.13)
Expenditures:					
Instruction	5000				0.00
Pupil Personnel Services	6100				0.00
Instructional Media Services	6200				0.00
Instruction and Curriculum	6300				0.00
General Administration	7200				0.00
School Administration	7300				0.00
Facilities Acq & Construction	7410		0.00		0.00
Food Service	7600				0.00
Central Services	7700				0.00
Pupil Transportation Services	7800				0.00
Operation of Plant	7900				0.00
Maintenance of Plant	8100	75,000.00	75,000.00		75,000.00
Debt Service	9200				0.00
Capital Outlay:					
Facilities Acquisition and Construction	7420				0.00
Other Capital Outlay	9300				0.00
Total Expenses		75,000.00	75,000.00	0.00	75,000.00
Excess of Revenues Over (Under) Expenditures		21,035.00	21,035.00	83,339.87	62,304.87
Other Financing Sources (Uses):					
Transfers In	3600				0.00
Transfers Out	9700	(510,000.00)	(732,000.00)	(731,195.00)	805.00
Total Other Financing Sources (Uses)		(510,000.00)	(732,000.00)	(731,195.00)	805.00
Net Change in Fund Balances		(488,965.00)	(710,965.00)	(647,855.13)	63,109.87
Fund Balance, July 1, 2009	2800	943,144.00	943,143.97	943,143.97	0.00
Fund Balance, June 30, 2010	2700	454,179.00	232,178.97	295,288.84	63,109.87

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS - CO&DS
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Federal Direct	3100			0.00
Federal Through State	3200			0.00
State Sources	3300	26,510.00	26,510.00	29,362.43
Local Sources:				
Other Local	3495	3,244.00	3,244.00	1,078.01
				(2,165.99)
Total Revenues		29,754.00	29,754.00	30,440.44
Expenditures:				
Total Expenses		0.00	0.00	0.00
Excess of Revenues Over (Under) Expenditures		29,754.00	29,754.00	30,440.44
Other Financing Sources (Uses):				
Loss Recoveries	3740			0.00
Transfers In	3600			0.00
Transfers Out	9700	0.00	0.00	0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00
Net Change in Fund Balances		29,754.00	29,754.00	30,440.44
Fund Balance, July 1, 2009	2800	92,890.00	92,889.84	92,889.84
Fund Balance, June 30, 2010	2700	122,644.00	122,643.84	123,330.28

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS - LOCAL CAPITAL IMPROVEMENT
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Federal Direct	3100			0.00
Federal Through State	3200			0.00
State Sources	3300			0.00
Local Sources:				
Property Taxes - Capital Projects	3413	0.00		0.00
Other Local	3495	34,651.00	8,053.17	(26,597.83)
Total Revenues	34,651.00	34,651.00	8,053.17	(26,597.83)
Expenditures:				
Total Expenses	0.00	0.00	0.00	0.00
Excess of Revenues Over (Under) Expenditures	34,651.00	34,651.00	8,053.17	(26,597.83)
Other Financing Sources (Uses):				
Loss Recoveries	3740			0.00
Transfers In	3600			0.00
Transfers Out	9700	0.00	0.00	0.00
Total Other Financing Sources (Uses)	0.00	0.00	0.00	0.00
Net Change in Fund Balances	34,651.00	34,651.00	8,053.17	(26,597.83)
Fund Balance, July 1, 2009	2800	711,591.00	711,590.73	0.00
Fund Balance, June 30, 2010	2700	746,242.00	719,643.90	(26,597.83)

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - CAPITAL PROJECTS - OTHER CAPITAL
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		Actual Amounts	Variance With Final Budget
	Original	Final		
Revenues:				
Federal Direct	3100		169,323.08	169,323.08
Federal Through State	3200			0.00
State Sources	3300			0.00
Local Sources:				
Other Local	3495	1,894.00	1,894.00	2,725.06
				831.06
Total Revenues		1,894.00	1,894.00	172,048.14
				170,154.14
Expenditures:				
Total Expenses		0.00	0.00	0.00
				0.00
Excess of Revenues Over (Under) Expenditures		1,894.00	1,894.00	172,048.14
				170,154.14
Other Financing Sources (Uses):				
Proceeds of Loans	3720			0.00
Transfers In	3600			0.00
Transfers Out	9700			0.00
Total Other Financing Sources (Uses)		0.00	0.00	0.00
				0.00
Net Change in Fund Balances		1,894.00	1,894.00	172,048.14
				170,154.14
Fund Balance, July 1, 2009	2800	38,853.00	38,853.98	38,853.98
				0.00
Fund Balance, June 30, 2010	2700	40,747.00	40,747.98	210,902.12
				170,154.14

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF NET ASSETS
 INTERNAL SERVICE FUNDS
 June 30, 2010

		<u>Total</u>	<u>Total Internal Service Funds</u>
ASSETS			
Cash	1110	1,498,931.37	1,498,931.37
Investments	1160	<u>100,266.36</u>	<u>100,266.36</u>
 Total Assets		 <u><u>1,599,197.73</u></u>	 <u><u>1,599,197.73</u></u>
 LIABILITIES AND FUND EQUITY			
Liabilities:			
Compensated Absences Payable	2330	<u>1,599,197.73</u>	<u>1,599,197.73</u>
 Total Liabilities		 1,599,197.73	 1,599,197.73
Fund Equity	2700	<u>0.00</u>	<u>0.00</u>
 Total Liabilities and Fund Equity		 <u><u>1,599,197.73</u></u>	 <u><u>1,599,197.73</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2010

		Total	Total Internal Service Funds
Nonoperating Revenues			
Interest on Investments	3400	12,385.00	12,385.00
Nonoperating Expenses			
Miscellaneous Expense	790	(687,385.00)	(687,385.00)
Income (Loss) before operating transfers		(675,000.00)	(675,000.00)
Transfers In			
From General Fund	3610	450,000.00	450,000.00
From Debt Service	3620	225,000.00	225,000.00
Total Transfers In	3600	675,000.00	675,000.00
Change in Net Assets		0.00	0.00
Net Assets, July 1, 2009	2800	0.00	0.00
Net Assets, June 30, 2010	2780	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2010

	Total	Total Internal Service Funds
Cash Flows From Noncapital Financing Activities		
Transfers From Other Funds	675,000.00	675,000.00
Net cash provided (used) by noncapital financing activities	675,000.00	675,000.00
Cash Flows From Investing Activities		
Sale of Investments	29,004.21	29,004.21
Interest	12,385.00	12,385.00
Net Cash Provided by Investing Activities	41,389.21	41,389.21
Net Increase in Cash and Cash Equivalents	716,389.21	716,389.21
Cash Beginning	782,542.16	782,542.16
Cash Ending	1,498,931.37	1,498,931.37
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	0.00	0.00
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Changes in Assets and Liabilities:	0.00	0.00
Total Adjustments	0.00	0.00
Net Cash Provided by Operating Activities	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 AGENCY FUNDS
 June 30, 2010

	School Internal Funds 891	Total Agency Funds
ASSETS		
Cash	300,535.28	300,535.28
Total Assets	300,535.28	300,535.28
 LIABILITIES		
Internal Accounts Payable	300,535.28	300,535.28
Total Liabilities	300,535.28	300,535.28

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS - SCHOOL INTERNAL FUNDS
 June 30, 2010

		Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
ASSETS					
Cash	1110	294,378.72	1,059,771.34	1,053,614.78	300,535.28
Total Assets		<u>294,378.72</u>	<u>1,059,771.34</u>	<u>1,053,614.78</u>	<u>300,535.28</u>
 LIABILITIES					
Internal Accounts Payable	2290	294,378.72	1,059,771.34	1,053,614.78	300,535.28
Total Liabilities		<u>294,378.72</u>	<u>1,059,771.34</u>	<u>1,053,614.78</u>	<u>300,535.28</u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND
For the Fiscal Year Ended June 30, 2010

