



The School District of Osceola County, FL

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021



School Board Members

Clarence Thacker-Chair

Terry Castillo-Vice Chair

Julius Melendez

Jon Arguello

Robert Bass

Dr. Debra Pace
Superintendent

Sarah E. Graber, CPA, CGFO
Chief Finance Officer

Yuling Liu, CPA, CFE
Director of Finance

Our Mission: Inspiring all learners to reach their highest potential as responsible, productive citizens.

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The School District of Osceola County, Florida
817 Bill Beck Boulevard
Kissimmee, Florida 34744
<http://www.osceolaschools.net>



Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

Prepared By:
Business & Fiscal Services

Inspiring all learners to reach their highest potential as responsible, productive citizens.

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THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

INTRODUCTORY SECTION

Letter of Transmittal	i
List of District Officials	v
Organizational Chart	vi
GFOA Certificate of Achievement for Excellence in Financial Reporting	vii
ASBO Certificate of Excellence in Financial Reporting	viii

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	20
Statement of Activities	21
Fund Financial Statements:	
Balance Sheet - Governmental Funds	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	23
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Net Position - Proprietary Funds	26
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	27
Statement of Cash Flows - Proprietary Funds	28
Statement of Fiduciary Net Position	29
Statement of Changes in Fiduciary Net Position	30
Notes to Financial Statements	31
Required Supplementary Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget & Actual:	
General Fund	70
Special Revenue Fund - Other Federal Programs	71
Special Revenue Fund - Federal Education Stabilization Funds	72
Schedule of Changes in the Total Other Postemployment Benefits Liability and Related Ratios	73

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

Schedule of Proportionate Share of Net Pension Liability – Florida Retirement System	74
Schedule of Contributions – Florida Retirement System	75
Schedule of Proportionate Share of Net Pension Liability-Health Insurance Subsidy	76
Schedule of Contributions – Health Insurance Subsidy	77
Notes to Required Supplementary Information	78

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Balance Sheet – Nonmajor Governmental Funds	84
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds	85
Combining Balance Sheet – Nonmajor Governmental Funds – Special Revenue Funds	86
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds – Special Revenue Funds	87
Combining Balance Sheet – Nonmajor Governmental Funds – Debt Service Funds	88
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds – Debt Service Funds	89
Combining Balance Sheet – Nonmajor Governmental Funds – Capital Projects Funds	90
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds – Capital Projects Funds	91
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
Special Revenue Fund – Food Service Funds	94
Debt Service Funds – SBE/COBI Bonds	95
Debt Service Funds – Other Debt Service	96
Debt Service Funds – ARRA Economic Stimulus Debt Service Fund	97
Capital Project Funds – Capital Outlay & Debt Service (CO & DS)	98
Capital Project Funds – Nonvoted Capital Improvement Fund	99
Capital Project Funds – Other Fund	100
Combining Statement of Net Position - Internal Service Funds	102
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - Internal Service Funds	103
Combining Statement of Cash Flows - Internal Service Funds	104
Combining Statement of Net Position - Component Units	106
Combining Statement of Activities - Component Units	108

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2021

STATISTICAL SECTION

Introduction to the Statistical Section	113
Schedule 1 - Net Position by Component	114
Schedule 2 - Changes in Net Position	116
Schedule 3 - General Revenues and Total Changes in Net Position	118
Schedule 4 - Fund Balances, Governmental Funds	120
Schedule 5 - Governmental Funds Revenues	122
Schedule 6 - Governmental Funds Expenditures and Debt Service Ratio	124
Schedule 7 - Other Financing Sources and Uses and Net Change in Fund Balances	126
Schedule 8 - Assessed Value and Estimated Actual Value of Taxable Property	128
Schedule 9 - Direct and Overlapping Property Tax Rates	130
Schedule 10 - Principal Osceola County Property Tax Payers	131
Schedule 11 - Property Tax Levies and Collections	133
Schedule 12 - Outstanding Debt by Type	134
Schedule 13 - Direct and Overlapping Governmental Activities Debt	136
Schedule 14 - Legal Debt Margin Information	138
Schedule 15 - Pledged-Revenue Coverage	140
Schedule 16 - Demographic and Economic Statistics	141
Schedule 17 - Osceola County Principal Employers	142
Schedule 18 - Full-Time Equivalent District Employees by Type	143
Schedule 19 - Operating Statistics	144
Schedule 20 - Teacher Salaries	147
Schedule 21 - School Building Information	148

SINGLE AUDIT

Schedule of Expenditures of Federal Awards	153
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	154
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance	156
Schedule of Findings and Questioned Costs	159
Summary Schedule of Prior Audit Findings	161

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INTRODUCTORY SECTION



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THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

817 Bill Beck Boulevard • Kissimmee • Florida 34744-4492
Phone: 407-870-4600 • Fax: 407-870-4010 • www.osceolaschools.net

SCHOOL BOARD MEMBERS

- District 1 – Teresa “Terry” Castillo – Chair
407-577-5022
- District 2 – Julius Melendez – Vice Chair
321-442-2862
- District 3 – Jon Arguello
407-433-9082
- District 4 – Clarence Thacker
407-870-4009
- District 5 – Robert Bass
407-870-4009



Superintendent of Schools
Dr. Debra P. Pace

December 16, 2021

District School Board of Osceola County
817 Bill Beck Boulevard
Kissimmee, FL 34744

Dear Chair, School Board Members, and Citizens of Osceola County:

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States of America, and audited in accordance with auditing standards generally accepted in the United States of America by a licensed certified public accountant. Pursuant to that requirement, we hereby issue the annual comprehensive financial report (ACFR) of The School District of Osceola County, Florida (District) for the fiscal year ended June 30, 2021.

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

MSL, P.A. has audited the District’s financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the District’s basic financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP.

The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit,

including the schedule of expenditures of federal awards, findings and questioned costs, summary of prior audit findings, and the independent auditors' reports on the system of internal control and on compliance with applicable requirements, are included in the single audit section.

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

PROFILE OF THE GOVERNMENT

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

The geographic boundaries of the District are those of Osceola County. During fiscal year 2020-21, the District operated 78 schools. Of this number, 48 were traditional K-12 schools including 25 elementary schools, 9 middle schools, 10 high schools, and 4 multilevel schools. In addition, the District sponsored 26 charter schools, 2 alternative schools and 2 adult centers. The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between districts within the State. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school. In fiscal year 2020-21, the District provided general, special, vocational, and other educational programs to 69,194 unweighted full-time equivalent students. The initial projected enrollment for fiscal year 2021-22 was 71,900 unweighted full-time equivalent students. The average age of the schools within the District is approximately 22 years.

The Board follows procedures established by Florida Statutes and the State Board of Education rules in establishing and adopting annual budgets for each of the governmental fund types. Budgets are prepared using the same modified accrual basis as is used to account for governmental funds. Appropriations are controlled at the fund-function level (e.g. salaries, benefits, and purchased services) within each function activity (e.g. instruction, student support services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

ECONOMIC CONDITION AND OUTLOOK

Osceola County is part of the Orlando Metropolitan Statistical Area (MSA) along with Orange, Seminole and Lake Counties. According to the Metro Orlando Economic Development Commission (the Commission), Metro Orlando is one of the fastest growing MSA in Florida with a population of 2.67 million people. The Commission promotes Osceola County's government and business leaders as visionaries who are paving the way for the diversification of the county's economy with cutting-edge commercial development and the next generation of advanced manufacturing technology.

According to the United States Census Bureau, the population of Osceola County increased 44.7 percent from 2010 to 2020, as compared to the state of Florida, which increased 14.6 percent. There were an estimated 388,656 people and 103,141 households in the County. Based on the 2019 Census, the racial makeup of the County was 79.1 percent white, 14.1 percent black and 6.8 percent from other races. Hispanics make up 55.8 percent of the total population.

Of Osceola County's population, 23.4 percent are 17 and younger, and 13.5 percent are 65 and older. The average household size is 3. The median age in the County is 36.7 years. The median household income was \$52,279. The per capita income for the County was \$35,258. Of the 25 and older population, 86.7 percent are high school graduates.

The District recognizes that the continued enhancement of the local economy is of mutual benefit to both the District and the County and that an excellent system of public education is a significant factor in attracting new business and industry to the County. The District remains Osceola County's largest employer, employing 8,562 full and part-time employees, including 4,104 classroom teachers.

MAJOR INITIATIVES

Class Size Reduction Amendment

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

The Florida Legislature enacted Senate Bill-30A implementing the reduction of the average number of students in each classroom by at least two students per year, beginning in fiscal year 2003-04 until the maximum number of students per classroom does not exceed the fiscal year 2010-11 maximum. If a district's class size does not meet the constitutional maximum, then the district must reduce the average number of students in each of the three grade groupings by two students until the constitutional maximums are reached. The District complied with this requirement for the 2020-21 fiscal year.

Capital Outlay Program

The District appropriated \$276.9 million for construction projects as part of its capital outlay program during the 2021 fiscal year. The District purchased a property to construct a transportation facility and is in the process of securing a site for a second facility. A new building was completed at a charter school that transitioned to the district and was converted from a K-6 to a K-8 multi-level school. The design of a new elementary school and the comprehensive renovation of a high school were in progress at year end. Major deferred maintenance projects, safety and security improvements and technology were funded by sales tax revenue.

Accomplishments

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

On March 17, 2020, Commissioner of Education Richard Corcoran announced the suspension of K-12 school grades as one of the measures the Department of Education would take to contain the spread of COVID-19 and to ensure Florida citizens are kept safe. In April 2021, the US Department of Education approved Florida's Every Student Succeeds Act (ESSA) waiver request for report card requirements related to certain assessments and accountability for the 2020-21 school year. The school grades reported for the 2018-19 school year remain the most current data available.

FINANCIAL INFORMATION

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

Budgetary Controls. The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of all governmental fund types are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level

of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund-function level.

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

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

Long-Term Financial Planning. Over the last few years, the District was able to accumulate a suitable fund balance reserve to offset future operating deficits. As a result, the District ended the 2020-21 fiscal year with another increase to its operating fund balance.

ACKNOWLEDGEMENTS

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



Dr. Debra P. Pace
Superintendent



Sarah E. Graber, CPA, CGFO
Chief Business and Finance Officer

**OSCEOLA SCHOOL DISTRICT OFFICIALS
JUNE 30, 2021**

SCHOOL BOARD MEMBERS

Clarence Thacker, Chair
District 4

Teresa “Terry” Castillo, Vice Chair
District 1

Julius Melendez
District 2

Jon Arguello
District 3

Robert Bass
District 5

SUPERINTENDENT

Dr. Debra P. Pace

CHIEF OF STAFF FOR TEACHING, LEADING & LEARNING

Michael S. Flowers

DEPUTY SUPERINTENDENT FOR HUMAN SERVICES

Thomas A. Phelps

ASSISTANT SUPERINTENDENTS

ELEMENTARY CURRICULUM & INSTRUCTION

Dr. Jane Respass

MIDDLE SCHOOL CURRICULUM & INSTRUCTION

Michael Allen

HIGH SCHOOL CURRICULUM & INSTRUCTION

Dr. Chundra Evens

SCHOOL SUPPORT SERVICES

Randolph Shuttera

CHIEFS

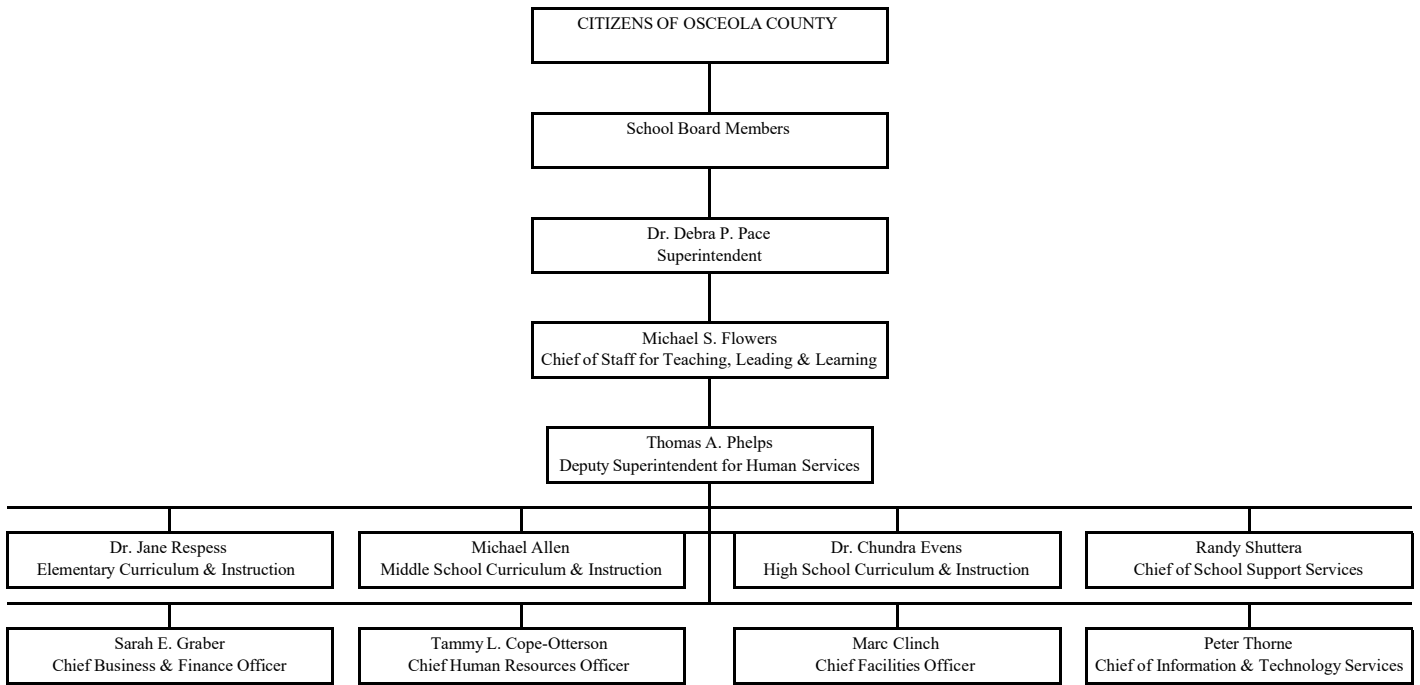
BUSINESS & FINANCE OFFICER
Sarah E. Graber

FACILITIES OFFICER
Marc Clinch

INFORMATION & TECHNOLOGY OFFICER
Peter Thorne

HUMAN RESOURCES OFFICER
Tammy L. Cope-Otterson

The School District of Osceola County, Florida
DISTRICT ADMINISTRATIVE ORGANIZATIONAL
CHART 2020-21





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District of Osceola County
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

The School District of Osceola County, FL

**for its Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2020.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence.



W. Edward Chabal

W. Edward Chabal
President

David J. Lewis

David J. Lewis
Executive Director

FINANCIAL SECTION



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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Chairman and Members of
The District School Board of Osceola County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Osceola County, Florida (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the District's custodial funds, which represent 4% of the assets and 2% of the liabilities of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, as described in Note 1 to the financial statements, which comprise 100% of the transactions and account balances of the aggregate discretely presented component units of the District. Those financial statements were audited by other auditors, whose reports have been furnished to us and, our opinion, insofar as it relates to the amounts included for the agency funds and aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

Change in Accounting Principle

As discussed in Note 2 to the financial statements, in the year ended June 30, 2021, the District adopted the provisions of Government Accounting Standards Board Statement (“GASBS”) Number 84, *Fiduciary Activities*. As a result of the implementation of GASBS 84, the District reported a restatement for the change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, Budgetary Comparison Schedules – General and Major Special Revenue Funds, Schedule of Changes in the Total Other Postemployment Benefits Liability, Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions for both the Florida Retirement System and Health Insurance Subsidy Program, and Notes to Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements as a whole. The introductory section, combining and individual major and non-major fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

Chairman and Members of
The District School Board of Osceola County, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

The combining and individual major and non-major fund financial statements and schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
January 24, 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Osceola County District School Board, Florida (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the District's basic financial statements found on pages 20-30 of this report.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2020-21 fiscal year are as follows:

- Total assets and deferred outflows of resources of the District exceed total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$874,985,897.
- At June 30, 2021, the District's combined governmental fund balances totaled \$540,021,336, an increase of \$164,731,267 or 43.89 percent, in comparison with the prior fiscal year.
- The unassigned fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totals \$55,301,401 at June 30, 2021, or 10.05 percent of total General Fund expenditures.
- The District's total bonded debt (Bonds Payable and Certificates of Participation, excluding premiums and discounts) increased by \$52,883,000, or 17.86 percent during the current fiscal year. The key factor in this was the issuance of new Capital Outlay Sales Tax Revenue Bonds.
- The District's net capital assets increased by \$28,121,709, or 3.11 percent from the 2020-21 fiscal year.

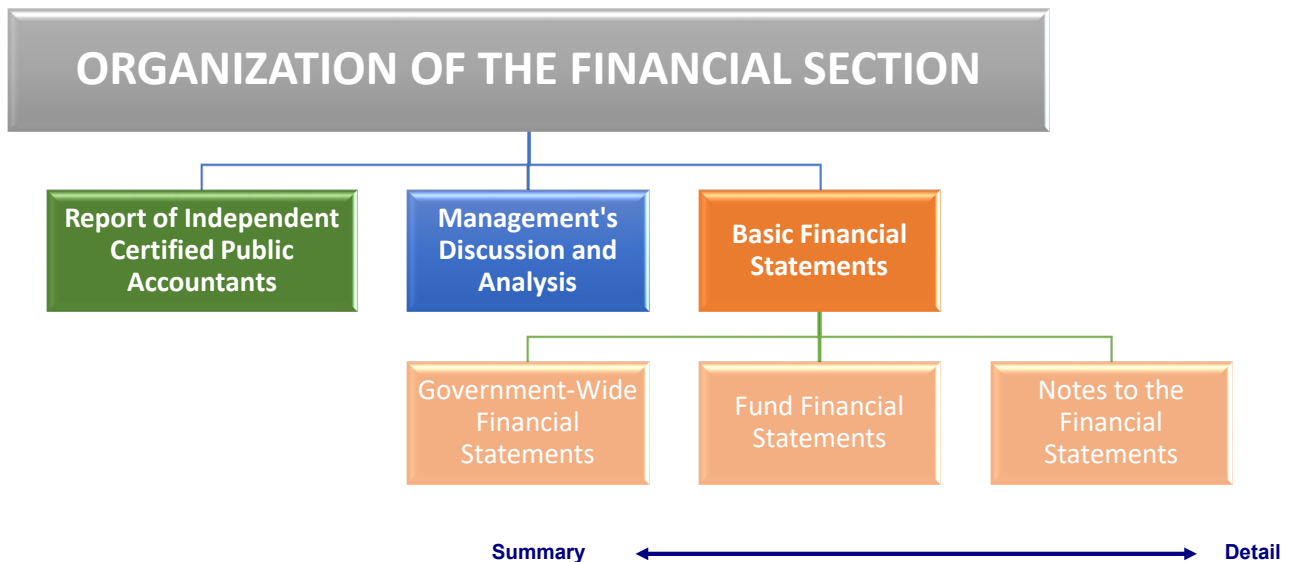
OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements.