REVENUES	Acct No	Amount
Federal Direct		
Reserve Officers Training Corps (ROTC)	3191	54,464.34
Total Federal Direct	3100	54,464.34
Federal Through State	3200	80,768.48
		<u>135,232.82</u>
 STATE		
Florida Education Finance Program	3310	15,154,590.00
CO&DS Withheld for Administrative Expense	3323	1,706.49
District Discretionary Lottery Funds	3344	8,186.00
Class Size Reduction/Operating Funds	3355	3,179,330.00
School Recognition/Merit Schools	3361	128,047.00
Excellent Teaching Program	3363	
Voluntary Prekindergarten Program	3371	152,809.78
Preschool Projects	3372	
State License Tax	3343	10,094.56
Miscellaneous State	_____	6,169.69
		<u>18,640,933.52</u>
 LOCAL		
District Taxes - Operational	3411	2,847,370.81
Tax Redemptions	3421	
Interest	3431	27,397.55
Preschool Program Fees	3471	66,312.56
Federal Indirect Cost Rate	3494	134,487.71
Lost, Damaged and Sold Textbooks	3498	
Miscellaneous Local Sources	3495	338,048.40
		<u>3,413,617.03</u>
 Total Local	3400	<u>3,413,617.03</u>
 Total Revenues	3000	<u>22,189,783.37</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE--GENERAL FUND, CONTINUED
For the Fiscal Year Ended June 30, 2010

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Total	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	12,055,420.15	8,817,649.55	2,331,751.02	293,507.40		412,547.96	80,731.77	119,232.45
Pupil Personnel Services	6100	537,208.80	384,752.44	97,456.36	55,000.00				
Instructional Media Services	6200	589,402.63	434,714.27	113,585.70	5,238.44		9,648.24	24,493.95	1,722.03
Instructional & Curriculum Services	6300	175,891.39	137,933.81	34,540.58	3,417.00				
Instructional Staff Training	6400	192,747.86	150,767.78	37,217.58	2,520.37				2,242.13
Instruction Related Technology	6500	133,096.00	105,683.09	27,330.44				82.47	
Board of Education	7100	174,901.22	123,535.00	41,367.22					9,999.00
General Administration	7200	169,760.93	129,730.09	30,393.52	2,252.42		234.90		7,150.00
School Administration	7300	1,765,196.44	1,312,502.35	391,650.25	58,338.88		1,300.94	435.26	968.76
Facilities Acquisition & Construction	7410	0.00							
Fiscal Services	7500	272,220.76	195,363.58	51,795.19	10,799.28		4,237.48	828.91	9,196.32
Central Services	7700	632,125.22	418,060.11	141,697.51	52,107.35		7,792.54	382.42	12,085.29
Pupil Transportation Services	7800	1,309,385.98	686,222.97	267,834.68	15,138.82	182,267.84	110,845.96	21,261.73	25,813.98
Operation of Plant	7900	2,499,301.18	465,592.30	322,749.02	742,190.58	919,535.85	43,490.50		5,742.93
Maintenance of Plant	8100	798,988.67	333,685.18	82,464.35	277,687.78	131.35	101,174.90	3,689.11	156.00
Community Services	9100	6,758.60	3,179.07	912.76			2,666.77		
Facilities Acq & Construction	7460	0.00							
Other Capital Outlay	9300	394,862.78						394,862.78	
Debt Service	9200								
Total Expenditures	0000	21,707,268.61	13,699,371.59	3,972,746.18	1,518,198.32	1,101,935.04	693,940.19	526,768.40	194,308.89
Excess (Deficiency) Of Revenues Over Expenditures	01	482,514.76							

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GENERAL FUND
For the Fiscal Year Ended June 30, 2010

	Acct No	Amount
OTHER FINANCING SOURCES (USES)		
Nonrevenue Receipts		
Loss Recoveries	3740	<u> </u>
Transfers In		
From Debt Service Funds	3620	
From Capital Projects Funds	3630	731,195.00
From Internal Service Funds	3670	<u> </u>
Total Transfers In	3600	<u>731,195.00</u>
Transfers Out		
To Special Revenue Funds	940	(65,000.00)
To Internal Service	970	<u>(450,000.00)</u>
Total Transfers Out	9700	<u>(515,000.00)</u>
Total Other Financing Sources (Uses)		<u>216,195.00</u>
Net Change in Fund Balance		698,709.76
Fund Balance, July 1, 2009	2800	<u>1,196,475.04</u>
Fund Balance, June 30, 2010	2700	<u><u>1,895,184.80</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUND -- FOOD SERVICE
For the Fiscal Year Ended June 30, 2010

REVENUES	Acct No	Amount
Federal Through State:		
School Lunch Reimbursement	3261	808,081.36
School Breakfast Reimbursement	3262	221,425.32
After School Snack Reimbursement	3263	24,775.94
USDA Donated Foods	3265	53,959.66
Summer Food Service Program	3267	16,323.18
Total Federal Through State	3200	1,124,565.46
State:		
Breakfast Supplement	3337	8,576.00
School Lunch Supplement	3338	14,196.00
Miscellaneous State	3390	548.00
Total State	3300	23,320.00
Local:		
Interest	3431	2,610.96
Student Lunches	3451	213,636.52
Student Breakfasts	3452	72,285.81
Adult Breakfast/Lunch	3453	67,164.95
Student and Adult a la Carte	3454	8,833.45
Other Food Sales	3456	
Miscellaneous Local Sources	3490	5,722.70
Total Local	3400	370,254.39
Total Revenues	3000	1,518,139.85

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUND -- FOOD SERVICE
For the Fiscal Year Ended June 30, 2010

EXPENDITURES (Function 7600)	Acct No	Amount
Salaries	100	459,875.17
Employee Benefits	200	177,719.31
Purchased Services	300	6,062.81
Energy Services	400	0.00
Materials and Supplies	500	912,673.27
Capital Outlay	600	7,672.17
Other Expenses	700	14,457.47
Other Capital Outlay (Function 9300)	600	<u> </u>
 Total Expenditures	 7600	 <u>1,578,460.20</u>
 Excess (Deficiency) of Revenues Over Expenditures		 (60,320.35)
 OTHER FINANCING SOURCES (USES)		
Transfers In	3600	<u>65,000.00</u>
 Net Change in Fund Balance		 4,679.65
 Fund Balance, July 1, 2009	 2800	 <u>310,428.73</u>
 Fund Balance, June 30, 2010	 2700	 <u><u>315,108.38</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - SPECIAL REVENUE FUND -- OTHER
For the Fiscal Year Ended June 30, 2010

REVENUES	Acct No	Amount
Federal Direct:		
Vocational Education Acts	3201	89,251.04
Job Training Partnership Act (JTPA)	3220	
Title II	3226	235,039.00
Drug Free Schools	3227	16,054.26
Education for the Handicapped (PL 94-142)	3230	646,546.39
Education Consolidation and Improvement Act, Chapter I	3240	1,303,966.01
Vocational Rehabilitation	3253	36,000.00
Education Consolidation and Improvement Act, Chapter II	3270	
Federal Through Local	3280	
Miscellaneous Federal	3290	689,096.11
 Total Federal Through State	 3200	 <u>3,015,952.81</u>
 Total Revenues	 3000	 <u>3,015,952.81</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE--SPECIAL REVENUE FUNDS/OTHER, CONTINUED
For the Fiscal Year Ended June 30, 2010

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Totals	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	1,978,005.36	931,448.33	249,668.36	331,138.62		194,328.03	206,475.51	64,946.51
Pupil Personnel Services	6100	104,642.01	65,848.30	16,128.91	2,349.32		12,410.48	7,650.00	255.00
Instructional Media Services	6200	144,010.91	5,287.60	917.38	6,016.19		1,574.76	129,644.98	570.00
Instructional & Curriculum Services	6300	214,054.37	163,657.71	36,706.51	9,413.74		3,925.64	350.77	
Instructional Staff Training	6400	107,858.45	64,255.35	13,880.96	22,923.55	77.91	2,654.84		4,065.84
Instruction Related Technology	6500	20,583.06	6,132.83	1,395.28				13,054.95	
Board of Education	7100	0.00							
General Administration	7200	116,481.28			1,322.61	151.25			115,007.42
School Administration	7300	0.00							
Facilities Acquisition & Construction	7410	0.00							
Fiscal Services	7500	0.00							
Food Services	7600	0.00							
Central Services	7700	1,079.68			1,079.68				
Pupil Transportation Services	7800	49,763.51	9,678.00	2,289.06	34,064.45				3,732.00
Operation of Plant	7900	0.00							
Maintenance of Plant	8100	0.00							
Community Services	9100	36,000.00	27,820.93	8,179.07					
Facilities Acq & Construction	7420	0.00							
Other Capital Outlay	9300	243,474.18						243,474.18	
Debt Service		0.00							
Total Expenditures	0000	3,015,952.81	1,274,129.05	329,165.53	408,308.16	229.16	214,893.75	600,650.39	188,576.77
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2009	2800	<u>0.00</u>							
Fund Balance, June 30, 2010	2700	<u><u>0.00</u></u>							