The District's basic financial statements are comprised of three components:

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

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



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 position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the primary government presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets, liabilities, and deferred inflows/outflows of resources using an economic resources measurement focus. Assets plus deferred outflows of resources, less liabilities and deferred inflows of resources, equals net position, is a measure of the financial health of the District. The statement of activities presents information about the change in the District's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

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

- **Governmental activities** – This represents most of the District's services, including its educational programs: basic, vocational, adult, and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.

Component units – The District presents twenty-five separate legal entities in this report, including American Classical Charter Academy St. Cloud, Bellalago Educational Facilities Benefit District, BridgePrep Academy of Osceola, BridgePrep Academy of Saint Cloud, Creative Inspiration Journey School, Flora Ridge Educational Facilities Benefit District, Florida Cyber Charter Academy at Osceola, The Foundation for Osceola Education, Inc., Four Corners Charter School, Inc., Four Corners Upper

School, Lincoln-Marti Charter Schools, Inc., Main Street High School, Mater Academy Preparatory High School, Mater Brighton Lakes Academy, Mater Palms Academy, Mater Academy St. Cloud, New Dimensions High School, Inc., Osceola Science Charter School, Renaissance Charter School at Boggy Creek, Renaissance Charter School at Poinciana, Renaissance Charter School at Tapestry, Sports Leadership Arts Management, St. Cloud Preparatory Academy, Inc., UCP Osceola Charter School, Victory Charter School, and Victory K-8 Charter School. Although legally separate organizations, the component units are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 20-21 of this report.

Fund Financial Statements

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

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

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

The District maintains 10 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the major funds. The District's major funds are the: (1) General Fund, (2) Special Revenue – Other Federal Programs Fund, (3) Special Revenue – Federal Education Stabilization Fund and (4) Capital Projects – Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its General, Special Revenue – Other Federal Programs Fund and Special Revenue – Federal Education Stabilization Fund. Budgetary comparison schedules have been provided on pages 70-72 of this report to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 22-25 of this report.

Proprietary Funds. Proprietary funds may be established to account for activities in which a fee is charged for services. One type of proprietary fund is maintained.

The internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses the internal service funds to account for the Health and Life Insurance Trust Fund and Casualty Insurance Loss Fund. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail. Conversely, the internal service funds are combined into a single, aggregated column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 26-28 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held in a trustee or fiduciary capacity for the benefit of parties outside the government. The District only has custodial funds that are classified as fiduciary funds. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds 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 custodial funds to account for resources held for student activities and groups.

The Statement of Fiduciary Net Position can be found on page 29.

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 31-67 of this report.

Other Supplemental Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented on pages 83-92 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceed liabilities and deferred inflows by \$874,985,897 at June 30, 2021. The following is a summary of the District's net position as of June 30, 2021, compared to net position as of June 30, 2020:

	Net Position, End of Year	
	Governmental Activities	
	6/30/2021	6/30/2020
Current and Other Non-Capital Assets	\$ 584,175,217	\$ 407,099,015
Capital Assets	932,465,376	904,343,667
Total Assets	1,516,640,593	1,311,442,682
Deferred Outflow of Resources	118,767,399	106,547,129
Total Deferred Outflow of Resources	118,767,399	106,547,129
Current Liabilities	32,361,352	23,003,444
Long-Term Liabilities	706,354,952	606,907,408
Total Liabilities	738,716,304	629,910,852
Deferred Inflow of Resources	21,705,792	30,179,768
Total Deferred Inflow of Resources	21,705,792	30,179,768
Net Position:		
Net Investment in Capital Assets	669,257,845	642,091,911
Restricted	414,159,573	308,631,681
Unrestricted	(208,431,521)	(192,824,401)
Total Net Position	\$ 874,985,897	\$ 757,899,191

By far, the largest portion of the District's net position, \$669,257,845 or 76.49 percent, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to educate the students of Osceola County, Florida; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, \$414,159,573 or 47.33 percent, represents resources that are subject to external restrictions on how they may be used. There was an increase of \$105,527,892 in restricted net position reported in connection with the District's governmental activities. This increase is primarily due to the increase in the District's reserve for capital projects primarily resulting from the new constructions, renovations and deferred maintenance. The remaining net position represents resources that are not subject to external restrictions on how they may be used. The balance of unrestricted net position of (\$208,431,521) is primarily the result of the implementation of *Governmental Accounting Standards Board Statement No. 68 – Accounting and Financial Reporting for Pensions* beginning with the 2014-2015 fiscal year. More information on this standard and its effect on the financial statements can be found in Note 11 to the financial statements.

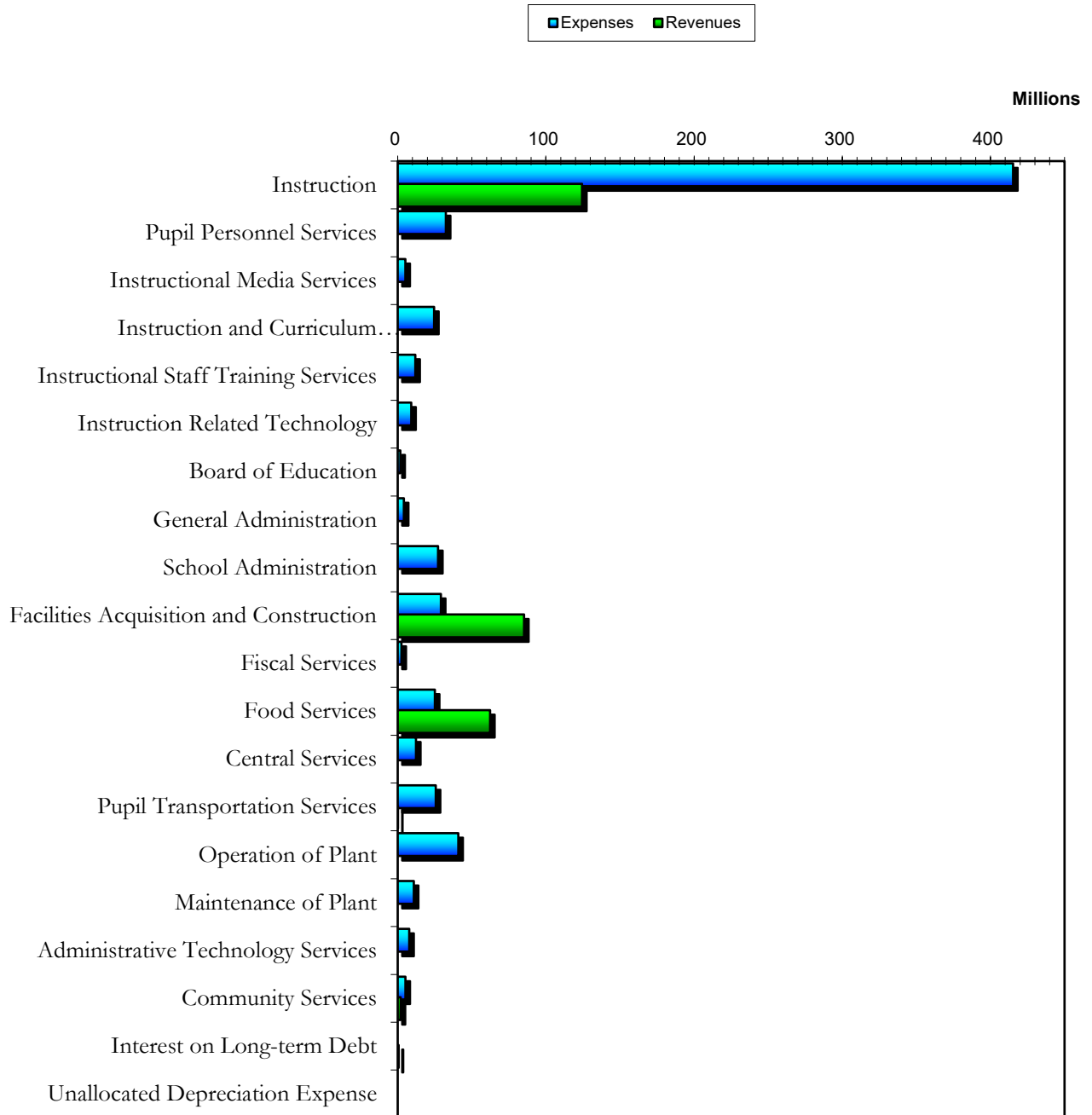
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The key elements of the changes in the District's net position for the fiscal years ended June 30, 2021, and June 30, 2020, are as follows:

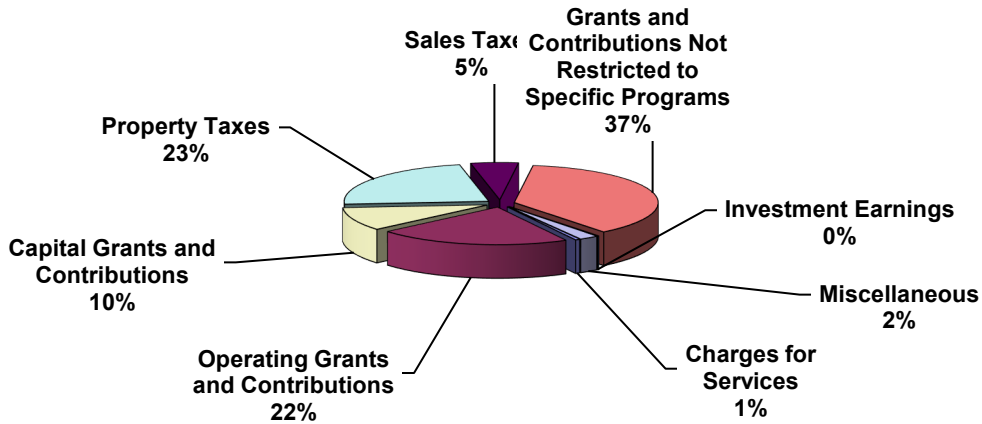
	<u>6/30/2021</u>	<u>6/30/2020</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 4,419,740	\$ 6,004,172
Operating Grants and Contributions	184,333,813	148,848,052
Capital Grants and Contributions	85,913,615	78,875,950
General Revenues:		
Property Taxes	196,509,818	185,147,696
Local Sales Taxes	45,489,330	44,396,966
Grants and Contributions not Restricted to Specific Programs	318,123,331	308,037,023
Investment Earnings	1,345,660	12,624,596
Miscellaneous	18,281,436	11,318,616
Total Revenues	<u>854,416,743</u>	<u>795,253,071</u>
Functions/Program Expenses:		
Instruction	415,275,745	395,651,095
Pupil Personnel Services	32,494,498	31,286,985
Instructional Media Services	5,184,681	4,997,342
Instruction and Curriculum Development Services	24,560,164	22,621,624
Instructional Staff Training Services	11,884,929	12,407,615
Instruction Related Technology	9,141,686	5,036,599
Board of Education	1,778,741	1,243,539
General Administration	4,154,629	3,462,702
School Administration	27,230,029	26,491,620
Facilities Acquisition and Construction	29,153,446	34,209,654
Fiscal Services	2,530,927	2,292,148
Food Services	25,083,377	30,929,431
Central Services	12,339,829	9,071,627
Pupil Transportation Services	25,686,161	26,247,815
Operation of Plant	40,909,210	41,569,779
Maintenance of Plant	10,878,590	10,338,335
Administrative Technology Services	7,783,017	4,523,927
Community Services	5,219,174	4,467,594
Interest on Long-Term Debt	8,853,423	8,945,531
Unallocated Depreciation Expense	37,187,781	34,151,861
Total Expenses	<u>737,330,037</u>	<u>709,946,823</u>
Increase in Net Position	117,086,706	85,306,248
Net Position, Beginning	757,899,191	672,592,943
Net Position, Ending	<u>\$ 874,985,897</u>	<u>\$ 757,899,191</u>

The government-wide net position increased by \$117,086,706 during the current fiscal year. The increase represents the excess of revenues over expenses in the current year.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Governmental Activities.

Governmental activities increased the District's net position by \$117,086,706 accounting for the total increase in the net position of the District. This increase is primarily due to program revenues held in reserve for future construction projects.

The largest revenue sources are the State of Florida and local sources. Combined, these two revenue sources account for 86.71 percent of total revenues. Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data and is designed to maintain equity in funding across all Florida school districts, taking into consideration the District's funding ability based on the local property tax base. Total state sources increased by \$11,354,264 or 2.98 percent primarily due to the increase in FEFP funding. Revenues from local sources consist primarily of ad valorem taxes and impact fees. Property tax revenues increased by \$11,362,121 or 6.14 percent, primarily due to the increase in the local property tax base.

Instructional expenses represent 55.65 percent of total governmental expenses in the 2020-21 fiscal year. Instructional expenses increased by \$19,624,650 or 4.96 percent, from the previous fiscal year as a result of the need for additional instructional staff and materials to accommodate the growth in unweighted full-time equivalent students and to continue to meet the district-wide class size requirements.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, assigned plus unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds report combined ending fund balances of \$540,021,336, an increase of \$164,731,267, in comparison with the 2019-20 fiscal year. Unassigned fund balance of \$55,301,401 represents 9.5 percent of the ending fund balances and is available to meet the District's short-term spending needs. Remaining fund balances are non-spendable, restricted, or assigned, to indicate that they are not available for new spending. Inventory balances of \$3,645,002 are considered non-spendable. Fund balances totaling \$474,555,299 are restricted for state required carryover programs, debt service, capital projects, grants and programs, and food service. Fund balances totaling \$6,519,633 are assigned to cover contract commitments and carryover appropriations.

Major Governmental Funds

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the assigned plus unassigned fund balance of the General Fund was \$61,821,034, while total fund balance reached \$88,988,280. As a measure of the General Fund's liquidity, it may be useful to compare both assigned plus unassigned fund balance and total fund balance to total expenditures. Assigned plus unassigned fund balance represents 11.23 percent of total General Fund expenditures, while total fund balance represents 16.17 percent of that same amount.

During the current fiscal year, the fund balance of the General Fund increased by \$11,042,938. This increase was the result of controlled expenditures to balance the operating budget and allow the District to begin to rebuild its reserves to meet future needs.

There were no changes to the fund balance for the Special Revenue – Other Federal Programs Fund and the Special Revenue – Federal Education Stabilization Fund since revenues are recognized once expenditures are incurred for these programs.

The fund balances for the Capital Projects – Other Fund increased by \$138,614,978. This was a planned increase to provide for future construction projects.

The fund balance for non-major funds – reported as Other Governmental Funds – increased by \$55,218,565 to \$97,779,732. This is primarily due to Capital Projects - Nonvoted Capital Improvement fund was classified from major funds in prior year to non-major funds in the current fiscal year.

Proprietary Funds

The District's proprietary funds provide the same type of information found in the government-wide financial statements. The District's proprietary fund includes two internal service funds that are used to account for its self-insurance programs. Net position increased by \$2,847,960 due to premiums exceeding insurance claims and other expenses.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the 2020-21 fiscal year, the District amended its General Fund budget, which resulted in a decrease in total budgeted revenues of approximately \$6,197,589 or 1.92 percent. At the same time, final appropriations were less than the original budgeted amounts by approximately \$5,388,468, or 0.91 percent. Budget revisions occurred primarily from changes in estimated funding levels as a result of the State's distribution of funding to private schools for McKay and Family Empowerment scholarships. Planned expenditures were adjusted to meet the District's needs while maintaining an adequate fund balance.

Actual revenues are \$2,205,978 greater than final budget amounts was primarily caused by unexpected rebound of the local sales tax revenue collections. The actual expenditures are \$35,721,602, or 6.10 percent, less than final budget amounts. The primary cause for unspent appropriations is related to schools and other programs carrying forward unspent appropriations that will be used in succeeding years.

During the current fiscal year, assigned plus unassigned fund balance in the General Fund increased by \$7,115,615 from the prior year (\$54,705,419 to \$61,821,034). This is a result of controlled expenditures to balance the operating budget and allow the District to rebuild its reserves to meet future needs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for the governmental activities as of June 30, 2021, amounts to \$932,465,376 (net of accumulated depreciation). This investment in capital assets includes land; land improvements; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; investments in the educational facilities benefit district; and audio visual materials and computer software. The total increase in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$28,121,709 or a 3.11 percent increase from the 2019-20 fiscal year.

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

- Construction in Progress for kitchen remodeling projects at one alternative school.
- Construction in Progress for comprehensive renovations at one K8 school, one high school and two middle schools.

Following is a summary of the District’s capital assets as of June 30, 2021, compared to June 30, 2020.

Schedule of Capital Assets (net of accumulated depreciation)			
	Governmental Activities		
	June 30, 2021	June 30, 2020	
Land and Land Improvements	\$ 62,738,546	\$ 51,442,846	
Construction in Progress	39,701,495	107,811,682	
Improvements Other Than Buildings	10,021,646	10,828,078	
Buildings and Fixed Equipment	770,372,485	685,504,105	
Furniture, Fixtures, and Equipment	18,660,293	18,847,054	
Motor Vehicles	20,627,213	19,294,452	
Investment In EFBD	10,246,808	10,514,008	
Audio Visual Materials and Computer Software	96,890	101,442	
Total	\$ 932,465,376	\$ 904,343,667	

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

Long-Term Debt

At the end of the current fiscal year, the District’s long-term debt principal, excluding premiums and discounts, totals \$303,943,993. Of this amount, \$296,123,000 is outstanding bonded debt and \$7,820,993 is other long-term debt. Bonded debt constituted the largest portion of long-term debt at the end of the fiscal year and was comprised of \$75,150,000 of Capital Outlay Sales Tax Revenue Bonds issued during the fiscal year; \$172,304,000 outstanding in District Revenue Bonds; and \$122,010,000 in certificates of participation.

Following is a summary of the District’s long-term debt as of June 30, 2021, compared to June 30, 2020.