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCE - SPECIAL REVENUE FUNDS
 AMERICAN RECOVERY AND REINVESTMENT ACT ECONOMIC STIMULUS FUNDS
 For the Fiscal Year Ended June 30, 2010

REVENUES	Acct No	State Fiscal Stabilization 431	Targeted ARRA Stimulus 432	Other ARRA Stimulus 433	Totals
Federal Direct:					
State Fiscal Stabilization Funds K-12	3210	1,006,863.00			1,006,863.00
State Fiscal Stabilization Funds – Excellent Teaching	3213	32,885.12			32,885.12
Individuals with Disabilities Education Act (IDEA)	3230		378,214.93		378,214.93
Elementary and Secondary Education Act, Title I	3240	164,794.23	270,650.90		435,445.13
Other Food Services	3269			33,000.00	33,000.00
	3280				0.00
Miscellaneous Federal Through State	3290		136,607.82		136,607.82
 Total Federal Throught State	 3200	 1,204,542.35	 785,473.65	 33,000.00	 2,023,016.00
 Total Revenues	 3000	 1,204,542.35	 785,473.65	 33,000.00	 2,023,016.00

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 SPECIAL REVENUE FUND - STATE FISCAL STABILIZATION FUNDS (Continued)
 For the Fiscal Year Ended June 30, 2010

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Totals	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	1,174,300.76	818,951.31	215,230.39				139,797.71	321.35
Pupil Personnel Services	6100	0.00							
Instructional Media Services	6200	0.00							
Instructional & Curriculum Services	6300	0.00							
Instructional Staff Training	6400	2,058.00			2,058.00				
Instruction Related Technology	6500	2,850.00			2,850.00				
Board of Education	7100	0.00							
General Administration	7200	0.00							
School Administration	7300	0.00							
Facilities Acquisition & Construction	7400	0.00							
Fiscal Services	7500	0.00							
Food Services	7600	650.00						650.00	
Central Services	7700	0.00							
Pupil Transportation Services	7800	0.00							
Operation of Plant	7900	0.00							
Maintenance of Plant	8100	0.00							
Community Services	9100	0.00							
Facilities Acq & Construction	7420	0.00							
Other Capital Outlay	9300	24,683.59						24,683.59	
Debt Service		0.00							
Total Expenditures	0000	1,204,542.35	818,951.31	215,230.39	4,908.00	0.00	0.00	165,131.30	321.35
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2009	2800	<u>0.00</u>							
Fund Balance, June 30, 2010	2700	<u><u>0.00</u></u>							

Exhibit K-4
 Fund 431

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 SPECIAL REVENUE FUND - TARGETED ARRA STIMULUS FUNDS (Continued)
 For the Fiscal Year Ended June 30, 2010

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Totals	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	556,839.04	331,132.44	91,562.43	115,066.91		998.82	17,814.06	264.38
Pupil Personnel Services	6100	0.00							
Instructional Media Services	6200	19,303.90						19,303.90	
Instructional & Curriculum Services	6300	17,012.48			17,012.48				
Instructional Staff Training	6400	0.00							
Instruction Related Technology	6500	3,517.60						3,517.60	
Board of Education	7100	0.00							
General Administration	7200	19,815.29							19,815.29
School Administration	7300	0.00							
Facilities Acquisition & Construction	7400	0.00							
Fiscal Services	7500	0.00							
Food Services	7600	0.00							
Central Services	7700	0.00							
Pupil Transportation Services	7800	0.00							
Operation of Plant	7900	83,082.05		5,904.05					77,178.00
Maintenance of Plant	8100	24,826.79		1,764.29					23,062.50
Community Services	9100	0.00							
Facilities Acq & Construction	7420	0.00							
Other Capital Outlay	9300	61,076.50						61,076.50	
Debt Service		0.00							
Total Expenditures	0000	785,473.65	331,132.44	99,230.77	132,079.39	0.00	998.82	101,712.06	120,320.17
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2009	2800	<u>0.00</u>							
Fund Balance, June 30, 2010	2700	<u><u>0.00</u></u>							

Exhibit K-4
 Fund 432

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 SPECIAL REVENUE FUND - OTHER ARRA STIMULUS FUNDS (Continued)
 For the Fiscal Year Ended June 30, 2010

EXPENDITURES:		000	100	200	300	400	500	600	700
Function/Object	Acct. Code	Totals	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials & Supplies	Capital Outlay	Other Expenses
Instruction*	5000	0.00							
Pupil Personnel Services	6100	0.00							
Instructional Media Services	6200	0.00							
Instructional & Curriculum Services	6300	0.00							
Instructional Staff Training	6400	0.00							
Instruction Related Technology	6500	0.00							
Board of Education	7100	0.00							
General Administration	7200	0.00							
School Administration	7300	0.00							
Facilities Acquisition & Construction	7400	0.00							
Fiscal Services	7500	0.00							
Food Services	7600	0.00							
Central Services	7700	0.00							
Pupil Transportation Services	7800	0.00							
Operation of Plant	7900	0.00							
Maintenance of Plant	8100	0.00							
Community Services	9100	0.00							
Facilities Acq & Construction	7420	0.00							
Other Capital Outlay	9300	33,000.00						33,000.00	
Debt Service		0.00							
Total Expenditures	0000	33,000.00	0.00	0.00	0.00	0.00	0.00	33,000.00	0.00
Net Change in Fund Balance		0.00							
Fund Balance, July 1, 2009	2800	<u>0.00</u>							
Fund Balance, June 30, 2010	2700	<u><u>0.00</u></u>							

Exhibit K-4
 Fund 433

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES--DEBT SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2010

Account Title	Acct. Code	Total	SBE/COBI Funds (210)	Other Debt Service (290)
REVENUES:				
CO & DS Withheld for SBE/COBI Bonds	3322	83,971.53	83,971.53	
SBE/COBI Bond Interest	3326	48.95	48.95	
Racing Commission Funds	3341	209,250.00		209,250.00
Total State Sources	3300	293,270.48	84,020.48	209,250.00
Local Source: Interest	3400	18,615.33		18,615.33
Total Revenues		311,885.81	84,020.48	227,865.33
EXPENDITURES:				
Redemption Of Principal	710	138,437.18	45,000.00	93,437.18
Interest	720	74,312.93	39,887.50	34,425.43
Dues And Fees	730	59.36	59.36	
Total Expenditures		212,809.47	84,946.86	127,862.61
Excess (Deficiency) Of Revenues Over Expenditures		99,076.34	(926.38)	100,002.72
OTHER FINANCING SOURCES (USES)				
Transfers In	3600	0.00		
Transfers Out	9700	(225,000.00)		(225,000.00)
Total Other Financing Sources (Uses)		(225,000.00)	0.00	(225,000.00)
Net Change in Fund Balance		(125,923.66)	(926.38)	(124,997.28)
Fund Balance, July 1, 2009	2800	1,058,393.57	19,921.52	1,038,472.05
Fund Balance, June 30, 2010	2700	932,469.91	18,995.14	913,474.77

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES--CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2010

Account Title	Acct. Code	Total Amount	Public Education Capital Outlay Funds (340)	Capital Outlay & Debt Service Fund (360)	Capital Improve. Sec 1011.71(2) (370)	Other Capital Projects (390)
REVENUES:						
Miscellaneous Federal	3100	169,323.08				169,323.08
CO&DS Distributed To District	3321	28,087.98		28,087.98		
Interest on Undistributed CO&DS	3325	1,274.45		1,274.45		
Public Education Capital Outlay	3391	70,724.00	70,724.00			
Class Size Reduction	3396	0.00				
Other Miscellaneous State	3399	0.00				
Total State	3300	100,086.43	70,724.00	29,362.43	0.00	0.00
District Local Capital Improvement Tax	3413	0.00				
Interest Including Profit on Investments	3430	24,472.11	12,615.87	1,078.01	8,053.17	2,725.06
Miscellaneous Local Sources	3490	0.00				
Total Local	3400	24,472.11	12,615.87	1,078.01	8,053.17	2,725.06
Total Revenues	3000	293,881.62	83,339.87	30,440.44	8,053.17	172,048.14
EXPENDITURES: (Function 7400)						
Buildings and Fixed Equipment	630	0.00	0.00			
Furniture, Fixtures and Equipment	640	0.00				
Remodeling	680	0.00				
DEBT SERVICE: (Function 9200)						
Redemption of Principal	710	0.00				
Total Expenditures		0.00	0.00	0.00	0.00	0.00
Excess (Deficiency) Of Revenues Over Expenditures		293,881.62	83,339.87	30,440.44	8,053.17	172,048.14