Schedule of Outstanding Long-Term Debt
(excluding premiums and discounts)

	Governmental Activities	
	June 30, 2021	June 30, 2020
State School (SBE) Bonds	\$ 1,809,000	\$ 2,359,000
District Revenue Bonds	172,304,000	108,111,000
Certificates of Participation	122,010,000	132,770,000
Other Long-Term Debt	7,820,993	8,254,204
Total Outstanding Long-Term Debt	\$ 303,943,993	\$ 251,494,204

The District’s total debt increased by \$52,449,789 or 21 percent, during the current fiscal year.

Additional information on the District’s long-term debt can be found in Notes 6 through 9 to the financial statements.

OTHER MATTERS OF SIGNIFICANCE

As of June 2021, the Florida Department of Economic Opportunity reports the unemployment rate for Osceola County, Florida, at 7.2 percent. It is a significant decrease from the rate of 25.2 percent a year ago during the peak of the pandemic and is higher than the State’s average unemployment rate of 5 percent. However, despite the job market’s swift recovery, with the impact of uncertainty of COVID variant and the mitigation efforts, Central Florida’s tourism-heavy economy continues its higher-than-average levels of joblessness. Generally, consumers who lose their jobs restrict spending in response to the loss of income, while others who remain employed may spend less in anticipation of future job losses.

Section 212.055(6), Florida Statutes, authorizes the imposition by school boards of a one-half cent sales surtax on all taxable transactions to fund capital outlay projects and technology implementation, including the payment of bond indebtedness, subject to approval by the electors of the county voting in a referendum. In November 2016, Osceola County voters approved by referendum the imposition of a one-half cent discretionary sales surtax to be effective beginning January 1, 2017 and ending December 31, 2036.

REQUESTS FOR INFORMATION

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Osceola County School District, 817 Bill Beck Boulevard, Kissimmee, Florida 34744.

BASIC FINANCIAL STATEMENTS



DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF NET POSITION
June 30, 2021

	Governmental Activities	Component Units
ASSETS		
Cash and Cash Equivalents	\$ 199,829,940	\$ 32,353,876
Investments	319,814,353	10,862,491
Accounts Receivable	7,335,432	3,673,769
Deposits	-	397,516
Due from Other Agencies	51,455,819	3,201,796
Due from Management Company	-	5,103,940
Inventories	3,645,002	-
Prepaid Items	2,090,819	1,112,801
Restricted Assets:		
Cash with Fiscal Agent	3,853	-
Beneficial Interest in Assets Held by Others	-	610,931
Capital Assets:		
Land	60,135,828	1,524,020
Land Improvements, Nondepreciable	2,602,718	36,828
Construction in Progress	39,701,495	426,793
Improvements Other Than Buildings, Net	10,021,646	1,182,494
Buildings and Fixed Equipment, Net	770,372,486	83,606,636
Furniture, Fixtures and Equipment, Net	18,660,293	5,464,971
Capital Lease Asset, Net	-	29,881,261
Motor Vehicles, Net	20,627,213	432,066
Investment in Educational Facilities Benefit District, Net	10,246,808	-
Audio Visual Materials and Computer Software, Net	96,890	397,898
Total Assets	1,516,640,595	180,270,087
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amount on Debt Refunding	1,649,498	65,508
Pension	115,820,720	2,526,769
Other Postemployment Benefits	1,297,181	-
Total Deferred Outflows of Resources	118,767,399	2,592,277
LIABILITIES		
Salaries and Benefits Payable	1,702,693	3,379,188
Payroll Deductions and Withholdings	860,227	444,496
Accounts Payable	4,599,545	2,928,253
Accrued Expenses	-	496,394
Construction Contracts Payable	10,725,481	-
Construction Contracts Payable-Retainage	902,639	-
Due to Other Agencies	5,549,798	2,443,261
Due to Management Company	-	2,514,482
Due to Other Funds	-	343,461
Sales Tax Payable	3,207	-
Unearned Revenue	144,693	33,370
Accrued Interest Payable	1,797,040	538,783
Other Liabilities	-	1,157,659
Estimated Insurance Claims Payable	6,076,029	-
Long-Term Liabilities:		
Portion Due Within One Year:		
Bonds Payable	18,792,537	1,943,339
Notes Payable	-	3,678,127
Loan Payable	-	114,343
Obligations Under Capital Lease	-	1,011,093
Lease-Purchases Payable	11,324,782	-
Compensated Absences Payable	2,900,408	96,369
Other Postemployment Benefits Payable	813,888	-
Net Pension Liability	1,089,456	-
Educational Facilities Benefit District Agreement Payable	470,453	-
Portion Due After One Year:		
Bonds Payable	155,526,979	48,656,270
Notes Payable	-	6,199,953
Loan Payable	-	2,370,650
Obligations Under Capital Lease	-	61,249,357
Lease-Purchases Payable	112,818,695	17,455,536
Compensated Absences Payable	33,245,007	177,896
Other Postemployment Benefits Payable	15,768,463	-
Net Pension Liability	346,253,744	8,320,046
Educational Facilities Benefit District Agreement Payable	7,350,541	-
Deferred Revenue	-	35,000
Total Liabilities	738,716,305	165,587,326
DEFERRED INFLOWS OF RESOURCES		
Deferred Amount on Debt Refunding	3,357,863	830,813
Pension	14,775,463	412,000
Other Postemployment Benefits	3,572,466	-
Total Deferred Inflows of Resources	21,705,792	1,242,813
NET POSITION		
Net Investment in Capital Assets	669,257,845	(5,136,496)
Restricted For:		
State Required Carryover Programs	17,919,769	-
Food Service	17,598,988	-
Debt Service	24,541,389	1,746,715
Capital Projects	354,099,427	756,210
Other Purposes	-	1,744,592
Unrestricted	(208,431,521)	16,921,204
Total Net Position	\$ 874,985,897	\$ 16,032,225

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

FUNCTIONS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component
					Governmental Activities	Units
Governmental Activities:						
Instruction	\$ 415,275,745	\$ 1,821,774	\$ 122,573,469	\$ -	\$ (290,880,502)	\$ 61,056,864
Pupil Personnel Services	32,494,498	-	-	-	(32,494,498)	3,006,493
Instructional Media Services	5,184,681	-	-	-	(5,184,681)	78,044
Instruction and Curriculum Development Services	24,560,164	-	-	-	(24,560,164)	3,669,570
Instructional Staff Training Services	11,884,929	-	-	-	(11,884,929)	367,327
Instruction Related Technology	9,141,686	-	-	-	(9,141,686)	1,072,581
Board of Education	1,778,741	-	-	-	(1,778,741)	1,156,838
General Administration	4,154,629	-	-	-	(4,154,629)	1,833,796
School Administration	27,230,029	-	-	-	(27,230,029)	13,341,637
Facilities Services	29,153,447	-	-	85,268,479	56,115,032	4,144,438
Fiscal Services	2,530,927	-	-	-	(2,530,927)	4,564,525
Food Services	25,083,377	579,136	61,760,344	-	37,256,103	659,645
Central Services	12,339,829	-	-	-	(12,339,829)	1,270,953
Pupil Transportation Services	25,686,161	20,940	-	-	(25,665,221)	1,510,718
Operation of Plant	40,909,210	-	-	-	(40,909,210)	21,598,553
Maintenance of Plant	10,878,590	-	-	-	(10,878,590)	2,136,711
Administrative Technology Services	7,783,017	-	-	-	(7,783,017)	323,594
Community Services	5,219,173	1,997,891	-	-	(3,221,282)	2,958,778
Debt Service	-	-	-	-	-	1,314,374
Interest on Long-term Debt	8,853,423	-	-	645,136	(8,208,287)	6,315,077
Unallocated Depreciation Expense*	37,187,781	-	-	-	(37,187,781)	368,478
Total Primary Government	\$ 737,330,037	\$ 4,419,741	\$ 184,333,813	\$ 85,913,615	(462,662,868)	132,748,994
Component Units:						
Charter Schools, Foundation and Benefit Districts	\$ 132,748,994	\$ 1,817,213	\$ 8,605,054	\$ 8,054,918		\$ (114,271,809)
General Revenues:						
Taxes:						
Property Taxes, Levied for Operational Purposes					147,611,813	-
Property Taxes, Levied for Capital Projects					48,898,005	-
Local Sales Taxes					45,489,330	-
State passed through local school district					-	68,753,838
Grants and Contributions Not Restricted to Specific Programs					318,123,332	43,909,197
Unrestricted Investment Earnings					1,345,658	87,206
Special Items					-	891,316
Miscellaneous					18,281,436	6,490,983
Transfers					-	(323,959)
Total General Revenues					579,749,574	119,808,581
Change in Net Position					117,086,706	5,536,772
Net Position - Beginning					757,899,191	9,760,095
Adjustments to Beginning Net Position					-	735,358
Net Position - Ending					\$ 874,985,897	\$ 16,032,225

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021

	General Fund	Special Revenue - Other Federal Programs Fund	Special Revenue - Federal Education Stabilization Fund	Capital Projects - Other Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 52,079,454	\$ -	\$ 668,439	\$ 99,045,017	\$ 31,466,809	\$ 183,259,719
Investments	22,524,463	-	-	232,138,289	65,143,023	319,805,775
Accounts Receivable	869,292	72,083	-	3,780,423	996,056	5,717,854
Due from Other Funds	17,267,677	-	-	-	-	17,267,677
Due from Internal Funds	265,896	-	-	-	-	265,896
Due from Other Agencies	1,593,119	6,342,973	13,563,341	29,657,115	299,271	51,455,819
Inventories	2,976,253	-	-	-	668,749	3,645,002
Total Assets	\$ 97,576,154	\$ 6,415,056	\$ 14,231,780	\$ 364,620,844	\$ 98,573,908	\$ 581,417,742
LIABILITIES AND FUND BALANCES						
Liabilities:						
Salaries and Benefits Payable	\$ 878,705	\$ 402,602	\$ 380,266	\$ -	\$ 41,119	\$ 1,702,692
Payroll Deductions and Withholdings	631,874	112,446	100,322	-	15,583	860,225
Accounts Payable	1,926,657	512,263	1,369,757	294,025	94,943	4,197,645
Construction Contracts Payable	98,040	-	-	10,200,512	426,929	10,725,481
Construction Contracts Payable-Retainage	3,962	-	-	872,983	25,694	902,639
Due to Other Funds	-	4,993,233	12,274,444	-	-	17,267,677
Due to Internal Funds	42,349	-	-	-	-	42,349
Due to Other Agencies	4,958,751	394,512	106,991	-	89,544	5,549,798
Sales Tax Payable	3,207	-	-	-	-	3,207
Unearned Revenue	44,329	-	-	-	100,364	144,693
Total Liabilities	8,587,874	6,415,056	14,231,780	11,367,520	794,176	41,396,406
Fund Balances:						
Nonspendable	2,976,253	-	-	-	668,749	3,645,002
Restricted	24,190,993	-	-	353,253,324	97,110,983	474,555,300
Assigned	6,519,633	-	-	-	-	6,519,633
Unassigned	55,301,401	-	-	-	-	55,301,401
Total Fund Balances	88,988,280	-	-	353,253,324	97,779,732	540,021,336
TOTAL LIABILITIES AND FUND BALANCES	\$ 97,576,154	\$ 6,415,056	\$ 14,231,780	\$ 364,620,844	\$ 98,573,908	\$ 581,417,742

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

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2021**

Total Fund Balances - Governmental Funds \$ 540,021,336

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	932,465,377
Deferred amount on refunding (loss) are not recognized in the fund level statements but are included in the government-wide statements.	1,649,498
Deferred amount on refunding (gain) are not recognized in the fund level statements but are included in the government-wide statements.	(3,357,863)
Deferred amount for pensions (contributions, assumptions, investments, and proportionate change) are not recognized in the fund level statements but are included in the government-wide statements.	(14,775,463)
Deferred amount for OPEB are not recognized in the fund level statements but are included in the government-wide statements.	1,297,181
Deferred amount for pensions (experience, investments, and proportionate change) are not recognized in the fund level statements but are included in the government-wide statements.	115,820,720
Deferred amount for OPEB are not recognized in the fund level statements but are included in the government-wide statements.	(3,572,466)
Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due.	(1,797,040)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position net of capital assets reported above.

Total Assets - Internal Service Funds	\$ 23,222,878
Total Liabilities - Internal Service Funds	(6,435,579)
Less: Depreciable Assets Reported Above	<u>(3,197,729)</u>

13,589,570

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Bonds Payable	174,319,516
Certificates of Participation Payable	124,143,477
Compensated Absences Payable	36,145,415
Other Postemployment Benefits Payable	16,582,351
Net Pension Liability	347,343,200
Educational Facilities Benefit District Agreement Payable	<u>7,820,994</u>

(706,354,953)

Total Net Position - Governmental Activities \$ 874,985,897

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	General Fund	Special Revenue - Other Federal Programs Fund	Special Revenue - Federal Education Stabilization Fund	Capital Projects - Other Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Intergovernmental:						
Federal Direct	\$ 566,820	\$ 2,217,299	\$ 990,928.00	\$ -	\$ 2,229,237	\$ 6,004,284
Federal Through State	2,369,078	43,319,517	30,866,538	-	30,207,893	106,763,026
State	381,287,756	-	-	7,976,189	3,197,106	392,461,051
Local:						
Property Taxes	147,595,663	-	-	-	48,914,154	196,509,817
Local Sales Taxes	-	-	-	45,489,330	-	45,489,330
Impact Fees	-	-	-	83,128,923	-	83,128,923
Charges for Services - Food Service	-	-	-	-	568,837	568,837
Other Local Revenues	12,764,308	62,248	-	8,915,918	887,877	22,630,351
Total Revenues	544,583,625	45,599,064	31,857,466	145,510,360	86,005,104	853,555,619
EXPENDITURES						
Current-Education:						
Instruction	363,185,511	25,908,634	12,832,268	-	-	401,926,413
Pupil Personnel Services	27,283,496	3,089,374	546,620	-	-	30,919,490
Instructional Media Services	4,686,037	231,589	19,354	-	-	4,936,980
Instruction and Curriculum Development Services	14,659,138	7,876,198	784,691	-	-	23,320,027
Instructional Staff Training Services	6,376,257	4,570,176	408,905	-	-	11,355,338
Instruction Related Technology	3,358,770	120,707	5,403,133	-	-	8,882,610
Board of Education	1,763,849	-	-	-	-	1,763,849
General Administration	1,766,801	1,558,821	755,361	-	-	4,080,983
School Administration	25,723,322	6,011	106,775	-	-	25,836,108
Facilities Acquisition and Construction	13,182,403	-	914,599	82,226	-	14,179,228
Fiscal Services	2,401,309	-	9,727	-	-	2,411,036
Food Services	312,546	-	102,413	-	24,112,121	24,527,080
Central Services	8,177,353	589,448	3,232,585	-	-	11,999,386
Pupil Transportation Services	21,299,956	65,439	615,120	-	-	21,980,515
Operation of Plant	36,414,746	-	2,136,911	-	-	38,551,657
Maintenance of Plant	10,379,000	39,591	95,514	-	-	10,514,105
Administrative Technology Services	4,693,861	31,582	2,867,739	-	-	7,593,182
Community Services	3,332,492	1,128,966	617,299	-	-	5,078,757
Fixed Capital Outlay:						
Facilities Acquisition and Construction	-	-	-	59,639,362	18,134,081	77,773,443
Other Capital Outlay	1,308,782	382,528	408,452	-	2,423,207	4,522,969
Debt Service:						
Principal	-	-	-	-	22,700,211	22,700,211
Interest and Fiscal Charges	-	-	-	-	9,120,262	9,120,262
Dues, Fees and Issuance Costs	-	-	-	-	166,565	166,565
Total Expenditures	550,305,629	45,599,064	31,857,466	59,721,588	76,656,447	764,140,194
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,722,004)	-	-	85,788,772	9,348,657	89,415,425
OTHER FINANCING SOURCES (USES)						
Transfers In	16,599,099	-	-	-	30,345,620	46,944,719
Bonds Issued	-	-	-	75,150,000	-	75,150,000
Insurance Loss Recoveries	165,842	-	-	-	-	165,842
Transfers Out	-	-	-	(22,323,793)	(24,620,926)	(46,944,719)
Total Other Financing Sources (Uses)	16,764,941	-	-	52,826,207	5,724,694	75,315,842
Net Change in Fund Balances	11,042,937	-	-	138,614,979	15,073,351	164,731,267
Fund Balances, July 1, 2020	77,945,343	-	-	214,638,345	82,706,381	375,290,069
Fund Balances, June 30, 2021	\$ 88,988,280	\$ -	\$ -	\$ 353,253,324	\$ 97,779,732	\$ 540,021,336

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

**DISTRICT SCHOOL BOARD OF OSCEOLA 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, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 164,731,267

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 a depreciation expense. This is the amount of depreciation expense in excess of capital outlays in the current period.		
Capital Outlays net of amounts not capitalized	\$ 67,397,771	
Depreciation Expense(excluding internal service funds)	<u>(39,945,307)</u>	27,452,464
Capital assets donated to the District increase net position in the government-wide statements, but are not financial resources and, therefore, are not reported in the governmental funds. This is the value of capital assets donated during the current year.		681,613
Vouchers payable associated with impact fee credits are accrued in the government-wide statements, but are not recognized in the governmental funds.		13,474
The cost of capital assets disposed of during the current year is expensed in the statement of activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net position differs from the change in fund balances by the undepreciated cost of the disposed assets.		84,736
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the net effect of these transactions.		
Sales Tax Revenue Bonds	(75,150,000)	
Redemption of Principal	22,700,211	
Amortization of Deferred Inflows/Outflows	<u>433,405</u>	(52,016,384)
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period.		3,041,769
In the statement of activities, the cost of other postemployment benefits is measured by the increase in the total OPEB liability during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for the OPEB costs. This is the amount of the increase in the OPEB liability in excess of the amount paid in the current period.		(260,246)
In the statement of activities, the cost of pension benefits is measured by the increase in the net pension liability during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for pension costs. This is the amount of the increase in the net pension liability in excess of the amount paid in the current period.		(29,489,946)
Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.		<u>2,847,959</u>

Change in Net Position of Governmental Activities \$ 117,086,706

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium Revenues	\$ 62,022,310
Total Operating Revenues	<u>62,022,310</u>
OPERATING EXPENSES	
Purchased Services	13,478,283
Materials and Supplies	1,004,087
Insurance Claims	44,584,207
Depreciation/Amortization Expense	107,862
Total Operating Expenses	<u>59,174,439</u>
Operating Income	<u>2,847,871</u>
NONOPERATING REVENUES	
Interest	88
Total NonOperating Revenues	<u>88</u>
Change In Net Position	2,847,959
Total Net Position - July 1, 2020	13,939,340
Total Net Position - June 30, 2021	<u><u>\$ 16,787,299</u></u>

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF FIDUCIARY
NET POSITION
June 30, 2021

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	\$ 4,600,049
Accounts Receivable	94,764
Inventory	142,999
Total Assets	\$ 4,837,812
LIABILITIES	
Accounts Payable	\$ 172,859
Total Liabilities	\$ 172,859
NET POSITION	
Restricted for:	
Student Groups	4,664,953
TOTAL NET POSITION	\$ 4,664,953

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
For the Fiscal Year Ended June 30, 2021

	Custodial Funds
ADDITIONS	
Student Group Collections	\$ 5,866,576
DEDUCTIONS	
Student Group Disbursements	5,863,034
Change in Net Position	3,542
Net Position - Beginning	-
Adjustment to Beginning Net Position	4,661,411
Net Positions- Beginning, as Restated	4,661,411
Net Positions- Ending	\$ 4,664,953

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The District has no business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Osceola County School District's (District) governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense associated with the District's transportation department is allocated to the student transportation services function, while remaining depreciation expense is not readily associated with a particular function and is reported as unallocated.

➤ **Reporting Entity**

The Osceola County School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education (FDOE), and is governed by State law and State Board of Education (SBE) Rules. The governing body of the District is the Board, which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Osceola County.

Criteria for determining if other entities are potential component units that 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 Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading. Based on the application of these criteria, the following component units are included within the District's reporting entity:

- **Blended Component Units.** Blended component units are, in substance, part of the District's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the District.

The District's employee group health and life insurance program, described in a subsequent note, is administered through the Osceola County District School Board Group Health and Life Insurance Trust (Trust). Assets necessary to fund the program are transferred to the Trust; however, under the terms of the Trust agreement, the District retains control of the assets. Therefore, the financial activities of the Trust are reported in the District's financial statements. Separate financial statements for the Trust are not published.

The Osceola County School Board Leasing Corporation, Inc. (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment. The governing board of the Leasing Corporation is the Board. Due to the substantive economic relationship between the District and the

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

- Discretely Presented Component Units. The component units columns in the government-wide financial statements include the financial data of the District's other component units. A separate column is used to emphasize that they are legally separate from the District.

The Foundation for Osceola Education, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to provide charitable and educational aid to the Board, to promote education, and to encourage research, learning, and dissemination of information. Additionally, the Foundation entered into two separate charter agreements with the District to operate Bellalago Charter Academy, and PM Wells Charter Academy, which are considered divisions of the Foundation and are included in the Foundation's financial statements. Because of the nature and significance of its relationship with the District, the Foundation is considered a component unit. An annual audit of the organization's financial statements is conducted by an independent certified public accountant and is filed in the District's administrative office at 817 Bill Beck Boulevard, Kissimmee, Florida, 34744.

The Bellalago Educational Facilities Benefit District and the Flora Ridge Educational Facilities Benefit District (Benefit Districts) are separate districts organized pursuant to Chapter 125, Florida Statutes, and Section 1013.355, Florida Statutes, to provide for the timely construction and maintenance of school facilities. The Benefit Districts are an alternate mechanism that allows for the sharing of educational facilities costs that are necessary to accommodate new growth and development. The Benefit Districts have imposed a specific financial burden on the Osceola County School District and are considered fiscally dependent in accordance with the criteria described in Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. A staff member of the Osceola County School District has been appointed to the board of each Benefit District. Audits of the Benefit District's annual financial statements are conducted by an independent certified public accountant and are filed in the District's administrative office at 817 Bill Beck Boulevard, Kissimmee, Florida, 34744.

American Classical Charter Academy, Bellalago Educational Facilities Benefit District, BridgePrep Academy of Osceola, BridgePrep Academy of Saint Cloud, Creative Inspiration Journey School, Flora Ridge Educational Facilities Benefit District, Florida Cyber Charter Academy at Osceola, The Foundation for Osceola Education, Inc., Four Corners Charter School, Inc., Four Corners Upper School, Lincoln-Marti Charter Schools, Inc., Main Street High School, Mater Academy Preparatory High School, Mater Academy St. Cloud, Mater Brighton Lakes Academy, Mater Palms Academy, New Dimensions High School, Inc., Osceola Science Charter School, Renaissance Charter School at Boggy Creek, Renaissance Charter School at Poinciana, Renaissance Charter School at Tapestry, Sports Leadership Arts Management, St. Cloud Preparatory Academy, Inc., UCP Osceola Charter School, Victory Charter School K-8, and Victory Charter School are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act; and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the Osceola County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District. The financial data reported on the accompanying statements was derived from the charter school's audited financial

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

statements for the fiscal year ended June 30, 2021. The audit reports are filed in the District's administrative offices at 817 Bill Beck Boulevard, Kissimmee, Florida, 34744.

➤ **Basis of Presentation: Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The effects of interfund activity have been eliminated from the government-wide financial statements except for interfund services provided and used.

➤ **Basis of Presentation: Fund Financial Statements**

The fund financial statements provide information about the District's funds, including the fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Other Federal Programs Fund – to account for funds from the State or Federal Government which are restricted for Federal programs.
- Special Revenue—Federal Education Stabilization Fund – to account for funds from Federal Government in support of ongoing state and institutional COVID – 19 recovery efforts.
- Capital Projects – Other Fund – to account for other miscellaneous funds from various sources which are restricted for capital outlay purposes.

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

- Internal Service Funds – to account for the District's individual self-insurance programs.
- Custodial Funds – to account for resources held for student activities and groups.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Sales taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments, pension benefits, other postemployment benefits, and compensated absences are recognized when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary funds and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The charter schools, the Foundation, and the Benefit Districts, are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

➤ **Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, cash with fiscal agent, demand deposits, and short-term, highly liquid investments with original maturities of 3 months or less. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME, the Florida Public Assets for Liquidity Management (Florida PALM), and Money Market accounts.

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **Investments**

Investments consist of amounts placed in SBA Debt Service accounts for investment of debt service money, amounts placed with the SBA for participation in Florida PRIME investment pool created by Section 218.405, Florida Statutes, and those made locally. The investment pool operates under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME and Florida PALM are similar to money market funds in which shares are owned in the fund rather than the underlying investments. The SBA and Florida PALM indicate that the District's investments in the Florida PRIME and Florida PALM are Securities and Exchange Commission Rule 2a7-like external investment pools. These investments are reported at fair value, which is amortized cost. The District also invests in Florida Fixed Income Trust (FL FIT) external investment pool in which shares are owned in the fund, rather than in the underlying investments. FL FIT investments are reported at net asset value (NAV). The District's other investments consist of US Treasury Bonds, Municipal Bonds, Federal Agency Securities and Mortgages, Federal Agency Bonds, and corporate notes are reported at fair value.

Types and amounts of investments held at fiscal year-end are described in Note 3.

➤ **Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories held at the maintenance department, transportation department, central warehouse and for the District's food service program are stated at cost valued on a weighted-average basis, except that United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The District applies the consumption method to account for its inventories. As such, the expenditure for supplies inventory is recognized when the supplies are actually used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **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 position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000 for tangible personal property and \$25,000 for real property. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at acquisition 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	8 - 40 years
Buildings, Fixed Equipment, and Investment in Educational Facilities Benefit District	10 -50 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	5 - 10 years
Audio Visual Materials and Computer Software	3 - 5 years

Current year information relative to changes in capital assets is described in Note 5.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports separate sections for deferred outflows of resources.

The deferred outflow of resources represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position reports separate sections for deferred inflows of resources. The deferred inflow of resources represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

The District has three items that qualify for reporting in the deferred outflows of resources and deferred inflows of resources sections of the statement of net position. The deferred charges on refunding reported in the government-wide statement of net position results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Changes in net pension liability are reported as deferred outflows of resources and deferred inflows of resources related to pensions. The deferred outflows of resources and deferred inflows of resources related to pensions are discussed in a subsequent note. Changes in Other Postemployment Benefits (“OPEB”) liability are reported as deferred outflows of resources and deferred inflows of resources related to OPEB. The deferred outflows of resources and deferred inflows of resources related to OPEB are discussed in a subsequent note.

➤ **Pensions**

In the government-wide statement of net position, liabilities are recognized for the District’s proportionate share of each pension plan’s net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The District's retirement plans and related amounts are described in Note 11.

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Debt premiums and discounts are deferred and amortized over the life of the debt using the effective interest method. Bonds and certificates of participation payable are reported net of the applicable premium or discount.

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

Changes in long-term liabilities for the current year are reported in Note 9.

➤ **Net Position Flow Assumption**

The District occasionally funds outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. Consequently, it is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

➤ **Fund Balance Flow Assumptions**

The District may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

➤ **Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has by resolution authorized the Chief Business and Finance Officer to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

In addition, the District has adopted Board Rule 7.10 which establishes "contingency reserves" to help sustain the financial stability of the District during times of emergency spending for items such as disaster recovery and revenue shortfalls that could potentially occur after the current year's budget adoption. School Board Rule 7.10 requires an amount equal to 6 percent of the General Fund revenues and other financing sources to be reserved for contingency purposes. The Superintendent shall obtain approval from the School Board if at any time it is projected that this balance will not be maintained.

➤ **Program Revenues**

Amounts reported as 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. 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.

➤ **State Revenue Sources**

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the FDOE 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 FDOE. The FDOE 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 5 months following the date of the original reporting. Such amendments may impact funding allocations for subsequent fiscal years. The FDOE 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 fiscal year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. SBE 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 fiscal year to be expended for the same educational programs. The FDOE generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the unencumbered balance of categorical and earmarked educational program resources.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

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 FDOE.

A schedule of revenue from State sources for the current year is presented in Note 14.

➤ **District Property Taxes**

The 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 Osceola County Property Appraiser, and property taxes are collected by the Osceola County Tax Collector.

The Board adopted the 2020 tax levy on September 8, 2020. 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 Osceola County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current year are presented in Note 15.

➤ **Educational Impact Fees**

Osceola County imposes an educational impact fee based on an ordinance adopted by the County Commission in 1992. This ordinance has been amended from time to time, most recently in March 2018, when Ordinance 2018-21 established the revised rates to be collected. The educational impact fee is collected for all new residential construction within the County. The fees are collected by the County and each municipality within the County, based on an interlocal agreement. The fees can only be used for capital expenditures directly affected by new residential growth. Educational impact fee credits granted in exchange for land are shown in the government-wide financial statements as unearned revenue until the credits are used, at which time the revenues are recognized.

➤ **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.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **Compensated Absences**

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. The liability for compensated absences includes salary-related benefits, where applicable.

➤ **Proprietary Funds Operating and Non-Operating Revenues and Expenses**

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

2. ACCOUNTING CHANGES

The District implemented GASB Statement No. 84, Fiduciary Activities, which establishes criteria for identifying and reporting fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The District considers the school internal funds to meet the criteria for reporting as fiduciary activities in the custodial funds. As such, the beginning net position of the custodial funds was increased by \$4,661,411.

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

3. INVESTMENTS

As of June 30, 2021, the District has the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
<i>Cash Equivalents</i>		
State Board of Administration (SBA):		
Florida PRIME	50 Day Average	\$ 77,997,955
Florida Public Assets for Liquidity Management (PALM)	56 Day Average	71,931,985
Money Market:		
Goldman Sachs Financial Square Govt. Fund	30 Day Average	19,926
Total Cash Equivalents		<u>\$ 149,949,866</u>
<i>Investments</i>		
Florida Fixed Income Trust (FIT)	299 Days	105,754,946
SBA Debt Service Accounts	6 Months	41,098
US Treasury Bonds	2/2022 - 11/2024	123,980,759
Municipal Bonds	3/2022 - 7/2025	6,599,216
Federal Agency Mortgage-Backed Securities	10/2026 - 7/2035	4,388,457
Federal Agency Collateralized Mortgages	9/2021 - 4/2041	7,354,631
Federal Agency Bonds	6/2022 - 12/2023	34,235,207
Corporate Note	11/2021 - 6/2025	35,456,048
Commercial Paper	January 1, 2022	1,263,757
Bank Note	05/2022 - 07/2022	740,234
Total Investments		<u>319,814,353</u>
Total Cash Equivalents and Investments		<u>\$ 469,764,219</u>

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

- The District’s investment policy limits investments to a maximum of 5½ years and the investment of current operating funds to no longer than 2 years.
- Florida PRIME had a weighted average days to maturity (WAM) of 53 days, Florida PALM had a WAM of 50 days, Florida FIT had a WAM of 299 days, and Money Market funds had a WAM of 30 days at June 30, 2021. A portfolio’s WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.
- For Florida PRIME, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.” With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of June 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100 percent of their account value.



Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

- The District’s investment policy allows for investments in certificates of deposit, time deposits, securities of the United States Government, other forms of authorized investments described in the Florida Statutes, and money market funds based on the highest rating by any one Nationally Recognized Statistical Ratings Organization (NRSRO).
- The District’s investments in SBA Debt Service accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by SBA for managing interest rate risk and credit risk for this account.
- As of June 30, 2021, the District’s investments in Florida PRIME, the Florida PALM, and Money Market accounts are rated “AAAm” by Standard & Poor’s. Investments in Florida FIT are rated AAAf/S1 by Fitch.

Custodial credit risk is the risk of loss attributed to the failure of the depository bank.

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

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Concentration of credit risk is the risk of loss attributed to the magnitude of the District’s investment in a single issuer.

- The District’s investment policy limits the amounts the District may invest in any one issuer, based on the type of instrument as follows:

<u>Investment Type</u>	<u>Percent</u>
United States Government Securities	100%
United States Government Agencies	75%
Corporates	25%
Municipals	25%
Agency Mortgage-Backed Securities	25%
Non-Negotiable Collateralized Bank Deposits/Savings Account	50%
Commercial Paper	25%
Bankers' Acceptances	10%
Repurchase Agreements	40%
Money Market Funds	50%

- Most of the District’s investments are issued or explicitly guaranteed by the United States Government or are in external investment pools, which do not require disclosure for concentration of credit risk. Remaining investments are in compliance with investment policy limits.
- As of June 30, 2021, approximately 39 percent of the District’s investment were in US Treasury Bonds, followed 33 percent in Florida FIT and 11 percent in Corporate Notes.

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 of the fair value hierarchy are inputs valued using quoted prices in active markets for identical assets; Level 2 inputs are valued using other significant observable inputs; Level 3 inputs are valued using significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2021:

<u>Investment by fair value level</u>	Fiscal Year Ending 6/30/2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
SBA Debt Service Accounts	\$ 41,098	\$ 41,098	\$ -	\$ -
U.S. Treasury Bonds	123,980,759	-	123,980,759	-
Municipal Bonds	6,599,216	-	6,599,216	-
Federal Agency Mortgage-Backed Securities	4,388,457	-	4,388,457	-
Federal Agency Collateralized Mortgage Obligations	7,354,631	-	7,354,631	-
Federal Agency Bonds	34,235,207	-	34,235,207	-
Corporate Note	35,456,048	-	35,456,048	-
Commercial Paper	1,263,757	-	1,263,757	-
Bank Note	740,234	-	740,234	-
Total Investments by fair value level	<u>\$ 214,059,407</u>	<u>\$ 41,098</u>	<u>\$ 214,018,309</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV)				
Florida Fixed Income Trust-FTT	105,754,946	-	-	-
Total Investments at NAV	<u>\$ 105,754,946</u>	-	-	-
Total Investments	<u>\$ 319,814,353</u>	-	-	-

SBA Debt Service Accounts classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. U.S. Treasury Bonds, Municipal Bonds, Federal Agency Bond, Securities and Mortgage Obligations, and Corporate Notes classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

4. RECEIVABLES

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	<u>Balance</u> <u>6/30/2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2021</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 49,735,514	\$ 10,400,314	\$ -	\$ 60,135,828
Land Improvements, Nondepreciable	1,707,332	895,386	-	2,602,718
Construction in Progress	107,811,682	48,234,674	116,344,861	39,701,495
Total Capital Assets Not Being Depreciated	<u>159,254,528</u>	<u>59,530,374</u>	<u>116,344,861</u>	<u>102,440,041</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	41,767,221	455,701	-	42,222,922
Buildings and Fixed Equipment	1,151,227,814	114,992,427	-	1,266,220,241
Furniture, Fixtures, and Equipment	65,427,272	5,357,854	7,224,250	63,560,876
Investment in Educational Facilities Benefit				
District	14,158,434	-	-	14,158,434
Motor Vehicles	49,828,163	4,201,169	2,769,165	51,260,167
Audio Visual Materials and Computer Software	5,535,510	69,341	126,157	5,478,694
Total Capital Assets Being Depreciated	<u>1,327,944,414</u>	<u>125,076,492</u>	<u>10,119,572</u>	<u>1,442,901,334</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	30,939,143	1,262,134	-	32,201,277
Buildings and Fixed Equipment	465,723,709	30,124,046	-	495,847,755
Furniture, Fixtures, and Equipment	46,580,218	5,487,874	7,167,509	44,900,583
Investment in Educational Facilities Benefit				
District	3,644,426	267,198	-	3,911,624
Motor Vehicles	30,533,711	2,865,388	2,766,145	30,632,954
Audio-Visual Materials and Computer Software	5,434,068	46,529	98,792	5,381,805
Total Accumulated Depreciation	<u>582,855,275</u>	<u>40,053,169</u>	<u>10,032,446</u>	<u>612,875,998</u>
Total Capital Assets Being Depreciated, Net	<u>745,089,139</u>	<u>85,023,323</u>	<u>87,126</u>	<u>830,025,336</u>
Governmental Activities Capital Assets, Net	<u>\$ 904,343,667</u>	<u>\$ 144,553,697</u>	<u>\$ 116,431,987</u>	<u>\$ 932,465,377</u>

Depreciation expense was charged to functions as follows:

<u>Function</u>	<u>Amount</u>
GOVERNMENTAL ACTIVITIES	
Student Transportation Services	\$ 2,865,388
Unallocated	37,187,781
Total Depreciation Expense - Governmental Activities	<u>\$ 40,053,169</u>

6. EDUCATIONAL FACILITIES BENEFIT DISTRICT AGREEMENT PAYABLE

Pursuant to Section 1013.355, Florida Statutes, the District entered into an interlocal agreement with Osceola County, Florida, dated September 15, 2003, authorizing the creation of the Bellalago Educational Facilities Benefit District (Benefit District). The purpose of the Benefit District is to finance the construction of school facilities using a combination of sources, including impact fees, non-ad valorem assessments from homeowners, charter capital, and payments from the District. The District also entered into a charter contract on April 6, 2004, with

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

the Foundation for Osceola Education, Inc. (Foundation), creating Bellalago Charter Academy. The Foundation entered into an interlocal agreement with the Benefit District under which it agreed to pay to the Benefit District any charter capital received in exchange for use of the school facilities. On December 16, 2003, the District entered into an interlocal funding agreement with the Benefit District and Avatar Properties, Inc., to formalize the obligations of the parties. Under the terms of this agreement, the District is obligated to pay the portion of debt service on bonds issued by the Benefit District not otherwise funded by impact fees, non-ad valorem assessments, and charter capital. Phase I of the construction was funded through bonds issued by the Benefit District at a rate of 6.05 percent. Phase II of the construction was funded by issuing a second series of bonds by the Benefit District at a rate of 5.83 percent.