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES--CAPITAL PROJECTS FUNDS
 For the Fiscal Year Ended June 30, 2010

Account Title	Acct. Code	Total Amount	Public Education Capital Outlay Funds (340)	Capital Outlay & Debt Service Fund (360)	Capital Improve. Sec 1011.71(2) (370)	Other Capital Projects (390)
OTHER FINANCING SOURCES (USES)						
Transfers Out						
To General Fund	910	(731,195.00)	(731,195.00)			
Total Transfers Out	9700	(731,195.00)	(731,195.00)	0.00	0.00	0.00
Total Other Financing Sources (Uses)		(731,195.00)	(731,195.00)	0.00	0.00	0.00
Net Change in Fund Balance		(437,313.38)	(647,855.13)	30,440.44	8,053.17	172,048.14
Fund Balance, July 1, 2009	2800	1,786,478.52	943,143.97	92,889.84	711,590.73	38,853.98
Fund Balance, June 30, 2010	2700	1,349,165.14	295,288.84	123,330.28	719,643.90	210,902.12

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2010

		Total	Compensated Absences 791
Nonoperating Revenues			
Interest on Investments	3431	12,385.00	12,385.00
Nonoperating Expenses			
Miscellaneous Expense	790	(687,385.00)	(687,385.00)
Income (Loss) before operating transfers		(675,000.00)	(675,000.00)
Transfers In			
From General Fund	3610	450,000.00	450,000.00
From Debt Service	3620	225,000.00	225,000.00
Total Transfers In	3600	675,000.00	675,000.00
Change in Net Assets		0.00	0.00
Net Assets, July 1, 2009	2880	0.00	0.00
Net Assets, June 30, 2010	2780	0.00	0.00

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHOOL INTERNAL FUNDS
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 June 30, 2010

		Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
ASSETS					
Cash	1110	294,378.72	1,059,771.34	1,053,614.78	300,535.28
Total Assets		<u>294,378.72</u>	<u>1,059,771.34</u>	<u>1,053,614.78</u>	<u>300,535.28</u>
LIABILITIES					
Internal Accounts Payable	2290	294,378.72	1,059,771.34	1,053,614.78	300,535.28
Total Liabilities		<u>294,378.72</u>	<u>1,059,771.34</u>	<u>1,053,614.78</u>	<u>300,535.28</u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF GENERAL LONG-TERM LIABILITIES
 June 30, 2010

Account Title	Acct. Num	Total Amount	Governmental Activities Total Balance
Notes Payable	2310	767,438.35	767,438.35
Bonds Payable	2320	780,000.00	780,000.00
Liability for Compensated Absences	2330	2,775,696.04	2,775,696.04
Other Post-employment Benefits Obligation	2360	<u>102,549.00</u>	<u>102,549.00</u>
Total Long-Term Liabilities	2300	<u><u>4,425,683.39</u></u>	<u><u>4,425,683.39</u></u>

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

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF STATE CATEGORICAL PROGRAMS
REPORT OF FUNDS AVAILABLE AND EXPENDITURES
For the Fiscal Year Ended June 30, 2010

Categorical Programs		Unexpended	Returned	Revenues	Expenditures	Flexibility [4]	Balance June 30, 2010	
		June 30, 2009	To DOE	2009-10	2009-10	2009-10	Encumbered	Unencumbered
Class Size Reduction/Operating Funds (3355)	94740	0.00		3,179,330.00	3,179,330.00			0.00
Class Size Reduction/Capital Funds (3396)	91050	321,194.85		0.00	321,194.85			0.00
Comprehensive K-12 Reading Plan (FEFP Earmark)	90800	0.00		192,375.00	162,375.00	30,000.00		0.00
Excellent Teaching (3213 & 3363)	90570	0.00		32,885.12	32,885.12			0.00
Florida Teacher Lead Program (FEFP Earmarked)	97580	0.00		43,024.00	43,024.00			0.00
Instructional Materials (FEFP Earmarked)	90880	0.00		261,545.00	256,545.00	5,000.00		0.00
Library Media (FEFP Earmarked)	90881	0.00		15,484.00	15,484.00			0.00
Preschool Projects (3372)	97950	0.00		0.00	0.00			0.00
Public School Technology	90320	0.00						0.00
Safe Schools (FEFP Earmark)	90803	0.00		107,648.00		107,648.00		0.00
Bonus for Outstanding Teachers in D and F Schools	94030	0.00						0.00
School Recognition Funds (3361)	92040	7,355.50		128,047.00	131,819.46			3,583.04
Supplemental Academic Instruction (FEFP Earmark)	91280	0.00		721,969.00		721,969.00		0.00
Teacher Recruitment and Retention	93460	0.00						0.00
Teacher Training	91290	0.00						0.00
Pupil Transportation (FEFP Earmarked)	90830	0.00		560,288.00	560,288.00			0.00
Voluntary Prekindergarten - School Year Prog (3371)	96440	0.00		152,809.78	152,809.78			0.00
Voluntary Prekindergarten - Summer Program (3371)	96441	0.00						0.00

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES
 For the Fiscal Year Ended June 30, 2010

	General Fund	Special Revenue Food Service	Special Revenue Other	Special Revenue ARRA	Total
Energy Expenditures:					
Bottle Gas	420	84,566.17			84,566.17
Electricity	430	834,366.36			834,366.36
Heating Oil	440				
Total	918,932.53	0.00			918,932.53

Energy Expenditures for Pupil Transportation					
Gasoline	450	99,431.02			99,431.02
Diesel	460	82,836.82			82,836.82
Oil & Grease	540	4,870.61			4,870.61
Total	187,138.45		0.00		187,138.45

	General Fund	Special Revenue Other	Special Revenue ARRA	Capital Projects Funds	Total
Expenditures for School Buses And School Bus Replacements:					
Buses	651	363,420.00	43,456.00		406,876.00

Capitalized Audio Visual Materials:					
Audio Visual Materials	621	799.99			799.99

	General Fund	Special Revenue Food Service	Special Revenue Other	Special Revenue ARRA	Total
Sub Awards For Indirect Cost Rate Subrecipient awards					
Up to \$25,000	311				
Greater than \$25,000	312				0.00
	0.00	0.00	0.00	0.00	0.00

		Special Revenue Food Service
Food Services Supplies Subobject		
Supplies	510	60,441.05
Purchased food to include commodities	570	795,680.82

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES
 For the Fiscal Year Ended June 30, 2010

	Sub- Objec	General Fund	Special Revenue Other (420)	Special Revenue ARRA (430)	Total
Teacher Salaries					
Basic Programs 101, 102, and 103 (Function 5100)	120	6,939,741.67	521,670.05	838,999.84	8,300,411.56
Basic Programs 101, 102, and 103 (Function 5100)	140		335.25		335.25
Basic Programs 101, 102, and 103 (Function 5100)	750	72,867.07	9,877.60	465.34	83,210.01
Total Basic Program Salaries		7,012,608.74	531,882.90	839,465.18	8,383,956.82
Other Programs 130 (ESOL) (Function 5100)	120				0.00
Other Programs 130 (ESOL) (Function 5100)	140				0.00
Other Programs 130 (ESOL) (Function 5100)	750	0.00	0.00	0.00	0.00
Total Other Program Salaries		0.00	0.00	0.00	0.00
ESE Programs 111, 112, 113, 254, 255 (Function 5200)	120	889,711.25	12,141.64	83,056.17	984,909.06
ESE Programs 111, 112, 113, 254, 255 (Function 5200)	140				0.00
ESE Programs 111, 112, 113, 254, 255 (Function 5200)	750	9,341.94	229.90	46.07	9,617.91
Total ESE Program Salaries		899,053.19	12,371.54	83,102.24	994,526.97
Career Program 300 (Function 5300)	120	351,005.72	0.00	134,004.96	485,010.68
Career Program 300 (Function 5300)	140				0.00
Career Program 300 (Function 5300)	750	3,685.55	0.00	74.32	3,759.87
Total Career Program Salaries		354,691.27	0.00	134,079.28	488,770.55
Textbooks (used for classroom instruction)					
Textbooks (Function 5000)	520	259,221.32	26,156.78	0.00	285,378.10

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SPECIFIC ACADEMIC CLASSROOM INSTRUCTION AND OTHER DATA COLLECTION
 For the Fiscal Year Ended June 30, 2010

CATEGORICAL FLEXIBLE SPENDING - GENERAL FUND: EXPENDITURES	Account Number	Safe Schools	Supplemental Academic Instruction	Comprehensive K-12 Reading	Instructional Materials
Instruction:					
Basic Instruction	5100	107,648.00	721,969.00	30,000.00	5,000.00
Exceptional Instruction	5200				
Career Instruction	5300				
Adult Instruction	5400				
Prekindergarten	5500				
Other Instruction	5900				
Total Flexible Spending Instructional Expenditures	5000	<u>107,648.00</u>	<u>721,969.00</u>	<u>30,000.00</u>	<u>5,000.00</u>

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
 SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL
 ASSISTANCE PROGRAM EXPENDITURES
 For the Fiscal Year Ended June 30, 2010

Grantor/Program	CFDA NUMBER	Pass Through Grantor Number	Amount of Expenditures	Amount Provided To Subrecipients
United States Department of Agriculture:				
National School Lunch Program	10.555	300, 350	832,857.30	
School Breakfast Program	10.553	321	221,425.32	
Department of Health and Rehabilitative Services; Food Donation	10.550	N/A	55,293.80	
United States Department of Defense:				
Army Junior Reserve Officers Training Corps	None		54,464.34	
United States Department of Labor:				
WIA In-School Youth	17.259		78,861.00	
United States Department of Education:				
Title I School Improvement NCLB	84.377	126	12,116.53	
		212, 222, 223,		
Educationally Deprived Children- Title I Part A	84.010	226,228	1,291,849.48	
State Aid Programs for the Handicapped	84.027	263	618,600.85	
Vocation Education-Basic Grants to States	84.048	161	89,251.04	
Drug Free Schools	84.186	103	16,054.26	
Handicapped Early Childhood Education	84.173	267	27,945.54	
EETT Part I	84.318	121	7,973.50	
Title VI Rural And Low Income	84.358	110	74,065.39	
Summer Food Service Program	10.559	323	16,323.18	
Putnam County School Board / NEFEC	84.027	None	1,532.48	
Title II, Part A - Teacher and Principal Training and Recruiting Fund	84.367	224	235,039.00	
Title X Part C NCLB ARRA	84.387	127	9,395.08	
IDEA Part B ARRA	84.391	263	378,214.93	
School Lunch Equipment ARRA	10.579	371	33,000.00	
21st Century Community Learning Centers	84.287	244	418,694.48	
		212		
Title I ARRA	84.389	223, 226	435,445.13	
		07-143-\ VH437		
Vocational Rehabilitation	84.126	VH437	36,000.00	
Title II Part D EETT ARRA	84.386	121	19,303.90	
St Fiscal Stabilization-Education ARRA	84.394	591	964,996.00	
St Fiscal Stabilization-State Appropriation Equipment Assistance - /	84.397	592	5,591.00	
St Fiscal Stabilization-Dale Hichman ETP - ARRA	84.397	592	32,885.12	
St Fiscal Stabilization FD ARRA - GS	84.397	592	36,276.00	
STARS	84.364	364	188,362.74	
Back To Work	93.714	WTSS9	107,908.84	
		WF067		
FEMA Hurricane-Ivan	97.036	WS067	242,323.08	
Total Expenditures			<u>6,542,049.31</u>	

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
SCHEDULE OF CAPITALIZED CAPITAL OUTLAY
BY FUNCTION
For the Fiscal Year Ended June 30, 2010

Function		General Fund Fund 110	Special Revenue Fund 410	Special Revenue Fund 431	Special Revenue Fund 432	Special Revenue Fund 433	Special Revenue Fund 710
Instruction	5000	7,558.08	197,024.83	19,742.59	2,620.50		
Pupil Personnel Services	6100						
Instructional Media Services	6200	2,846.94	43,569.34				
Instruction & Curriculum	6300		2,880.01		15,000.00		
Instructional Staff Training	6400						
Instruction Related Technology	6500						
Board of Education	7100						
General Administration	7200						
School Administration	7300	2,599.98	0.00				
Facilities Acq & Construction	7410						
Fiscal Services	7500	11,632.86	0.00				
Food Service	7600		0.00	4,941.00		33,000.00	6,768.92
Central Services	7700						
Pupil Transportation Services	7800	365,968.92	0.00		43,456.00		
Operation of Plant	7900						
Maintenance of Plant	8100	4,256.00	0.00				
Community Services	9100						
Total		<u>394,862.78</u>	<u>243,474.18</u>	<u>24,683.59</u>	<u>61,076.50</u>	<u>33,000.00</u>	<u>6,768.92</u>

Exhibit M

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

	Fiscal Year			
	2003	2004	2005	2006
Governmental activities				
Invested in capital assets, net of related debt	34,587,927.24	39,501,266.54	45,029,179.08	43,705,743.04
Restricted	794,860.08	630,091.77	289,423.29	943,329.81
Unrestricted	729,818.36	1,408,652.58	1,655,117.72	849,821.81
Total governmental activities net assets	<u>36,112,605.68</u>	<u>41,540,010.89</u>	<u>46,973,720.09</u>	<u>45,498,894.66</u>
Primary government				
Invested in capital assets, net of related debt	34,587,927.24	39,501,266.54	45,029,179.08	43,705,743.04
Restricted	794,860.08	630,091.77	289,423.29	943,329.81
Unrestricted	729,818.36	1,408,652.58	1,655,117.72	849,821.81
Total primary government net assets	<u>36,112,605.68</u>	<u>41,540,010.89</u>	<u>46,973,720.09</u>	<u>45,498,894.66</u>

Exhibit P-1

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

	Fiscal Year			
	2007	2008	2009	2010
Governmental activities				
Invested in capital assets, net of related debt	43,681,383.36	42,441,749.14	40,767,422.40	39,089,877.68
Restricted	1,216,959.90	2,163,002.89	1,774,901.56	1,160,841.20
Unrestricted	4,932.00	(717,537.37)	(288,629.55)	2,052,039.72
Total governmental activities net assets	<u>44,903,275.26</u>	<u>43,887,214.66</u>	<u>42,253,694.41</u>	<u>42,302,758.60</u>
Primary government				
Invested in capital assets, net of related debt	43,681,383.36	42,441,749.14	40,767,422.40	39,089,877.68
Restricted	1,216,959.90	2,163,002.89	1,774,901.56	1,160,841.20
Unrestricted	4,932.00	(717,537.37)	(288,629.55)	2,052,039.72
Total primary government net assets	<u>44,903,275.26</u>	<u>43,887,214.66</u>	<u>42,253,694.41</u>	<u>42,302,758.60</u>

Exhibit P-1

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

	Fiscal Year			
	2003	2004	2005	2006
Functions				
Governmental Activities:				
Instruction	5000 11,935,449.59	12,659,066.91	13,297,847.82	13,947,273.51
Pupil Personnel Services	6100 586,133.29	589,053.29	669,342.10	661,294.84
Instructional Media Services	6200 451,585.90	588,655.47	630,647.65	579,602.57
Instruction and Curriculum	6300 447,899.89	375,462.93	619,676.98	875,971.96
Instructional Staff Training	6400 93,571.17	132,060.58	148,745.39	161,983.68
Instruction Related Technology	6500			182,380.00
Board of Education	7100 169,578.50	168,333.37	167,181.26	168,523.21
General Administration	7200 237,092.32	248,424.95	256,261.98	1,203,634.70
School Administration	7300 1,526,811.49	1,468,605.01	1,734,007.84	1,590,533.72
Facilities Acq & Construction	7400 (126,060.03)	(4,933,520.96)	(5,699,199.76)	1,592,257.52
Fiscal Services	7500 260,161.90	239,102.64	258,882.34	286,819.27
Food Service	7600 57,598.93	84,328.73	92,527.91	118,592.92
Central Services	7700 697,457.59	657,193.51	829,605.10	737,266.32
Pupil Transportation Services	7800 62,717.95	61,930.72	395,953.95	300,120.38
Operation of Plant	7900 2,169,353.47	2,215,385.66	2,452,717.70	2,526,777.43
Maintenance of Plant	8100 567,632.48	641,201.53	407,520.20	494,663.70
Community Services	9100	3,323.96	(81,961.87)	0.00
Interest on Long-Term Debt	9200 52,732.42	51,149.08	68,507.91	95,563.31
Depreciation - unallocated*	780 1,695,553.96	1,728,971.76	1,862,779.00	1,889,370.00
Total governmental activities	20,885,270.82	16,978,729.14	18,111,043.50	27,412,629.04
Business-type activities	0.00	0.00	0.00	0.00
Total primary government expenses	20,885,270.82	16,978,729.14	18,111,043.50	27,412,629.04
General revenues:				
Taxes:				
Property taxes, levied for general purposes	1,938,857.94	1,891,132.58	2,007,873.24	1,918,814.11
Property taxes, levied for capital projects	566,345.06	596,314.71	630,288.71	666,034.30
Grants and contributions not restricted to specific programs	17,682,317.87	19,778,971.49	20,766,462.84	22,494,505.96
Investment earnings	86,427.62	88,776.72	134,845.91	235,876.43
Miscellaneous	339,190.68	50,938.85	5,282.00	0.00
Total governmental activities	20,613,139.17	22,406,134.35	23,544,752.70	25,315,230.80
Total business type activities	0.00	0.00	0.00	0.00
Total primary government	20,613,139.17	22,406,134.35	23,544,752.70	25,315,230.80
Change in net assets				
Government activities	(272,131.65)	5,427,405.21	5,433,709.20	(2,097,398.24)
Business activities	0.00	0.00	0.00	0.00
Total primary government	(272,131.65)	5,427,405.21	5,433,709.20	(2,097,398.24)