On May 28, 2014, the District issued \$23,150,000 in refunding Capital Improvement Refunding Bonds, Series 2014A, with an average interest rate of 3.48 percent, to refund and redeem \$23,535,000 of the District's outstanding Capital Improvement Revenue Bonds Series 2004A and 2004B. The 2014A Series were issued to reduce the total debt service payments from the 2004A and 2004B certificates, resulting in savings to the District of \$6,181,793 over the next 20 years.

Estimated amounts payable for the Benefit District agreement are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2022	\$ 926,669	\$ 470,453	\$ 456,216
2023	924,878	508,015	416,863
2024	923,835	546,248	377,587
2025	913,629	575,274	338,355
2026	914,075	614,519	299,556
2027-2031	4,429,361	3,505,690	923,671
2032-2034	1,710,482	1,600,794	109,688
Total	<u>\$ 10,742,929</u>	<u>\$ 7,820,993</u>	<u>\$ 2,921,936</u>

The amounts required from the District in the future are dependent on the amount of charter capital received, which is dependent on enrollment at the school and the level of funding appropriated annually by the Legislature.

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

7. CERTIFICATES OF PARTICIPATION

Certificates of Participation at June 30, 2021, are as follows:

Series	Amount Outstanding	Interest Rate (percent)	Lease Term Maturity	Original Amount
2010 COPS, Series A (QSCB)	\$ 40,500,000	6.658 ⁽¹⁾	2027	40,500,000
2013 COPS Refunding	25,085,000	3.375 - 5.0	2028	41,880,000
2014 COPS Refunding	3,605,000	2.24	2028	12,005,000
2015 COPS Refunding	3,935,000	2.67	2025	8,310,000
2017 COPS Refunding	44,115,000	2.1	2027	58,170,000
2020 COPS Refunding	4,770,000	0.76	2024	6,340,000
Total	122,010,000			
Plus: Unamortized Premiums	2,133,477			
Total Certificates of Participation	<u>\$ 124,143,477</u>			

Note (1): The Series 2010A Lease is designated as a "Qualified School Construction Bond" (QSCB) as defined in Section 54F of the Internal Revenue Code, and pursuant to Section 6431 of the Code, the School Board has elected to receive federal subsidy payments on each interest payment date for the Series 2010A Certificates in an amount equal to the lesser of the amount of interest payable with respect to the Series 2010A Certificates on such date or the amount of interest which would have been payable with respect to the Series 2010A Certificates if the interest were determined at the applicable tax credit rate for the Series 2010A Certificates pursuant to Section 54A(b)(3) of the Code.

The District entered into a master financing arrangement on April 1, 1992, which arrangement was characterized as a lease-purchase agreement, with the Osceola School Board Leasing Corporation, Inc., whereby the District secured financing of various educational facilities. The financings were accomplished through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given ground leases on District properties to the Osceola School Board Leasing Corporation, Inc., with a rental fee of \$1 per year. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the various Ground Lease Agreements for the benefit of the securers of the Certificates for a period of time specified by the arrangement as follows:

Certificates	Lease Term
Series 2010	Earlier of date paid in full or April 30, 2027
Series 2013, Refunding	Earlier of date paid in full or June 30, 2028
Series 2014, Refunding	Earlier of date paid in full or June 30, 2028
Series 2015, Refunding	Earlier of date paid in full or August 30, 2024
Series 2017, Refunding	Earlier of date paid in full or June 30, 2027
Series 2020, Refunding	Earlier of date paid in full or June 30, 2024

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

The District properties included in the ground leases under this arrangement include the following:

Certificates	Description of Properties
Series 2010	Osceola High School Renovations, Thacker Avenue Elementary School Renovations, and Highlands Elementary School Renovations
Series 2013, Refunding	Liberty High School and Chestnut Elementary School
Series 2014, Refunding	Poinciana High School (correct defects/deficiencies to original construction), Kissimmee Elementary School, Liberty High School, and Chestnut Elementary School
Series 2015, Refunding	Four Corners Charter School
Series 2017, Refunding	Celebration High School, Poinciana High School Auditorium, and the Osceola County School for the Arts
Series 2020, Refunding	Poinciana High School (correct defects/deficiencies to original construction), Horizon Middle School, Osceola High School Classroom Addition and Labs, and Kissimmee Elementary

The lease payments are payable by the District, semiannually, on June 1 and December 1 for Series 2013, 2014, 2017 and 2020; February 1 and August 1 for Series 2015; and a bullet maturity due on April 1, 2027 for Series 2010. The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

Fiscal Year Ending June 30	COPs		COPs from Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
2022	\$ 2,715,000	\$ 3,855,352	\$ 8,305,000	\$ 1,135,868	\$ 16,011,220
2023	2,820,000	3,746,752	8,460,000	976,915	16,003,667
2024	2,965,000	3,605,752	8,620,000	814,698	16,005,450
2025	3,110,000	3,457,502	8,910,000	649,046	16,126,548
2026	2,150,000	3,302,003	9,165,000	469,777	15,086,780
2027-2028	51,825,000	3,684,690	12,965,000	358,064	68,832,754
Total Minimum Lease Payments	65,585,000	\$ 21,652,051	56,425,000	\$ 4,404,367	\$ 148,066,418
Plus: Unamortized Premiums	2,133,477		-		
Total Certificates of Participation	\$ 67,718,477		\$ 56,425,000		

➤ **Qualified School Construction Bonds**

The District issued Certificates of Participation (COPs) dated April 29, 2010, under the Qualified School Construction Bond (QSCB) Program pursuant to Section 54F of the United States Internal Revenue Code of 1986 as amended (the Code). The QSCB Program provides for an issuer interest rate subsidy on certain bonds or COPs. The School District of Osceola County received an approved allocation of funds from the Florida Department of Education sufficient for the designation of the Series 2010A COP as a QSCB under the Code. Pursuant to Section 6431 of the Code, the District has elected to receive Federal subsidy payments (the Issuer Subsidy) from the United States Treasury on each interest payment date for the Series 2010A Certificates in an amount equal to the lesser of the amount of interest payable with respect to the Series 2010A Certificates

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

if the interest were determined at the applicable tax credit rate pursuant to Section 54aA(b)(3) of the Code. The tax credit rate which would have been applicable to the Series 2010A Certificates is 5.8 percent.

The Series 2010A Certificates were issued in the amount of \$40,500,000. Interest payments are to be made to the holders of the Certificates on April 1st and October 1st of each year at the stated coupon rate of 6.658 percent with the Issuer Subsidy received by the District on the same date. The principal amount of the Certificates is to be repaid in one lump sum on April 1, 2027. Currently, the District deposits \$2,311,849 into a Sinking Fund annually on April 1st. The accumulated amount in this fund plus interest at a projected 3 percent is to be used to repay the principal amount of these certificates upon maturity.

8. BONDS PAYABLE

Bonds payable at June 30, 2021, are as follows:

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To	Original Amount
State School Bonds:				
Series 2011A, Refunding	\$ 315,000	3.0 - 5.0	2023	1,135,000
Series 2014A, Refunding	759,000	3.0 - 5.0	2025	1,796,000
Series 2017A, Refunding	644,000	5.0	2026	986,000
Series 2020A, Refunding	91,000	5.0	2022	215,000
District Revenue Bonds:				
Sales Tax Revenue Series 2015	16,854,000	2.29	2025	30,087,000
Sales Tax Revenue Series 2017	8,605,000	1.72	2024	19,420,000
Capital Outlay Sales Tax Rev. Series 2017	71,695,000	2.75	2033	86,250,000
Capital Outlay Sales Tax Rev. Series 2020	75,150,000	1.52	2030	75,150,000
Total Bonds	174,113,000			
Plus: Unamortized Bond Premium	206,516			
Total Bonds Payable	<u>\$ 174,319,516</u>			

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

➤ **State School Bonds**

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

➤ **District Revenue Bonds**

The School Board issued Sales Tax Revenue Bonds, Series 2007A and 2007B on April 12, 2007, totaling \$47,580,000 and \$32,255,000, respectively. These bonds are authorized by Chapter 1001, Florida Statutes and Chapter 212, Part I, Florida Statutes. A resolution providing for the issuance of the bonds was adopted by the Board on March 20, 2007. Proceeds of the discretionary local government infrastructure sales tax surtax received by the District pursuant to an interlocal agreement between Osceola County, the cities of Kissimmee and St. Cloud, and the District are pledged for the payment of bonds. Proceeds of the 2007A bonds were used to finance the acquisition, construction, reconstruction, renovation, and equipping of certain capital

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

improvements and educational facilities within the District. Proceeds of the 2007B bonds were used to advance-refund a portion of the District's outstanding Sales Tax Revenue Bonds, Series 2001.

On July 17, 2015, the District issued Sales Tax Revenue Bonds, Series 2015. Proceeds of the 2015 bonds were used to advance-refund a portion of the Series, 2007A bonds. On September 21, 2016, the District reissued the Sales Tax Revenue Bonds, Series 2015 to modify the terms of bond and reduce the interest rate payable on the outstanding principal balance of the bonds. On June 16, 2017, the District issued Sales Tax Revenue Bonds, Series 2017, to refund a portion of the Series, 2007B.

Both, the Sales Tax Revenue Bonds, Series 2015 and Series 2017 contain provisions by which the purchaser can, upon the occurrence and continuation of an event of default, impose a default interest rate of 6 percent, in excess of the rate of interest on the bonds, until the default.

In November 2016, Osceola County voters approved by referendum the imposition of a one-half cent discretionary sales surtax to be effective beginning January 1, 2017, and ending December 31, 2036. A resolution providing for the issuance of the Capital Outlay Sales Tax Revenue Bonds, Series 2017, was adopted by the Board on May 2, 2017, and pledging the one-half cent discretionary sales surtax for the principal and interest payments of the bonds. On May 11, 2017, the District issued bonds in the amount of \$86,250,000. On September 2, 2020, the Board adopted an amending and supplementing resolution to issue additional Capital Outlay Sales Tax Revenue bonds. On September 8, 2020, the District issued Capital Outlay Sales Tax Revenue Bonds, Series 2020A in the amount of \$75,150,000. The proceeds of the bonds will be used for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses, land acquisition, land improvement, design and engineering costs, retrofitting and providing for technology implementation, including hardware and software, for the various sites within the District.

Both the Capital Outlay Sales Tax Revenue Bonds, Series 2017 and 2020 contain provisions by which the purchaser can, upon the occurrence and continuation of an event of default, impose a default interest rate of Prime plus 8 percent, to the lesser of 18% or the maximum allowed rate by law.

The District has pledged a combined total of \$155,072,698 of discretionary and capital outlay surtax sales revenues (sales tax revenues) in connection with the Series 2015 and 2017 Sales Tax Revenue and 2017 and 2020 Capital Outlay Sales Tax Bond issues described above. During the 2020-21 fiscal year, the District recognized sales tax revenues totaling \$45,489,330 and expended \$14,347,604 (33 percent) of these revenues for debt service directly collateralized by these revenues. The pledged sales tax revenues are committed until final maturity of the debt, or October 1, 2032. Assuming a nominal growth rate in the collection of sales tax revenues, which are levied through December 31, 2036 approximately 16 percent of this revenue stream has been pledged in connection with debt service on the revenue bonds.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Bonds payable as of June 30, 2021 are as follows:

Fiscal Year Ending June 30	Bonds		Bonds from Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
State School Bonds:					
2022	\$ 549,000	\$ 81,850	\$ -	\$ -	\$ 630,850
2023	497,000	57,400	-	-	554,400
2024	358,000	35,850	-	-	393,850
2025	254,000	17,950	-	-	271,950
2026	151,000	7,550	-	-	158,550
Total State School Bonds	<u>1,809,000</u>	<u>200,600</u>	<u>-</u>	<u>-</u>	<u>2,009,600</u>
District Revenue Bonds:					
2022	-	-	18,182,000	3,584,575	21,766,575
2023	-	-	18,602,000	3,171,002	21,773,002
2024	-	-	18,991,000	2,799,473	21,790,473
2025	-	-	19,704,000	2,419,782	22,123,782
2026	-	-	13,165,000	2,017,282	
2027-2031	-	-	70,025,000	5,864,653	75,889,653
2032-2033	-	-	13,635,000	378,879	14,013,879
Total District Revenue Bonds	<u>-</u>	<u>-</u>	<u>172,304,000</u>	<u>20,235,646</u>	<u>177,357,364</u>
Total	<u>\$ 1,809,000</u>	<u>\$ 200,600</u>	<u>\$ 172,304,000</u>	<u>\$ 20,235,646</u>	<u>\$ 179,366,964</u>

9. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 7-1-20	Additions	Deductions	Balance 6-30-21	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 2,629,961	\$ -	\$ 614,445	\$ 2,015,516	\$ 610,537
Bonds from Direct Borrowings and Direct Placements	108,111,000	75,150,000	10,957,000	172,304,000	18,182,000
Certificates of Participation Payable	70,638,259	-	2,919,782	67,718,477	3,019,782
COP from Direct Borrowings and Direct Placements	64,570,000	-	8,145,000	56,425,000	8,305,000
Educational Facilities Benefit District Agreement Payable	8,254,205	-	433,212	7,820,993	470,453
Impact Fee Credit Vouchers	13,475	-	13,475	-	-
Net Pension Liability	297,815,602	154,222,544	104,694,946	347,343,200	1,089,456
Other Postemployment Benefits Payable	15,687,722	5,030,901	4,136,271	16,582,352	813,888
Compensated Absences Payable	39,187,184	16,927,604	19,969,373	36,145,415	2,900,408
Total Governmental Activities	<u>\$ 606,907,408</u>	<u>\$ 251,331,049</u>	<u>\$ 151,883,504</u>	<u>\$ 706,354,953</u>	<u>\$ 35,391,524</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

The District's outstanding COPs from direct borrowings and direct placements totaled \$56,425,000, and \$172,304,000 for bonds. Information related to securities pledged as collateral and events of default provisions related to COPs and bonds are discussed in Note 7 and Note 8, respectively.

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

10. FUND BALANCE REPORTING

The following is a schedule of fund balances by category at June 30, 2021:

	Major Funds					Total Governmental Funds
	General	Special Revenue - Other Federal Programs	Special Revenue - Federal Education Stabilization Funds	Capital Projects - Other Capital Projects	Nonmajor Governmental Funds	
Fund Balances						
Nonspendable:						
Inventory	\$ 2,976,253	\$ -	-	\$ -	\$ 668,749	\$ 3,645,002
Restricted:						
State Categorical Programs	17,919,769	-	-	-	-	17,919,769
Debt Service	-	-	-	-	26,338,429	26,338,429
Capital Projects	-	-	-	353,253,324	53,842,316	407,095,640
Grants and Programs	6,271,224	-	-	-	-	6,271,224
Food Services	-	-	-	-	16,930,238	16,930,238
Assigned:						
Contract Commitments	1,532,559	-	-	-	-	1,532,559
Carryover Appropriations	4,987,074	-	-	-	-	4,987,074
Unassigned	55,301,401	-	-	-	-	55,301,401
Total Fund Balances	\$ 88,988,280	\$ -	-	\$ 353,253,324	\$ 97,779,732	\$ 540,021,336

In addition to committed and assigned fund balance categories discussed in the Fund Balance Policies note disclosures, fund balance may be classified as follows:

➤ **Non-spendable Fund Balance**

Non-spendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash. The District has inventory of \$3,645,002 classified as non-spendable.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **Restricted Fund Balance**

Restricted fund balance is the portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. The District has a total of \$474,555,300 in restricted fund balance as of June 30, 2021.

➤ **Unassigned Fund Balance**

The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. As discussed in the Fund Balance Policies note disclosure, the District has set aside “contingency reserves” as per School Board Rule 7.10. The contingency funds of 32,700,000 are included as part of the unassigned general fund balance of \$55,301,401.

11. RETIREMENT PLANS

➤ **FLORIDA RETIREMENT SYSTEM (FRS) – DEFINED BENEFIT PENSION PLANS**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance. Essentially all regular employees of the District are eligible to enroll as members of the State-administered 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 FRS Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services web site (www.dms.myflorida.com).

The District’s FRS and HIS pension expense totaled \$57,997,268 for the fiscal year ended June 30, 2021.

➤ **FRS Pension Plan**

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are as follows:

- FRS, Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- FRS, Elected County Officers Class – Members who hold specified elective offices in local government.
- FRS, Senior Management Service Class – Members in senior management level positions.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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 participating 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. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>Percent Value</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2020-21 fiscal year were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
FRS, Regular	3.00	8.28
FRS, Elected County Officers	3.00	49.18
FRS, Senior Management	3.00	27.29
DROP - Applicable to Members from All of the Above Classes or Plans	0.00	16.98
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Program.

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

The District's contributions to the Plan totaled \$23,425,828 for the fiscal year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a liability of \$242,899,707 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the District's 2019-20 fiscal year contributions relative to the total 2019-20 fiscal year contributions of all participating members. At June 30, 2020, the District's proportionate share was 0.560893965 percent, which was a decrease of 0.021439331 from its proportionate share measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the District recognized pension expense of \$49,469,819 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,303,921	\$
Change of assumptions	44,008,783	
Net difference between projected and actual earnings on FRS pension plan investments	14,474,390	
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	1,675,722	5,926,666
District FRS contributions subsequent to the measurement date	23,425,828	
Total	\$ 92,888,644	\$ 5,926,666

The deferred outflows of resources related to pensions, totaling \$23,425,828, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2022	\$ 12,410,110
2023	20,758,056
2024	17,932,729
2025	10,549,154
2026	1,886,101
Total	\$ 63,536,150

Actuarial Assumptions. The total pension liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increases	3.05 percent, average, including inflation
Investment rate of return	7.0 percent, net of pension plan investment expense, including inflation

Mortality rates were based on PUB2010 base table with Scale MP-2018. The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (A)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.2%	2.2%	1.2%
Fixed Income	19.0%	3.0%	2.9%	3.5%
Global Equity	54.2%	8.0%	6.7%	17.1%
Real Estate	10.3%	6.4%	5.8%	11.7%
Private Equity	11.1%	10.8%	8.1%	25.7%
Strategic Investments	4.4%	5.5%	5.3%	6.9%
Total	100%			
Assumed inflation - Mean		2.4%		1.7%

Note: (A) As outlined in the Plan's investment policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.8 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.8

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.8 percent) or 1 percentage point higher (7.8 percent) than the current rate:

	1% Decrease 5.8%	Current Discount Rate 6.8%	1% Increase 7.8%
District's proportionate share of the net pension liability	\$ 387,870,013	\$ 242,899,707	\$ 121,819,979

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$3,927,900 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2021.

➤ **HIS Pension Plan**

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2021, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$5,031,102 for the fiscal year ended June 30, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a net pension liability of \$104,443,493 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the District's 2019-20 fiscal year contributions relative to the total 2019-20 fiscal year

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

contributions of all participating members. At June 30, 2020, the District's proportionate share was 0.855898328 percent, which was a decrease of 0.019530758 from its proportionate share measured as of June 30, 2019.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$8,527,449. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,274,838	\$ 80,618
Change of assumptions	11,237,132	6,076,488
Net difference between projected and actual earnings on HIS pension plan investments	83,437	
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	2,305,567	2,691,691
District contributions subsequent to the measurement date	<u>5,031,102</u>	<u>-</u>
Total	<u>\$ 22,932,076</u>	<u>\$ 8,848,797</u>

The deferred outflows of resources, totaling \$5,031,102, was related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2022	\$ 2,434,258
2023	1,785,471
2024	467,511
2025	1,292,556
2026	1,931,478
Thereafter	<u>1,140,903</u>
Total	<u>\$ 9,052,177</u>

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	2.21 percent

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. While an experience study had not been completed for the plan, the FRS Actuarial Assumptions Conference reviewed the actuarial assumptions for the plan.

Discount Rate. The discount rate used to measure the total pension liability was 2.21 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 2.21 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.21 percent) or 1 percentage point higher (3.21 percent) than the current rate:

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
District's proportionate share of the net pension liability	\$ 120,732,019	\$ 104,443,493	\$ 91,111,386

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$66,131 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2021.

Pension Plan Aggregates. The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources, and pension expense for the District's defined pension plans are summarized below:

	<u>Pension Plan</u>	<u>HIS Plan</u>	<u>Total</u>
Net pension liability	\$ 242,899,707	\$ 104,443,493	\$ 347,343,200
Deferred outflows of resources	92,888,644	22,932,076	115,820,720
Deferred inflows of resources	5,926,666	8,848,797	14,775,463
Pension expense	49,469,819	8,527,449	57,997,268

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

➤ **FRS – DEFINED CONTRIBUTION PENSION PLAN**

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA’s annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member’s account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the Investment Plan member’s accounts during the 2020-21 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	8.28
FRS, Elected County Officers	49.18
FRS, Senior Management Service	27.29

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2020, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District’s Investment Plan pension expense totaled \$7,582,453 for the fiscal year ended June 30, 2021.

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$1,277,952 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2021.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

12. OTHER POSTEMPLOYMENT BENEFITS PAYABLE

➤ **Plan Description**

The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District, and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical and prescriptions and life insurance coverage. Such provisions may be amended at any time by further action from the Florida Legislature. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan, on average, than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or another entity.

➤ **Benefit Terms and Employees Covered**

Plan contribution requirements and benefit terms of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advanced funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation. As of the valuation date, June 30, 2019, there were 5,838 active plan members and 133 inactive plan members or beneficiaries receiving benefits. There are no inactive plan members entitled to benefits not yet receiving benefits. The District provided contributions of \$813,888 toward annual OPEB costs, comprised of benefit payments made on behalf of the retirees for claims expense, retention costs, and net of retiree contributions totaling \$1,217,241. Required contributions are based on projected pay-as-you-go financing.

➤ **Total OPEB Liability**

The District's total OPEB liability of \$16,582,352 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2019.

➤ **Actuarial Assumptions and Other Inputs**

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumption and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Discount Rate	2.45%

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

Salary Increases	FRS 7/1/2020 Actuarial Valuation 3.4% - 7.8%, including inflation
Retirement Age	Rates used in the 7/1/2020 FRS Actuarial Valuation based on a statewide experience study from 2013 to 2018
Mortality	PUB-2010 mortality tables, MP-2018 scale used on the 7/1/2019 FRS actuarial valuation, based on the results of a statewide experience study from 2013 to 2018
Healthcare Cost Trend Rates	Getzen Model with trend starting at 6.5% and gradually decreasing to an ultimate trend rate of 3.99% in 2040.
Aging Factors	2013 SOA Study “Health Care Costs-From Birth to Death”
Administrative Expenses	Included in the per capita health costs

The District selected the economic, demographic, and health care claim cost assumption used in the June 30, 2019 valuation. The current actuary provided guidance with respect to the economic assumptions demographic assumptions, the health care participation rate assumption, and the spouse coverage election rate assumption. The demographic assumptions were based on those employed in the July 1, 2019, Defined Benefit Pension Plan Actuarial Valuation of the FRS, which were developed by the FRS from an Actuarial Experience Study. These include assumed rates of future termination, mortality, disability and retirement. In addition, salary increase assumptions for development of the pattern of the normal cost increases were the same as those used by the FRS.

➤ **Changes to the Total OPEB Liability**

Below are the details regarding the total OPEB liability for the measurement period from June 30, 2020, to June 30, 2021.

	<u>Total OPEB Liability</u>
Balance Recognized at 6/30/2020	\$ 15,687,722
Changes for the Fiscal Year:	
Service Cost	917,455
Interest on the Total OPEB Liability	501,366
Changes of Benefit Terms	
Difference Between Expected and Actual Experience	
Changes in Assumptions and Other Inputs	522,908
Benefit Payments	<u>(1,047,099)</u>
Net Changes	<u>894,630</u>
Balance as of 6/30/2021	<u><u>\$ 16,582,352</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.13 percent as of the beginning of the measurement period, to 2.45 percent as of June 30, 2020. In addition, the healthcare trend

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

rates were revised as of June 30, 2020, based on Getzen Model latest trend survey, with adjustments based on the provisions of the benefits sponsored by the District.

➤ **Discount Rate**

The District has no plan assets held in trust to finance the OPEB plan liability. Therefore, the discount rate in the calculation of the total OPEB liability is equal to the tax-exempt municipal bond rate based on a 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of the OPEB plan valuation, the municipal bond rate was 2.45 % (based on the most recent date available on or before the measurement date of “Fidelity 20-Year Municipal GO AA Index”). The discount rate was 3.13 % as of the beginning of the measurement period.

➤ **Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.45 percent) or 1 percentage point higher (3.45 percent) than the current discount rate:

	Decrease 1.45%	Discount Rate 2.45%	Increase 3.45%
Total OPEB Liability	\$ 17,421,469	\$ 16,582,352	\$ 15,704,825

➤ **Sensitivity to the Total OPEB Liability to Changes in the Healthcare Cost Trend**

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percent point lower and 1 percent point higher than the current healthcare cost trend rates:

	1% Decrease	Health Care Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 14,732,986	\$ 16,582,352	\$ 18,777,432

➤ **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the District recognized an OPEB expense of \$1,074,134. At June 30, 2021 the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between Expected and Actual Experience	\$ -	\$ 72,201
Changes of assumptions of other inputs	483,293	3,500,264
Benefits paid subsequent to the measurement date	813,888	-
Total	\$ 1,297,181	\$ 3,572,465

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

The deferred outflows of resources related to OPEB, totaling \$813,888 resulting from District benefits paid subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2022	\$ (344,687)
2023	(344,687)
2024	(344,687)
2025	(344,687)
2026	(344,687)
Thereafter	(1,365,737)
Total	\$ (3,089,172)

13. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Funds	Interfund	
	Receivables	Payables
Major:		
General	\$ 17,267,677	\$ -
Special Revenue:		
Other Federal Programs		4,993,233
Federal Education Stabilization Fund	-	12,274,444
Total	\$ 17,267,677	\$ 17,267,677

The interfund amounts represent temporary loans to cover expenditures incurred prior to reimbursement from outside sources. These amounts are expected to be repaid within one year. The following is a summary of interfund transfers reported in the fund financial statements:

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 16,599,099	\$ -
Capital Projects:		
Other Capital Projects	-	22,323,793
Nonmajor Governmental	30,345,620	24,620,926
Total	\$ 46,944,719	\$ 46,944,719

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

The major transfers out of the Capital Projects funds were to provide debt service principal and interest payments and to assist in funding general maintenance operations of the District. The remaining transfers between funds were operational in nature.

14. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2020-21 fiscal year:

Source	Amount
Florida Education Finance Program	\$ 293,943,388
Categorical Educational Program - Class Size Reduction	76,538,873
Charter School Capital Outlay	7,976,189
Workforce Development Program	6,731,307
Voluntary Prekindergarten Program	2,349,285
CO&DS (Capital Outlay & Debt Service) Distributed	2,039,935
Miscellaneous State Revenue	1,423,059
CO&DS Withheld	686,025
School Lunch Supplement	278,972
School Breakfast Supplement	187,806
State License Tax	173,955
Performance Based Incentives	87,000
Interest on Undistributed CO&DS	45,257
Total	<u>\$ 392,461,051</u>

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

15. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2020 tax roll for the 2020-21 fiscal year:

	Millages	Taxes Levied
<u>GENERAL FUND</u>		
Nonvoted School Tax:		
Required Local Effort (RLE)	3.761	\$ 122,538,748
RLE Prior Period Adjustment	0.017	553,885
Basic Discretionary Local Effort	0.748	24,370,908
<u>CAPITAL PROJECTS - LOCAL CAPITAL IMPROVEMENT FUND</u>		
Nonvoted Tax:	<u>1.5</u>	<u>48,872,141</u>
Local Capital Improvements	<u>6.026</u>	<u>\$ 196,335,682</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

16. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

➤ **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 following is a schedule of encumbrances at June 30, 2021:

Major Funds					
General	Special Revenue - Other Federal Programs	Special Revenue - Federal Education Stabilization Funds	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,398,713	\$ 936,434	\$ 15,219,038	\$ 18,047,533	\$ 6,051,235	\$ 42,652,953

➤ **Construction Contracts**

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

Project	Contract Amount	Completed to Date	Balance Committed
Canoe Creek K-8 Comprehensive Renovation	\$ 35,052,873	\$ 26,046,647	\$ 9,006,226
Gateway High School Comprehensive Renovation	3,789,410	828,121	2,961,289
Horizon Middle School Air Handler Unit Replacement	3,275,329	1,961,954	1,313,375
Kissimmee Middle School Air Handler Unit Replacement	3,280,705	1,983,587	1,297,118
oTECH Welding & CNC Program Project	2,663,715	730,211	1,933,504
Total	<u>\$ 48,062,032</u>	<u>\$ 31,550,520</u>	<u>\$ 16,511,512</u>

17. 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. Effective May 1, 2010, for property insurance and effective July 1, 2010 for all other casualty and workers' compensation coverage, the School Board implemented a stand-alone program of self-insurance and excess insurance.

The Board established the Osceola County School Board Group Health and Life Insurance Trust to provide for a health, hospitalization, and life insurance program. These programs are accounted for in the District's internal service funds. The program is on a self-insured basis up to specified limits. The District did not elect to purchase the aggregate stop-loss coverage due to the rising premium cost and the high attachment point. The District elected to continue coverage for a specific stop-loss for any one claim with a \$900,000 deductible and \$300,000 aggregate (\$1,200,000 for first reimbursement, then \$900,000 for each additional large claim). The Board has contracted with a professional administrator to administer the self-insurance program, including the processing, investigating, and payment of claims. Settled claims resulting from these risks have not exceeded commercial

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021

insurance coverage in any of the past three fiscal years. A liability in the amount of \$5,076,000 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable for the group health program at June 30, 2021.

Effective July 1, 2003, the District's general liability and auto liability programs were established on a self-insured basis. These programs are administered by the Trust and are accounted for in the District's internal service funds. A liability of \$1,000,029 was established based on reserves for outstanding claims at June 30, 2021, as reported by the program administrator.

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

Fiscal Year	Beginning-of-Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2019-20	\$ 5,746,978	\$ 56,294,638	\$ (56,012,119)	\$ 6,029,497
2020-21	6,029,497	44,630,739	(44,584,207)	6,076,029

18. BOND INSURANCE RATINGS

As of June 30, 2021, the Districts Certificates of Participation, Series 2010, Series 2013, Series 2014, Series 2015, Series 2017 and Series 2020 are uninsured.

19. LITIGATION

The District is involved in several threatened and pending legal actions. In the opinion of the District's legal counsel and management, it is not probable that a material loss will occur from these actions.

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REQUIRED SUPPLEMENTARY INFORMATION



**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND**

For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 495,000	\$ 557,340	\$ 566,820	\$ 9,480
Federal Through State	2,000,000	2,369,078	2,369,078	-
State	387,299,423	381,265,084	381,287,756	22,672
Local:				
Property Taxes	147,538,540	147,538,540	147,595,663	57,123
Local Sales Taxes	11,242,274	10,647,606	12,764,308	2,116,702
Total Revenues	<u>548,575,237</u>	<u>542,377,648</u>	<u>544,583,625</u>	<u>2,205,977</u>
EXPENDITURES				
Current - Education:				
Instruction	392,826,671	387,491,337	363,185,511	24,305,826
Pupil Personnel Services	28,013,937	27,451,309	27,283,496	167,813
Instructional Media Services	4,993,732	4,909,925	4,686,037	223,888
Instruction and Curriculum Development Services	15,759,280	15,363,589	14,659,138	704,451
Instructional Staff Training Services	7,284,918	7,040,091	6,376,257	663,834
Instruction Related Technology	4,879,635	3,407,189	3,358,770	48,419
Board of Education	1,297,604	1,788,443	1,763,849	24,594
General Administration	1,891,261	2,149,488	1,766,801	382,687
School Administration	25,908,576	25,732,824	25,723,322	9,502
Facilities Services	11,420,933	13,564,721	13,182,403	382,318
Fiscal Services	2,421,013	2,726,725	2,401,309	325,416
Food Services	5,835	312,546	312,546	-
Central Services	8,462,322	9,609,493	8,177,353	1,432,140
Pupil Transportation Services	24,959,300	22,178,877	21,299,956	878,921
Operation of Plant	40,887,799	37,982,631	36,414,746	1,567,885
Maintenance of Plant	10,883,702	12,327,304	10,379,000	1,948,304
Administrative Technology Services	4,861,698	5,240,116	4,693,861	546,255
Community Services	3,824,486	5,109,972	3,332,492	1,777,480
Fixed Capital Outlay:				
Other Capital Outlay	832,997	1,640,651	1,308,782	331,869
Total Expenditures	<u>591,415,699</u>	<u>586,027,231</u>	<u>550,305,629</u>	<u>35,721,602</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,840,462)</u>	<u>(43,649,583)</u>	<u>(5,722,004)</u>	<u>37,927,579</u>
OTHER FINANCING SOURCES				
Transfers In	23,030,390	23,732,566	16,599,099	(7,133,467)
Insurance Loss Recoveries	125,000	231,945	165,842	(66,103)
Total Other Financing Sources	<u>23,155,390</u>	<u>23,964,511</u>	<u>16,764,941</u>	<u>(7,199,570)</u>
Net Change in Fund Balances	<u>(19,685,072)</u>	<u>(19,685,072)</u>	<u>11,042,937</u>	<u>30,728,009</u>
Fund Balances, July 1, 2020	77,945,343	77,945,343	77,945,343	-
Fund Balances, June 30, 2021	<u>\$ 58,260,271</u>	<u>\$ 58,260,271</u>	<u>\$ 88,988,280</u>	<u>\$ 30,728,009</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 4,335,201	\$ 5,543,702	\$ 2,217,299	\$ (3,326,403)
Federal Through State	55,389,354	63,584,079	43,319,517	(20,264,562)
Local:				
Miscellaneous	-	15,684	62,248	-
Total Revenues	59,724,555	69,143,465	45,599,064	(23,590,965)
EXPENDITURES				
Current - Education:				
Instruction	38,479,576	39,666,581	25,908,634	13,757,947
Pupil Personnel Services	3,763,899	4,889,450	3,089,374	1,800,076
Instructional Media Services	266,780	313,931	231,589	82,342
Instruction and Curriculum Development Services	8,133,587	10,865,915	7,876,198	2,989,717
Instructional Staff Training Services	5,372,654	7,308,164	4,570,176	2,737,988
Instruction Related Technology	117,474	123,425	120,707	2,718
General Administration	1,201,825	1,937,462	1,558,821	378,641
School Administration	7,592	17,044	6,011	11,033
Food Services	5,383	5,383	-	-
Central Services	648,895	702,462	589,448	113,014
Pupil Transportation Services	85,737	192,887	65,439	127,448
Maintenance of Plant	52,900	39,639	39,591	48
Administrative Technology Services	31,312	31,765	31,582	183
Community Services	1,400,000	2,518,352	1,128,966	1,389,386
Fixed Capital Outlay:				
Other Capital Outlay	156,941	531,005	382,528	148,477
Total Expenditures	59,724,555	69,143,465	45,599,064	23,539,018
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING USES				
Transfers Out		-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances				
Fund Balances, July 1, 2020	-	-	-	-
Fund Balances, June 30, 2021	\$ -	\$ -	\$ -	\$ -

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 46,355	\$ -	\$ 990,928	\$ 990,928
Federal Through State	17,338,128	50,236,789	30,866,538	(19,370,251)
Total Revenues	17,384,483	50,236,789	31,857,466	(18,379,323)
EXPENDITURES				
Current - Education:				
Instruction	16,495,165	21,901,916	12,832,268	9,069,648
Pupil Personnel Services	-	1,837,414	546,620	1,290,794
Instructional Media Services	-	19,354	19,354	-
Instruction and Curriculum Development Services	83,839	901,075	784,691	116,384
Instructional Staff Training Services	-	767,094	408,905	358,189
Instruction Related Technology	-	11,375,954	5,403,133	5,972,821
General Administration	622,615	1,254,302	755,361	498,941
School Administration	-	106,775	106,775	-
Facilities Services	-	914,600	914,599	1
Fiscal Services	-	9,727	9,727	-
Food Services	-	102,413	102,413	-
Central Services	-	4,078,235	3,232,585	845,650
Pupil Transportation Services	182,864	701,146	615,120	86,026
Operation of Plant	-	2,139,100	2,136,911	2,189
Maintenance of Plant	-	95,514	95,514	-
Administrative Technology Services	-	2,867,739	2,867,739	-
Community Services	-	617,299	617,299	-
Fixed Capital Outlay:				
Other Capital Outlay	-	547,132	408,452	138,680
Total Expenditures	17,384,483	50,236,789	31,857,466	18,379,323
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING USES				
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, July 1, 2020	-	-	-	-
Fund Balances, June 30, 2021	\$ -	\$ -	\$ -	\$ -

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF CHANGES IN THE TOTAL
OTHER POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS ***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u> **
Total OPEB Liability:				
Service Cost	\$ 917,455	\$ 1,108,994	\$ 1,195,877	\$ 1,254,867
Interest on the Total OPEB Liability	501,366	694,516	744,758	613,015
Changes of benefits terms	-	(2,205,337)	-	-
Difference between expected and actual experience	-	(87,088)	-	-
Changes of assumptions and other inputs	522,908	(3,456,391)	(83,594)	(869,829)
Benefit payments	(1,047,099)	(1,418,884)	(1,023,065)	(1,002,025)
Adjustment - error correction	-	-	(17,900)	-
Net Change in total OPEB Liability	\$ 894,630	\$ (5,364,190)	\$ 816,076	\$ (3,972)
Total Beginning OPEB Liability	<u>15,687,722</u>	<u>21,051,912</u>	<u>20,235,836</u>	<u>20,239,808</u>
Total Ending OPEB Liability	<u>16,582,352</u>	<u>15,687,722</u>	<u>21,051,912</u>	<u>20,235,836</u>
Covered-Employee Payroll	\$ 229,794,534	\$ 223,101,490	\$ 274,164,824	\$ 240,100,401
Total OPEB Liability as a percentage of covered-employee payroll	7.23%	7.04%	7.68%	8.43%

Notes: * The amounts presented for each fiscal year were determined as of June 30.