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

		2007	2008	2009	2010
Functions					
Governmental Activities:					
Instruction	5000	15,008,613.67	16,375,947.95	15,372,598.77	15,741,143.89
Pupil Personnel Services	6100	617,812.50	685,591.84	635,031.63	650,721.83
Instructional Media Services	6200	587,535.26	612,323.59	592,076.86	743,928.97
Instruction and Curriculum	6300	907,287.38	561,299.84	479,959.66	413,981.83
Instructional Staff Training	6400	35,136.71	643,165.30	663,545.90	309,829.74
Instruction Related Technology	6500	250,674.26	306,173.27	251,223.63	162,470.17
Board of Education	7100	163,700.05	185,663.06	175,279.17	174,011.22
General Administration	7200	267,714.98	260,052.74	264,898.32	307,126.76
School Administration	7300	1,764,362.67	1,947,614.23	1,980,498.96	1,766,025.78
Facilities Acq & Construction	7400	43,228.36	(1,518,249.70)	(127,418.90)	(29,362.43)
Fiscal Services	7500	299,108.25	318,027.57	291,527.34	267,917.46
Food Service	7600	260,107.01	284,193.29	270,390.37	74,344.39
Central Services	7700	796,109.87	1,100,286.83	682,708.17	584,750.11
Pupil Transportation Services	7800	421,570.48	538,993.96	525,052.29	699,792.71
Operation of Plant	7900	2,700,070.60	2,816,802.91	2,700,623.23	2,579,838.03
Maintenance of Plant	8100	694,050.89	666,471.38	885,408.36	725,528.53
Community Services	9100	876.36	33,385.38	39,790.33	42,758.60
Interest on Long-Term Debt	9200	90,521.14	2,362.26	(5,342.88)	(9,612.03)
Depreciation - unallocated*	780	1,843,951.00	1,803,006.00	1,732,669.00	1,699,528.00
Total governmental activities		26,752,431.44	27,623,111.70	27,410,520.21	26,904,723.56
Business-type activities		0.00	0.00	0.00	0.00
Total primary government expenses		26,752,431.44	27,623,111.70	27,410,520.21	26,904,723.56
General revenues:					
Taxes:					
Property taxes, levied for general purposes		2,374,140.49	2,304,632.78	2,603,984.62	2,847,370.81
Property taxes, levied for capital projects		9,505.96	1,321.56	765.47	0.00
Grants and contributions not restricted to specific programs		23,426,335.31	23,651,439.40	22,684,366.00	23,555,062.18
Investment earnings		303,507.10	197,129.90	127,382.68	73,095.95
Miscellaneous		0.00	452,527.46	360,501.19	478,258.81
Total governmental activities		26,113,488.86	26,607,051.10	25,776,999.96	26,953,787.75
Total business type activities		0.00	0.00	0.00	0.00
Total primary government		26,113,488.86	26,607,051.10	25,776,999.96	26,953,787.75
Change in net assets					
Government activities		(638,942.58)	(1,016,060.60)	(1,633,520.25)	49,064.19
Business activities		0.00	0.00	0.00	0.00
Total primary government		(638,942.58)	(1,016,060.60)	(1,633,520.25)	49,064.19

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

	Fiscal Year			
	2003	2004	2005	2006
General Fund				
Reserved	175,339.80	292,816.53	94,994.32	331,585.36
Unreserved	444,125.19	530,500.42	671,829.91	632,065.48
Total general fund	<u>619,464.99</u>	<u>823,316.95</u>	<u>766,824.23</u>	<u>963,650.84</u>
All Other Governmental Funds				
Reserved	1,013,747.97	1,219,457.06	939,562.66	967,111.36
Unreserved, reported in:				
Special revenue funds	4,919.71	5,380.09	1,650.42	2,078.53
Debt service funds	16,326.09	16,088.68	537,701.57	656,716.69
Capital projects funds	2,163,444.23	2,008,175.26	1,962,341.65	975,160.18
Total all other governmental funds	<u>3,198,438.00</u>	<u>3,249,101.09</u>	<u>3,441,256.30</u>	<u>2,601,066.76</u>

Exhibit P-3

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

	Fiscal Year			
	2007	2008	2009	2010
General Fund				
Reserved	37,167.99	0.00	0.00	3,583.04
Unreserved	<u>1,102,990.80</u>	<u>1,452,342.48</u>	<u>1,196,475.04</u>	<u>1,891,601.76</u>
Total general fund	<u><u>1,140,158.79</u></u>	<u><u>1,452,342.48</u></u>	<u><u>1,196,475.04</u></u>	<u><u>1,895,184.80</u></u>
All Other Governmental Funds				
Reserved	1,205,516.97	2,163,002.89	1,767,546.06	1,157,258.16
Unreserved, reported in:				
Special revenue funds	2,891.94	82.08	310,428.73	315,108.38
Debt service funds	794,436.86	918,668.11	1,038,472.05	913,474.77
Capital projects funds	<u>1,023,760.36</u>	<u>36,978.00</u>	<u>38,853.98</u>	<u>210,902.12</u>
Total all other governmental funds	<u><u>3,026,606.13</u></u>	<u><u>3,118,731.08</u></u>	<u><u>3,155,300.82</u></u>	<u><u>2,596,743.43</u></u>

Exhibit P-3

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Revenues								
Federal Direct Sources								
Reserve officers training corps (ROTC)	38,826.60	42,685.50	45,423.01	42,819.21	49,659.67	55,009.73	54,088.76	54,464.34
Miscellaneous federal direct						188,463.44		169,323.08
Total federal direct	<u>38,826.60</u>	<u>42,685.50</u>	<u>45,423.01</u>	<u>42,819.21</u>	<u>49,659.67</u>	<u>243,473.17</u>	<u>54,088.76</u>	<u>223,787.42</u>
Federal Through State								
Food service	771,925.00	797,619.00	826,597.00	867,573.75	858,303.03	895,949.50	1,092,102.32	1,070,605.80
Donated foods	60,263.39	61,063.35	52,668.53	66,962.16	41,867.61	31,067.83	55,783.14	53,959.66
Other federal through state	2,618,548.99	3,514,946.16	4,246,506.63	3,358,364.64	3,062,763.05	2,752,142.14	3,127,845.59	5,119,737.29
Total federal through state	<u>3,450,737.38</u>	<u>4,373,628.51</u>	<u>5,125,772.16</u>	<u>4,292,900.55</u>	<u>3,962,933.69</u>	<u>3,679,159.47</u>	<u>4,275,731.05</u>	<u>6,244,302.75</u>
Total federal	<u>3,489,563.98</u>	<u>4,416,314.01</u>	<u>5,171,195.17</u>	<u>4,335,719.76</u>	<u>4,012,593.36</u>	<u>3,922,632.64</u>	<u>4,329,819.81</u>	<u>6,468,090.17</u>
State Sources								
Florida education finance program (FEFP)	13,777,848.00	13,922,286.00	13,689,512.00	14,902,033.00	15,787,959.00	16,448,420.00	15,295,508.00	15,154,590.00
Categoricals	1,524,086.00	2,177,732.93	2,558,472.00	3,265,258.68	3,806,662.66	4,395,638.58	4,394,519.00	3,461,893.27
District discretionary lottery funds	227,299.00	146,369.00	164,456.00	143,731.00	115,651.00	169,259.00	73,132.00	8,186.00
CO&DS distributed to district	32,824.67	28,146.33	30,281.63	32,160.40	28,443.28	31,782.77	29,328.90	29,362.43
CO&DS withheld for SBE/COBI bonds	81,603.83	85,188.01	83,364.01	82,441.00	84,569.18	82,685.85	85,187.14	84,020.48
Public education and capital outlay	253,433.00	6,946,290.00	6,842,344.20	840,463.80	534,232.00	1,962,917.00	289,455.00	70,724.00
Food service	34,019.00	29,243.00	29,835.00	25,283.00	26,188.97	28,205.00	23,262.00	23,320.00
State grants and other state sources	335,480.27	334,144.45	448,202.04	455,719.47	601,857.81	475,088.41	439,414.47	225,514.25
Total state sources	<u>16,266,593.77</u>	<u>23,669,399.72</u>	<u>23,846,466.88</u>	<u>19,747,090.35</u>	<u>20,985,563.90</u>	<u>23,593,996.61</u>	<u>20,629,806.51</u>	<u>19,057,610.43</u>
Local Sources								
Ad valorem taxes	2,505,203.00	2,487,447.29	2,638,161.95	2,584,848.41	2,383,646.45	2,305,954.34	2,604,750.09	2,847,370.81
Food service sales	365,662.11	377,993.26	393,302.31	400,804.80	423,965.94	444,243.62	410,681.56	361,920.73
Interest income and others	86,427.62	88,776.72	134,845.91	235,876.43	303,507.10	197,129.90	141,059.68	101,899.89
Local grants and other local sources	334,400.96	345,729.67	528,789.42	496,926.76	423,959.66	511,110.98	404,635.22	528,152.43
Total local sources	<u>3,291,693.69</u>	<u>3,299,946.94</u>	<u>3,695,099.59</u>	<u>3,718,456.40</u>	<u>3,535,079.15</u>	<u>3,458,438.84</u>	<u>3,561,126.55</u>	<u>3,839,343.86</u>
Total revenues	<u>23,047,851.44</u>	<u>31,385,660.67</u>	<u>32,712,761.64</u>	<u>27,801,266.51</u>	<u>28,533,236.41</u>	<u>30,975,068.09</u>	<u>28,520,752.87</u>	<u>29,365,044.46</u>

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenditures								
Instruction	12,224,602.22	12,956,589.65	13,805,604.30	13,792,591.36	15,010,021.78	16,115,910.06	15,396,024.62	15,764,565.31
Pupil Personnel Services	581,990.12	593,132.22	674,293.87	651,856.04	652,429.11	671,637.72	631,509.41	641,850.81
Instructional Media Services	452,520.83	591,379.34	632,643.48	573,684.40	573,502.18	599,427.17	604,945.25	752,717.44
Instruction and Curriculum	444,682.79	378,839.84	623,611.63	870,262.39	883,935.46	551,029.30	476,547.98	406,958.24
Instructional Staff Training	93,571.17	132,060.58	148,745.39	161,983.68	35,136.71	631,308.39	659,914.84	302,664.31
Instruction Related Technology				173,268.10	244,045.26	299,367.05	249,931.06	160,046.66
Board of Education	169,595.78	168,333.37	167,181.26	168,523.21	163,700.05	185,663.06	173,279.17	174,901.22
General Administration	235,716.40	248,963.02	968,995.30	1,200,964.69	266,619.17	259,087.86	264,053.71	306,057.50
School Administration	1,511,008.59	1,481,805.04	1,745,773.80	1,573,676.48	1,755,840.79	1,958,290.24	2,056,552.12	1,765,196.44
Facilities Acq & Construction	183,963.69	310,788.74	994,334.50	1,646,700.52	43,228.36	188.07	12.00	0.00
Fiscal Services	258,363.15	242,397.05	264,487.63	273,899.52	297,863.42	339,506.65	290,369.02	272,220.76
Food Service	1,282,882.27	1,354,757.50	1,395,600.63	1,474,723.86	1,595,176.01	1,668,698.48	1,725,131.16	1,579,110.20
Central Services	686,391.82	664,199.00	840,228.06	756,607.42	791,876.03	1,142,287.05	694,140.19	633,204.90
Pupil Transportation Services	962,843.17	978,265.29	1,059,295.14	1,145,878.04	1,285,378.21	1,352,924.06	1,325,488.17	1,359,149.49
Operation of Plant	2,158,673.19	2,219,970.70	2,456,010.46	2,522,296.21	2,687,628.95	2,803,871.35	2,709,620.90	2,582,383.23
Maintenance of Plant	702,363.26	751,176.78	718,585.74	711,802.94	872,100.79	1,144,019.09	1,075,884.75	823,815.46
Community Services	0.00	3,323.96	1,212.00	0.00	876.36	33,385.38	39,790.33	42,758.60
Facilities Acq & Construction	615,947.76	9,952,310.01	3,635,848.36	0.00	0.00	0.00	0.00	0.00
Other Capital Outlay	349,803.98	563,643.30	828,421.69	535,484.66	557,870.71	603,280.96	163,387.87	757,097.05
Debt Service:								
Redemption of principal	30,000.00	35,000.00	4,205,450.00	114,862.61	123,057.11	126,379.40	134,861.51	138,437.18
Interest	52,605.00	51,030.00	68,345.83	95,355.00	90,323.00	84,900.71	79,778.60	74,312.93
Dues and fees	127.42	119.08	162.08	208.31	198.14	147.40	124.64	59.36
Total Expenditures	<u>22,997,652.61</u>	<u>33,678,084.47</u>	<u>35,234,831.15</u>	<u>28,444,629.44</u>	<u>27,930,807.60</u>	<u>30,571,309.45</u>	<u>28,751,347.30</u>	<u>28,537,507.09</u>
Excess of Revenues Over (Under) Expenditures	<u>50,198.83</u>	<u>(2,292,423.80)</u>	<u>(2,522,069.51)</u>	<u>(643,362.93)</u>	<u>602,428.81</u>	<u>403,758.64</u>	<u>(230,594.43)</u>	<u>827,537.37</u>

Exhibit P-4

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

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses):								
Proceeds of loans		3,218,000.00	2,152,450.00					
Loss recoveries	77,397.35	50,938.85	5,282.00			550.00	11,296.73	
Change in compensated absences			500,000.00					(687,385.00)
Transfers In	839,314.57	731,163.00	5,289,603.33	326,000.00	600,005.00	708,000.00	911,677.00	1,471,195.00
Transfers Out	(1,051,814.57)	(1,453,163.00)	(5,289,603.33)	(326,000.00)	(600,005.00)	(708,000.00)	(911,677.00)	(1,471,195.00)
Total Other Financing Sources (Uses)	(135,102.65)	2,546,938.85	2,657,732.00	0.00	0.00	550.00	11,296.73	(687,385.00)
Net Change in Fund Balance	(84,903.82)	254,515.05	135,662.49	(643,362.93)	602,428.81	404,308.64	(219,297.70)	140,152.37
Fund balance, beginning	3,902,806.81	3,817,902.99	4,072,418.04	4,208,080.53	3,564,336.11	4,166,764.92	4,571,073.56	4,351,775.86
Fund balance, ending	3,817,902.99	4,072,418.04	4,208,080.53	3,564,717.60	4,166,764.92	4,571,073.56	4,351,775.86	4,491,928.23

Exhibit P-4

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

	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Agriculture</u>	<u>Tax-Exempt</u>	<u>Miscellaneous</u>	<u>Total Assessed</u>
2009	281,678,201	49,550,106	6,371,302	174,984,449	108,285,069	11,409,470	632,278,597
2008	264,599,855	47,340,569	6,268,298	166,858,679	108,383,647	27,899,653	621,350,701
2007	242,323,924	47,193,860	6,321,868	160,868,596	92,583,411	52,001,363	601,293,022
2006	228,551,094	45,862,269	5,647,732	152,919,465	90,526,508	46,357,135	569,864,203
2005	197,341,237	33,785,552	4,772,523	144,954,671	72,414,813	21,140,950	474,409,746
2004	189,752,108	30,436,419	4,702,695	136,055,272	69,371,634	17,509,495	447,827,623
2003	182,408,567	28,620,787	4,955,337	131,759,187	66,810,463	14,358,945	428,913,286
2002	173,288,865	28,647,426	5,160,295	128,365,961	64,145,639	14,417,392	414,025,578
2001	162,586,756	27,690,464	4,808,751	128,703,052	78,119,464	14,583,161	416,491,648