** Data was unavailable prior to 2017.

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS ***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u> **
District's proportion of the FRS net pension liability	0.560893965%	0.582333296%	0.570426911%	0.570368400%	0.572630955%	0.616946585%	0.616274953%	0.617635316%
District's proportionate share of the net pension liability	\$ 242,899,707	\$ 200,186,534	\$ 171,410,401	\$ 168,421,603	\$ 144,541,817	\$ 79,606,150	\$ 37,601,835	\$ 106,322,527
District's covered payroll	\$ 297,282,408	\$ 293,344,775	\$ 276,205,310	\$ 270,558,074	\$ 273,388,232	\$ 266,042,494	\$ 264,519,865	\$ 252,711,788
District's proportionate share of the net pension liability as a percentage of its covered payroll	81.71%	68.24%	62.06%	62.25%	52.87%	29.92%	14.22%	42.07%
FRS plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%	88.54%

Notes: * The amounts presented for each fiscal year were determined as of June 30.
** Data was unavailable prior to 2013.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
 SCHEDULE OF CONTRIBUTIONS
 FLORIDA RETIREMENT SYSTEM PENSION PLAN
 LAST TEN FISCAL YEARS *

	2021	2020	2019	2018	2017	2016	2015	2014	**
Contractually required contribution	\$ 23,425,828	\$ 18,636,021	\$ 18,056,535	\$ 16,256,709	\$ 14,848,093	\$ 13,964,519	\$ 15,026,754	\$ 13,499,037	
FRS contributions in relation to the contractually required contribution	(23,425,828)	(18,636,021)	(18,056,535)	(16,256,709)	(14,848,093)	(13,964,519)	(15,026,754)	(13,499,037)	
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
District's covered payroll	\$ 302,769,352	\$ 297,282,408	\$ 293,344,775	\$ 276,205,310	\$ 270,558,074	\$ 273,388,232	\$ 266,042,494	\$ 264,519,865	
FRS contributions as a percentage of covered payroll	7.74%	6.27%	6.16%	5.89%	5.49%	5.11%	5.65%	5.10%	

Notes: * The amounts presented for each fiscal year were determined as of June 30.

** Data was unavailable prior to 2014.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
 HEALTH INSURANCE SUBSIDY PENSION PLAN
 LAST TEN FISCAL YEARS *

	2020	2019	2018	2017	2016	2015	2014	2013	**
District's proportion of the HIS net pension liability	0.855898328%	0.875429086%	0.845269481%	0.848996056%	0.857952516%	0.865679313%	0.870195724%	0.858869196%	
District's proportionate share of the net pension liability	\$ 104,443,943	\$ 97,629,067	\$ 89,108,381	\$ 90,517,456	\$ 99,947,559	\$ 88,211,874	\$ 81,345,641	\$ 74,794,277	
Covered payroll	\$ 297,282,408	\$ 293,344,775	\$ 276,205,310	\$ 270,558,074	\$ 273,388,232	\$ 266,042,494	\$ 264,519,865	\$ 252,711,788	
Proportionate share of the net pension liability as a percentage of its covered payroll	35%	33%	32%	33%	37%	33%	31%	30%	
HIS plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%	1.78%	

Notes: * The amounts presented for each fiscal year were determined as of June 30.
 ** Data was unavailable prior to 2013.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
 SCHEDULE OF CONTRIBUTIONS
 HEALTH INSURANCE SUBSIDY PENSION PLAN
 LAST TEN FISCAL YEARS *

	2021	2020	2019	2018	2017	2016	2015	2014	**
Contractually required contribution	\$ 5,031,102	\$ 4,932,141	\$ 4,861,173	\$ 4,583,917	\$ 4,493,132	\$ 4,397,554	\$ 3,305,881	\$ 2,983,497	
HIS contributions in relation to the contractually required contribution	(5,031,102)	(4,932,141)	(4,861,173)	(4,583,917)	(4,493,132)	(4,397,554)	(3,305,881)	(2,983,497)	
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
District's covered payroll	\$ 302,769,352	\$ 297,282,408	\$ 293,344,775	\$ 276,205,310	\$ 270,558,074	\$ 273,388,232	\$ 266,042,494	\$ 264,519,865	
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.61%	1.24%	1.13%	

Notes: * The amounts presented for each fiscal year were determined as of June 30.
 ** Data was unavailable prior to 2014.

1. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.
- The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund-function level. The Board made several supplemental budgetary appropriations throughout the year. Supplemental budgetary appropriations are presented in budget and actual comparison statements by original budget and final budget amounts and discussed in the Management's Discussion and Analysis (MD&A).

2. SCHEDULE OF CHANGES IN THE TOTAL OTHER POSTEMPLOYMENT BENEFITS PLAN LIABILITY AND RELATED RATIOS

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

The discount rate was changed from 3.13 percent as of the beginning of the measurement period to 2.45 percent as of June 30, 2020 to reflect changes in the yield on 20-year general obligation municipal bonds.

3. SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – FRS PENSION PLAN

The Florida Retirement System Actuarial Assumptions Conference performs an annual review of the actuarial assumptions for the FRS Pension Plan. The most recent study for the FRS Pension Plan was completed in 2020 for the period of July 1, 2013 through June 30, 2018. There were no changes in the Pension Plan benefit terms. The following were changes in actuarial assumptions in the 2020 study:

- The inflation rate assumption decreased from 2.60 percent to 2.40 percent.
- Payroll growth, decreased from 3.25 percent to 3.05 percent.
- The long-term expected rate of return decreased from 7.2 percent to 7.0 percent.

A summary of key changes in plan provisions are described in the Florida Department of Management Services, GASB 68 Reporting Information, which can be found at: https://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports

A summary of key changes implemented since the latest valuation are described in the Florida Department of Management Services, Actuarial Valuations at: https://www.dms.myflorida.com/workforce_operations/retirement/publications/actuarial_valuations

4. SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – HIS PENSION PLAN

The Florida Retirement System Actuarial Assumptions Conference performs an annual review of the actuarial assumptions for the FRS Pension Plan. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent study for the FRS Pension Plan was completed in 2020 for the period of July 1, 2013 through June 30, 2018. There were no changes in the HIS Program benefit terms. The following were changes in actuarial assumptions in 2020:

- The inflation rate assumption decreased from 2.60 percent to 2.40 percent.
- Payroll growth, including inflation remained at 3.25 percent.
- The municipal bond rate decreased from 3.50 percent to 2.21 percent.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.50% was used to determine the total pension liability for the program.

A summary of key changes in plan provisions are described in the Florida Department of Management Services, GASB 68 Reporting Information, which can be found at: https://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports

A summary of key changes implemented since the latest valuation are described in the Florida Department of Management Services, Actuarial Valuations at: https://www.dms.myflorida.com/workforce_operations/retirement/publications/actuarial_valuations

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



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NONMAJOR GOVERNMENTAL FUNDS



Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Food Service Funds—To account for the activities of the District's food services function. These activities are primarily funded through local charges and Federal awards.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs.

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

Other Debt Service—To account for the payment of principal, interest and related costs for Certificates of Participation.

ARRA Economic Stimulus Debt Service Fund—To account for the payment of principal, interest and related costs for the Qualified School Construction Bonds.

Capital Projects Fund

Capital project funds are used to account for the financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects.

Capital Outlay and Debt Service (CO&DS) Fund — To account for capital project activity funded by the District's portion of the state Capital Outlay and Debt Service program.

Nonvoted Capital Improvement Fund District School Tax — To account for a tax levied by the district school board against the taxable value of property is used to finance projects advertised for expenditures pursuant to this authority.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 3,429,514	\$ 16,357	\$ 28,020,938	\$ 31,466,809
Investments	13,500,000	25,340,179	26,302,844	65,143,023
Accounts Receivable	10,413	985,643	-	996,056
Due from Other Agencies	280,820	-	18,451	299,271
Inventories	668,749	-	-	668,749
Total Assets	<u>\$ 17,889,496</u>	<u>\$ 26,342,179</u>	<u>\$ 54,342,233</u>	<u>\$ 98,573,908</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Salaries and Benefits Payable	\$ 41,119	\$ -	\$ -	\$ 41,119
Payroll Deductions and Withholdings	15,583	-	-	15,583
Accounts Payable	43,898	3,750	47,295	94,943
Construction Contracts Payable	-	-	426,929	426,929
Construction Contracts Payable-Retainage	-	-	25,694	25,694
Due to Other Agencies	89,544	-	-	89,544
Unearned Revenue	100,364	-	-	100,364
Total Liabilities	<u>290,508</u>	<u>3,750</u>	<u>499,918</u>	<u>794,176</u>
FUND BALANCES				
Nonspendable	668,749	-	-	668,749
Restricted	16,930,239	26,338,429	53,842,315	97,110,983
Total Fund Balances	<u>17,598,988</u>	<u>26,338,429</u>	<u>53,842,315</u>	<u>97,779,732</u>
Total Liabilities and Fund Balances	<u>\$ 17,889,496</u>	<u>\$ 26,342,179</u>	<u>\$ 54,342,233</u>	<u>\$ 98,573,908</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental:				
Federal Direct	\$ -	\$ 2,229,237	\$ -	\$ 2,229,237
Federal Through State	30,207,892	-	-	30,207,892
State	466,778	645,136	2,085,192	3,197,106
Local:				
Property Taxes	-	-	48,914,155	48,914,155
Charges for Services - Food Service	568,837	-	-	568,837
Miscellaneous	108,636	503,671	275,569	887,876
Total Revenues	<u>31,352,143</u>	<u>3,378,044</u>	<u>51,274,916</u>	<u>86,005,103</u>
EXPENDITURES				
Current - Education:				
Food Services	24,112,120	-	-	24,112,120
Fixed Capital Outlay:				
Facilities Acquisition and Construction	-	-	18,134,082	18,134,082
Other Capital Outlay	2,423,207	-	-	2,423,207
Debt Service:				
Principal	-	22,700,211	-	22,700,211
Interest and Fiscal Charges	-	9,120,262	-	9,120,262
Dues, Fees and Issuance Costs	-	163,551	3,015	166,566
Total Expenditures	<u>26,535,327</u>	<u>31,984,024</u>	<u>18,137,097</u>	<u>76,656,448</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,816,816</u>	<u>(28,605,980)</u>	<u>33,137,819</u>	<u>9,348,655</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	30,345,620	-	30,345,620
Transfers Out	-	-	(24,620,926)	(24,620,926)
Total Other Financing Sources (Uses)	<u>-</u>	<u>30,345,620</u>	<u>(24,620,926)</u>	<u>5,724,694</u>
Net Change in Fund Balances	4,816,816	1,739,640	8,516,893	15,073,349
Fund Balances, July 1, 2020	12,782,172	24,598,789	45,325,421	82,706,382
Fund Balances, June 30, 2021	<u>\$ 17,598,988</u>	<u>\$ 26,338,429</u>	<u>\$ 53,842,314</u>	<u>\$ 97,779,731</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
June 30, 2021

	Food Service Funds	Total Nonmajor Special Revenue Funds
ASSETS		
Cash and Cash Equivalents	\$ 3,429,514	\$ 3,429,514
Investments	13,500,000	13,500,000
Accounts Receivable	10,413	10,413
Due from Other Agencies	280,820	280,820
Inventory	668,749	668,749
Total Assets	<u>\$ 17,889,496</u>	<u>\$ 17,889,496</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Salaries and Benefits Payable	\$ 41,119	\$ 41,119
Payroll Deductions and Withholdings	15,583	15,583
Accounts Payable	43,898	43,898
Due to Other Agencies	89,544	89,544
Unearned Revenue	100,364	100,364
Total Liabilities	<u>290,508</u>	<u>290,508</u>
FUND BALANCES		
Nonspendable	668,749	668,749
Restricted	16,930,239	16,930,239
Total Fund Balances	<u>17,598,988</u>	<u>17,598,988</u>
Total Liabilities and Fund Balances	<u>\$ 17,889,496</u>	<u>\$ 17,889,496</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2021

	Food Service Funds	Total Nonmajor Special Revenue Funds
REVENUES		
Intergovernmental:		
Federal Through State	\$ 30,207,893	\$ 30,207,893
State	466,778	466,778
Local:		
Charges for Services - Food Service	568,837	568,837
Miscellaneous	108,636	108,636
Total Revenues	<u>31,352,144</u>	<u>31,352,144</u>
EXPENDITURES		
Current - Education:		
Food Services	24,112,121	24,112,121
Fixed Capital Outlay:		
Other Capital Outlay	2,423,207	2,423,207
Total Expenditures	<u>26,535,328</u>	<u>26,535,328</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,816,816</u>	<u>4,816,816</u>
Net Change in Fund Balances	4,816,816	4,816,816
Fund Balances, July 1, 2020	12,782,172	12,782,172
Fund Balances, June 30, 2021	<u>\$ 17,598,988</u>	<u>\$ 17,598,988</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
 June 30, 2021

	Debt Service Funds			
	SBE/COBI Bonds	Other Debt Service	ARRA Economic Stimulus Debt Service	Total Nonmajor Debt Service Funds
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 16,355	\$ 2	\$ 16,357
Investments	41,098	-	25,299,081	25,340,179
Accounts Receivable	-	985,643	-	985,643
Total Assets	<u>\$ 41,098</u>	<u>\$ 1,001,998</u>	<u>\$ 25,299,083</u>	<u>\$ 26,342,179</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 2,500	\$ 1,250	\$ 3,750
Total Liabilities	<u>-</u>	<u>2,500</u>	<u>1,250</u>	<u>3,750</u>
FUND BALANCES				
Restricted	41,098	999,498	25,297,833	26,338,429
Total Fund Balances	<u>41,098</u>	<u>999,498</u>	<u>25,297,833</u>	<u>26,338,429</u>
Total Liabilities and Fund Balances	<u>\$ 41,098</u>	<u>\$ 1,001,998</u>	<u>\$ 25,299,083</u>	<u>\$ 26,342,179</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021

	Debt Service Funds			
	SBE/COBI Bonds	Other Debt Service	ARRA Economic Stimulus Debt Service	Total Nonmajor Debt Service Funds
REVENUES				
Intergovernmental:				
Federal Direct	\$ -	\$ -	\$ 2,229,237	\$ 2,229,237
State	645,136	-	-	645,136
Local:				
Miscellaneous	-	1,041,932	(538,261)	503,671
Total Revenues	645,136	1,041,932	1,690,976	3,378,044
EXPENDITURES				
Debt Service:				
Principal	550,000	22,150,211	-	22,700,211
Interest and Fiscal Charges	108,961	6,314,811	2,696,490	9,120,262
Dues, Fees and Issuance Costs	285	156,496	6,770	163,551
Total Expenditures	659,246	28,621,518	2,703,260	31,984,024
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,110)	(27,579,586)	(1,012,284)	(28,605,980)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	27,579,589	2,766,031	30,345,620
Total Other Financing Sources (Uses)	-	27,579,589	2,766,031	30,345,620
Net Change in Fund Balances	(14,110)	3	1,753,747	1,739,640
Fund Balances, July 1, 2020	55,208	999,495	23,544,086	24,598,789
Fund Balances, June 30, 2021	\$ 41,098	\$ 999,498	\$ 25,297,833	\$ 26,338,429

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
June 30, 2021

	Capital Projects Funds		
	Capital Outlay and Debt Service Funds (CO & DS)	Capital Projects - Nonvoted Capital Improvement Funds	Total Nonmajor Capital Projects Funds
ASSETS			
Cash and Cash Equivalents	\$ 641,358	\$ 27,379,580	\$ 28,020,938
Investments	6,057,460	20,245,384	26,302,844
Due from Other Agencies	-	18,451	18,451
Total Assets	<u>\$ 6,698,818</u>	<u>\$ 47,643,415</u>	<u>\$ 54,342,233</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 12,812	\$ 34,483	\$ 47,295
Construction Contracts Payable	-	426,930	426,930
Construction Contracts Payable-Retainage Percentage	-	25,694	25,694
Total Liabilities	<u>12,812</u>	<u>487,107</u>	<u>499,919</u>
FUND BALANCES			
Restricted	<u>6,686,006</u>	<u>47,156,308</u>	<u>53,842,314</u>
Total Fund Balances	<u>6,686,006</u>	<u>47,156,308</u>	<u>53,842,314</u>
Total Liabilities and Fund Balances	<u>\$ 6,698,818</u>	<u>\$ 47,643,415</u>	<u>\$ 54,342,233</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 2021

	Capital Outlay and Debt Service Funds (CO & DS)	Capital Projects - Nonvoted Capital Improvement Fund	Total Nonmajor Capital Projects Funds
REVENUES			
Intergovernmental:			
State	\$ 2,085,192	\$ -	\$ 2,085,192
Local:			
Property Taxes	-	48,914,155	48,914,155
Miscellaneous	12,657	262,912	275,569
Total Revenues	<u>2,097,849</u>	<u>49,177,067</u>	<u>51,274,916</u>
EXPENDITURES			
Fixed Capital Outlay:			
Facilities Acquisition and Construction	589,035	17,545,047	18,134,082
Debt Service:			
Dues, Fees and Issuance Costs	3,015	-	3,015
Total Expenditures	<u>592,050</u>	<u>17,545,047</u>	<u>18,137,097</u>
Excess of Revenues Over Expenditures	<u>1,505,799</u>	<u>31,632,020</u>	<u>33,137,819</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	(24,620,926)	(24,620,926)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(24,620,926)</u>	<u>(24,620,926)</u>
Net Change in Fund Balances	1,505,799	7,011,094	8,516,893
Fund Balances, July 1, 2020	5,180,207	40,145,214	45,325,421
Fund Balances, June 30, 2021	<u>\$ 6,686,006</u>	<u>\$ 47,156,308</u>	<u>\$ 53,842,314</u>

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INDIVIDUAL BUDGETARY COMPARISON SCHEDULES



These include budgetary comparison schedules for all governmental funds.