Exhibit P-5

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
PROPERTY TAX RATES
Nine Years

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
County wide									
Board of County commissioners	9.980	10.000	10.000	10.000	10.000	9.750	9.500	9.500	9.500
NWF water commission	0.050	0.050	0.050	0.050	0.050	0.050	0.045	0.045	0.045
School	6.700	8.842	8.338	8.372	7.761	5.774	5.961	5.949	6.286
Total	<u>16.730</u>	<u>18.892</u>	<u>18.388</u>	<u>18.422</u>	<u>17.811</u>	<u>15.574</u>	<u>15.506</u>	<u>15.494</u>	<u>15.831</u>

Exhibit P-6

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

Taxpayer	2001		2002		2003		2004		2005	
	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total
Alabama Electric Co	2,845,522	1.02%	2,877,065	0.99%	5,464,021	1.79%	5,455,979	1.70%	6,282,793	1.85%
Alltell Communications					1,241,716	0.41%				
CSX	3,274,995	1.17%	3,406,816	1.17%	6,156,116	2.01%	7,186,043	2.24%		
Embarq Florida Inc										
Florida Gas Transmission Co	4,305,000	1.54%	3,971,000	1.37%	4,388,704	1.44%	4,251,000	1.33%	4,951,439	1.46%
Formation Properties III, LLC							3,304,291	1.03%	3,322,726	0.98%
Gray Midamerica TV Inc							1,754,143	0.55%	2,175,565	0.64%
Gulf Power Co	4,851,309	1.74%	4,989,908	1.72%	5,442,353	1.78%	5,404,724	1.69%	6,080,180	1.79%
Holmes Health Care	3,397,622	1.22%	3,445,544	1.19%	3,330,890	1.09%				
Holmes Timberland LLC										
Interstate Fibernet I	1,807,089	0.65%	1,665,350	0.57%						
Plum Creek Timber OP I LLC									2,602,187	0.77%
Power South Energy Coop										
Providential Group LLC										
Prutimber Fund Three	2,381,810	0.85%	2,107,551	0.73%	1,989,476	0.65%			1,529,622	0.45%
Soterra LLC	2,990,912	1.07%	3,017,127	1.04%	3,037,409	0.99%	2,543,507	0.79%		
Sprint-Florida Inc	7,284,711	2.61%	8,280,084	2.86%	10,191,092	3.33%	10,820,535	3.38%	8,391,678	2.48%
The Bank Of Bonifay							1,847,875	0.58%	1,211,018	0.36%
Timber Landholdings of Fl, Inc									2,527,641	0.75%
Vaghmar Bhupendra B										
West Florida Electric	8,752,149	3.14%	8,882,445	3.06%	9,282,906	3.04%	10,314,146	3.22%	10,688,518	3.16%
Total	41,891,119	15.01%	42,642,890	14.70%	50,524,683	16.53%	52,882,243	16.51%	49,763,367	14.69%

Exhibit P-7

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

Taxpayer	2006		2007		2008		2009	
	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total	Taxable Value	Per-cent of total
Alabama Electric Co	6,293,275	1.55%	6,225,271	1.45%				
Alltell Communications								
CSX					4,902,730	1.08%	4,902,730	1.05%
Embarq Florida Inc			6,926,949	1.61%	8,417,451	1.86%	7,449,130	1.60%
Florida Gas Transmission Co	4,951,439	1.22%	4,907,694	1.14%	5,046,355	1.12%	4,714,116	1.01%
Formation Properties III, LLC	3,732,707	0.92%	3,698,545	0.86%	3,654,506	0.81%	3,564,422	0.77%
Gray Midamerica TV Inc	2,175,565	0.53%	2,853,942	0.66%	2,258,150	0.50%	2,029,000	0.44%
Gulf Power Co	6,116,370	1.50%	6,298,754	1.47%	6,396,435	1.42%	7,125,731	1.53%
Holmes Health Care								
Holmes Timberland LLC	2,080,153	0.51%						
Interstate Fibernet I								
Plum Creek Timber OP I LLC					1,984,421	0.44%	2,321,831	0.50%
Power South Energy Coop					6,268,821	1.39%	6,849,246	1.47%
Providential Group LLC			1,583,202	0.37%				
Prutimber Fund Three								
Soterra LLC								
Sprint-Florida Inc	8,391,678	2.06%						
The Bank Of Bonifay	1,923,929	0.47%	1,908,675	0.44%	1,717,886	0.38%	1,777,192	0.38%
Timber Landholdings of FI, Inc								
Vaghmar Bhupendra B	1,638,434	0.40%	1,609,026	0.37%				
West Florida Electric	11,296,319	2.77%	11,850,271	2.76%	11,180,094	2.47%	14,716,116	3.16%
Total	48,599,869	11.93%	47,862,329	11.13%	51,826,849	11.47%	55,449,514	11.91%

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

Fiscal Year	General	Discretionary	Capital Projects	Total
2000	5.942	0.000	2.000	7.942
2001	5.520	0.760	0.000	6.280
2002	5.940	0.760	0.000	6.700
2003	6.082	0.760	2.000	8.842
2004	5.578	0.760	2.000	8.338
2005	5.612	0.760	2.000	8.372
2006	5.001	0.760	2.000	7.761
2007	5.014	0.760	0.000	5.774
2008	5.201	0.760	0.000	5.961
2009	5.201	0.748	0.000	5.949
2010	5.288	0.998	0.000	6.286

Exhibit P-8

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

	Bonifay Middle	Poplar Springs	Bethlehem	Ponce de Leon High	Ponce de Leon Elem	Bonifay Elem	Holmes Co High	Gap
Placed in service	1950	2005	2001	1989	1979	1970	1992	1983
Square footage (a)	92,531	117,533	130,629	72,891	51,492	98,576	131,466	2,815
Portables	1		2	1	4	6	1	
Student stations	822	515	873	568	474	858	757	10
Enrollment:								
2001	406.40	390.64	542.21	445.64	381.70	796.78	470.10	24.00
2002	378.50	364.56	548.84	440.94	401.22	774.29	483.90	27.00
2003	373.50	318.50	573.59	429.85	365.50	774.75	483.30	28.86
2004	391.68	320.74	553.89	409.81	331.50	773.28	485.10	29.00
2005	526.51	321.60	507.07	409.46	335.66	669.32	462.00	38.50
2006	510.70	331.50	501.72	390.74	379.05	686.83	475.65	30.50
2007	482.66	320.50	505.02	399.49	370.00	670.98	473.24	30.50
2008	499.00	310.52	509.11	410.50	352.50	705.42	472.90	47.85
2009	490.00	310.50	498.26	429.00	348.04	719.02	460.04	35.50
2010	480.72	310.82	514.71	379.16	330.55	731.39	456.69	33.00

(a) Square footage does not include portables

Exhibit P-9

DISTRICT SCHOOL BOARD OF HOLMES COUNTY
NUMBER OF PERSONNEL
Ten Years

Year	(a) Administrative	(b) Instructional	(c) Support Services	Total Employees	Ratio of Students to Instructional Personnel
2001	29	256	202	487	13.51
2002	29	252	194	475	13.57
2003	29	250	194	473	13.39
2004	28	251	198	477	13.13
2005	30	257	204	491	12.72
2006	34	258	209	501	12.82
2007	34	263	210	507	12.37
2008	33	269	217	519	12.47
2009	33	267	207	507	12.55
2010	31	254	192	477	12.94

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

Exhibit P-10

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

	2004	2005	2006	2007	2008	2009	2010
Days meals were served	180	180	180	180	180	180	180
Meals served	589,938	597,796	612,035	594,340	583,411	585,837	574,815
Average meals served daily	3,277	3,321	3,400	3,302	3,241	3,255	3,193
Free and reduced meals served	396,500	392,908	392,203	373,882	381,139	402,044	422,224
Percentage of free and reduced to total meals	67.2%	65.7%	64.1%	62.9%	65.3%	68.6%	73.5%
Total revenues	1,268,958.55	1,303,263.39	1,365,928.17	1,358,989.42	1,403,888.62	1,472,477.81	1,518,139.85
Total subsidy received	826,862.00	855,524.00	892,856.75	883,310.00	923,561.50	961,781.65	1,054,282.62
Total expenses	1,353,498.17	1,386,993.06	1,473,500.06	1,595,176.01	1,668,698.48	1,725,131.16	1,567,477.55
Average daily costs	7,519.43	7,705.52	8,186.11	8,862.09	9,270.55	9,584.06	8,708.21

Exhibit P-11