For nonmajor special revenue funds, all debt service funds, and all capital projects funds, budgetary comparison statements were not presented as part of the basic financial statements. Budgetary comparison schedules are presented as other supplementary schedules for each of these funds to demonstrate the District's compliance with its budget in each fund.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - FOOD SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Through State	\$ 32,125,402	\$ 30,207,893	\$ 30,207,893	\$ -
State	450,000	466,778	466,778	-
Local:				
Charges for Service - Food Service	1,199,341	568,837	568,837	-
Miscellaneous	400,000	77,024	108,636	31,612
Total Revenues	<u>34,174,743</u>	<u>31,320,532</u>	<u>31,352,144</u>	<u>31,612</u>
EXPENDITURES				
Current - Education:				
Food Services	32,674,259	38,598,346	24,112,121	14,486,225
Fixed Capital Outlay:				
Other Capital Outlay	6,695,866	2,424,584	2,423,207	1,377
Total Expenditures	<u>39,370,125</u>	<u>41,022,930</u>	<u>26,535,328</u>	<u>14,487,602</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,195,382)</u>	<u>(9,702,398)</u>	<u>4,816,816</u>	<u>14,519,214</u>
Net Change in Fund Balances	<u>(5,195,382)</u>	<u>(9,702,398)</u>	<u>4,816,816</u>	<u>14,519,214</u>
Fund Balances, July 1, 2020	12,782,172	12,782,172	12,782,172	-
Fund Balances, June 30, 2021	<u>\$ 7,586,790</u>	<u>\$ 3,079,774</u>	<u>\$ 17,598,988</u>	<u>\$ 14,519,214</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUNDS - SBE/COBI BONDS
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
State	\$ 704,067	\$ 704,067	\$ 645,136	\$ (58,931)
Total Revenues	<u>704,067</u>	<u>704,067</u>	<u>645,136</u>	<u>(58,931)</u>
EXPENDITURES				
Current - Education:				
Debt Service:				
Principal	581,000	581,000	550,000	31,000
Interest and Fiscal Charges	109,850	109,850	108,961	889
Dues, Fees and Issuance Costs	285	285	285	-
Total Expenditures	<u>691,135</u>	<u>691,135</u>	<u>659,246</u>	<u>31,889</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>12,932</u>	<u>12,932</u>	<u>(14,110)</u>	<u>(27,042)</u>
Net Change in Fund Balances	12,932	12,932	(14,110)	(27,042)
Fund Balances, July 1, 2020	55,208	55,208	55,208	-
Fund Balances, June 30, 2021	<u>\$ 68,140</u>	<u>\$ 68,140</u>	<u>\$ 41,098</u>	<u>\$ (27,042)</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUNDS - OTHER DEBT SERVICE
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local:				
Miscellaneous	\$ 1,028,794	\$ 1,028,794	\$ 1,041,932	\$ 13,138
Total Revenues	1,028,794	1,028,794	1,041,932	13,138
EXPENDITURES				
Current - Education:				
Debt Service:				
Principal	22,150,211	22,150,211	22,150,211	-
Interest and Fiscal Charges	5,692,903	6,314,811	6,314,811	-
Dues, Fees and Issuance Costs	35,776	156,496	156,496	-
Total Expenditures	27,878,890	28,621,518	28,621,518	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,850,096)	(27,592,724)	(27,579,586)	13,138
OTHER FINANCING SOURCES (USES)				
Transfers In	26,818,077	27,580,275	27,579,589	(686)
Total Other Financing Sources (Uses)	26,818,077	27,580,275	27,579,589	(686)
Net Change in Fund Balances	(32,019)	(12,449)	3	12,452
Fund Balances, July 1, 2020	999,495	999,495	999,495	-
Fund Balances, June 30, 2021	\$ 967,476	\$ 987,046	\$ 999,498	\$ 12,452

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - ARRA ECONOMIC STIMULUS DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 2,210,409	\$ 2,210,409	\$ 2,229,237	\$ 18,828
Local:				
Miscellaneous	-	-	(538,261)	(538,261)
Total Revenues	<u>2,210,409</u>	<u>2,210,409</u>	<u>1,690,976</u>	<u>(519,433)</u>
EXPENDITURES				
Current - Education:				
Debt Service:				
Interest and Fiscal Charges	2,696,490	2,696,490	2,696,490	-
Dues, Fees and Issuance Costs	7,544	7,544	6,770	774
Total Expenditures	<u>2,704,034</u>	<u>2,704,034</u>	<u>2,703,260</u>	<u>774</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(493,625)</u>	<u>(493,625)</u>	<u>(1,012,284)</u>	<u>(518,659)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,810,045	2,790,475	2,766,031	(24,444)
Total Other Financing Sources (Uses)	<u>2,810,045</u>	<u>2,790,475</u>	<u>2,766,031</u>	<u>(24,444)</u>
Net Change in Fund Balances	2,316,420	2,296,850	1,753,747	(543,103)
Fund Balances, July 1, 2020	23,544,086	23,544,086	23,544,086	-
Fund Balances, June 30, 2021	<u>\$ 25,860,506</u>	<u>\$ 25,840,936</u>	<u>\$ 25,297,833</u>	<u>\$ (543,103)</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECT FUNDS - CAPITAL OUTLAY & DEBT SERVICE (CO&DS)
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
State	\$ 1,000,000	\$ 1,000,000	\$ 2,085,192	\$ 1,085,192
Local:				
Miscellaneous	1,000,000	1,000,000	12,657	(987,343)
Total Revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,097,849</u>	<u>97,849</u>
EXPENDITURES				
Fixed Capital Outlay:				
Facilities Acquisition and Construction	2,538,125	2,318,018	589,035	1,728,983.00
Debt Service:				
Dues, Fees and Issuance Costs	-	3,015	3,015	-
Total Expenditures	<u>2,538,125</u>	<u>2,321,033</u>	<u>592,050</u>	<u>1,728,983</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(538,125)</u>	<u>(321,033)</u>	<u>1,505,799</u>	<u>1,826,832</u>
Fund Balances, July 1, 2020	5,180,207	5,180,207	5,180,207	-
Fund Balances, June 30, 2021	<u>\$ 4,642,082</u>	<u>\$ 4,859,174</u>	<u>\$ 6,686,006</u>	<u>\$ 1,826,832</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - NONVOTED CAPITAL IMPROVEMENT FUND
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local:				
Property Taxes	\$ 48,872,141	\$ 48,872,141	\$ 48,914,155	\$ 42,014
Miscellaneous	101,657	101,657	262,912	161,255
Total Revenues	48,973,798	48,973,798	49,177,067	203,269
EXPENDITURES				
Fixed Capital Outlay:				
Facilities Acquisition and Construction	49,003,217	49,228,760	17,545,047	31,683,713
Total Expenditures	49,003,217	49,228,760	17,545,047	31,683,713
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,419)	(254,962)	31,632,020	31,886,982
OTHER FINANCING (USES)				
Transfers Out	(31,653,844)	(31,778,844)	(24,620,926)	7,157,918
Total Other Financing Sources (Uses)	(31,653,844)	(31,778,844)	(24,620,926)	7,157,918
Net Change in Fund Balances	(31,683,263)	(32,033,806)	7,011,094	39,044,900
Fund Balances, July 1, 2020	40,145,214	40,145,214	40,145,214	-
Fund Balances, June 30, 2021	\$ 8,461,951	\$ 8,111,408	\$ 47,156,308	\$ 39,044,900

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - OTHER FUND
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
State	\$ 7,399,013	\$ 7,976,189	\$ 7,976,189	\$ -
Local:				
Local Sales Tax	43,650,903	39,000,000	45,489,330	6,489,330
Impact Fees	50,000,000	65,000,000	83,128,923	18,128,923
Miscellaneous	360,753	8,886,000	8,915,918	29,918
Total Revenues	<u>101,410,669</u>	<u>120,862,189</u>	<u>145,510,360</u>	<u>24,648,171</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction	70,600	88,421	82,226	6,195
Fixed Capital Outlay:				
Facilities Acquisition and Construction	193,672,870	182,084,995	59,639,362	122,445,633
Total Expenditures	<u>193,743,470</u>	<u>182,173,416</u>	<u>59,721,588</u>	<u>122,451,828</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(92,332,801)</u>	<u>(61,311,227)</u>	<u>85,788,772</u>	<u>147,099,999</u>
OTHER FINANCING SOURCES (USES)				
Bonds Issued	-	-	75,150,000	
Transfers Out	(21,004,669)	(22,324,473)	(22,323,793)	680
Total Other Financing Sources (Uses)	<u>(21,004,669)</u>	<u>(22,324,473)</u>	<u>52,826,207</u>	<u>680</u>
Net Change in Fund Balances	(113,337,470)	(83,635,700)	138,614,979	147,100,679
Fund Balances, July 1, 2020	214,638,345	214,638,345	214,638,345	-
Fund Balances, June 30, 2021	<u>\$ 101,300,875</u>	<u>\$ 131,002,645</u>	<u>\$ 353,253,324</u>	<u>\$ 147,100,679</u>

INTERNAL SERVICE FUNDS



Internal service funds are used to account for the District's individual self-insurance programs.

Self-Insurance Trust Fund — To account for the financial activities of the District's self-insured employee health and life insurance programs.

Casualty Insurance Loss Fund — To account for the financial activities of the District's self-insured property, casualty, liability, and workers' compensation programs.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2021

	Self-Insurance Trust Fund	Casualty Insurance Loss Fund	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 15,556,263	\$ 1,017,811	\$ 16,574,074
Investments	8,578	-	8,578
Accounts Receivable	1,351,679	-	1,351,679
Prepaid Items	-	2,090,819	2,090,819
Total Current Assets	<u>16,916,520</u>	<u>3,108,630</u>	<u>20,025,150</u>
Noncurrent Assets:			
Capital Assets:			
Buildings and Fixed Equipment, Net	3,106,035	-	3,106,035
Furniture, Fixtures and Equipment, Net	91,693	-	91,693
Total Noncurrent Assets	<u>3,197,728</u>	<u>-</u>	<u>3,197,728</u>
Total Assets	<u>20,114,248</u>	<u>3,108,630</u>	<u>23,222,878</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	359,550	-	359,550
Estimated Insurance Claims Payable	5,076,000	1,000,029	6,076,029
Total Liabilities	<u>5,435,550</u>	<u>1,000,029</u>	<u>6,435,579</u>
NET POSITION			
Investment in Capital Assets	3,197,728	-	3,197,728
Unrestricted	11,480,970	2,108,601	13,589,571
Total Net Position	<u>\$ 14,678,698</u>	<u>\$ 2,108,601</u>	<u>\$ 16,787,299</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021

	Self-Insurance Trust Fund	Casualty Insurance Loss Fund	Total Internal Service Funds
OPERATING REVENUES			
Premium Revenues	\$ 57,500,941	\$ 4,521,369	\$ 62,022,310
Total Operating Revenues	<u>57,500,941</u>	<u>4,521,369</u>	<u>62,022,310</u>
OPERATING EXPENSES			
Purchased Services	10,230,162	3,248,121	13,478,283
Materials and Supplies	1,004,087	-	1,004,087
Insurance Claims	41,731,165	2,853,042	44,584,207
Depreciation/Amortization Expense	107,862	-	107,862
Total Operating Expenses	<u>53,073,276</u>	<u>6,101,163</u>	<u>59,174,439</u>
Operating Income (loss)	<u>4,427,665</u>	<u>(1,579,794)</u>	<u>2,847,871</u>
NONOPERATING REVENUES			
Interest Revenue	88	-	88
Total Nonoperating Revenues	<u>88</u>	<u>-</u>	<u>88</u>
Change In Net Position	4,427,753	(1,579,794)	2,847,959
Net Position - July 1, 2020	10,250,945	3,688,395	13,939,340
Net Position - June 30, 2021	<u>\$ 14,678,698</u>	<u>\$ 2,108,601</u>	<u>\$ 16,787,299</u>

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021**

	Self-Insurance Trust Fund	Casualty Insurance Loss Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Board Funds and Participants	\$ 56,151,023	\$ 4,300,700	\$ 60,451,723
Payments for Insurance Claims	(53,233,024)	(2,518,510)	(55,751,534)
Cash Payments to Vendors for Goods and Services	-	(3,248,121)	(3,248,121)
Net Cash Provided(Used) by Operating Activities	<u>2,917,999</u>	<u>(1,465,931)</u>	<u>1,452,068</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(10,758)	-	(10,758)
Net Cash Used by Capital and Related Financing Activities	<u>(10,758)</u>	<u>-</u>	<u>(10,758)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of Investments	3,972	-	3,972
Interest	88	-	88
Net Cash Provided by Investing Activities	<u>4,060</u>	<u>-</u>	<u>4,060</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,911,301	(1,465,931)	1,445,370
Cash and Cash Equivalents - Beginning	12,644,962	2,483,742	15,128,704
Cash and Cash Equivalents - Ending	<u>\$ 15,556,263</u>	<u>\$ 1,017,811</u>	<u>\$ 16,574,074</u>
Reconciliation of Operating Gain/(Loss) to Net Cash Used by Operating Activities:			
Operating Income (Loss)	\$ 4,427,665	\$ (1,579,794)	\$ 2,847,871
Adjustments to Reconcile Operating Gain/(Loss) to Net Cash Used by Operating Activities:			
Depreciation	107,862	-	107,862
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	(1,349,917)	-	(1,349,917)
(Increase)/Decrease in Prepaid Items	-	(220,669)	(220,669)
Increase/(Decrease) in Accounts Payable	20,389	-	20,389
Increase/(Decrease) in Estimated Insurance Claims Payable	(288,000)	334,532	46,532
Total Adjustments	<u>(1,509,666)</u>	<u>113,863</u>	<u>(1,395,803)</u>
Net Cash Provided(Used) by Operating Activities	<u>\$ 2,917,999</u>	<u>\$ (1,465,931)</u>	<u>\$ 1,452,068</u>

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS



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

The Foundation for Osceola Education, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to provide charitable and educational aid to the Board, to promote education, and to encourage research, learning, and dissemination of information. Additionally, the Foundation entered into three separate charter agreements with the District to operate Bellalago Charter Academy, Canoe Creek Charter Academy, and PM Wells Charter Academy, which are considered divisions of the Foundation and are included in the Foundation's financial statements. Because of the nature and significance of its relationship with the District, the Foundation is considered a component unit.

The Bellalago Educational Facilities Benefit District and the Flora Ridge Educational Facilities Benefit District (Benefit Districts) are separate districts organized pursuant to Chapter 125, Florida Statutes, and Section 1013.355, Florida Statutes, to provide for the timely construction and maintenance of school facilities. The Benefit Districts are an alternate mechanism that allows for the sharing of educational facilities costs that are necessary to accommodate new growth and development. The Benefit Districts have imposed a specific financial burden on the Osceola County School District and are considered fiscally dependent in accordance with the criteria described in Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600

American Classical Charter Academy, Bellalago Educational Facilities Benefit District, Bridge-Prep Academy of Osceola, Creative Inspiration Journey School, Flora Ridge Educational Facilities Benefit District, Florida Cyber Charter Academy at Osceola, The Foundation for Osceola Education, Inc., Four Corners Charter School, Inc., Four Corners Upper School, Lincoln-Marti Charter Schools, Inc., Main Street High School, Mater Academy Preparatory High School, Mater Academy St. Cloud, Mater Brighton Lakes Academy, Mater Palms Academy, New Dimensions High School, Inc., Osceola Science Charter School, Renaissance Charter School at Boggy Creek, Renaissance Charter School at Poinciana, Renaissance Charter School at Tapestry, Sports Leadership Arts Management, St. Cloud Preparatory Academy, Inc., UCP Osceola Charter School, Victory Charter School K-8, and Victory Charter School are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act; and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the Osceola County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF NET POSITION
COMBINING STATEMENT OF COMPONENT UNITS
June 30, 2021

	American Classical Charter Academy	Bellalago Educational Facilities Benefit District	BridgePrep Academy of Osceola	Creative Inspiration Journey School	Flora Ridge Educational Facilities Benefit District	Florida Cyber Charter Academy at Osceola	The Foundation for Osceola Education, Inc.	Four Corners Charter School, Inc.	Four Corners Upper School	Lincoln-Marti Charter Schools, Inc.	Main Street High School	Mater Academy Preparatory High School
ASSETS												
Cash and Cash Equivalents	\$ 515,021	\$ 1,934,168	\$ 518,290	\$ 506,126	\$ 634,192	\$ 423,256	\$ 5,719,774	\$ 7,142,085	\$ 1,770,529	\$ 1,077,074	\$ 124,891	\$ 74,021
Investments	-	-	-	-	-	-	5,582,678	-	-	-	798,223	610,000
Accounts Receivable	-	799,246	-	31,778	-	-	18,862	196,791	78,370	-	11,227	-
Deposits	-	-	84,845	-	-	-	28,082	5,398	2,947	-	31,817	1,743
Due from Other Agencies	18,753	606,766	32,163	-	-	34,517	789,917	-	166,606	-	125,791	1,635
Due from Management Company	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid Items	31,860	-	50,244	16,652	-	82,083	9,839	21,848	10,537	-	1,200	21,398
Restricted Assets:												
Beneficial Interest in Assets Held by Others	-	-	-	-	-	-	610,931	-	-	-	-	-
Capital Assets:												
Land	-	1,010,800	-	-	-	-	238,220	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-	15,759	411,034	-	-	-	-
Land Improvements, Nondepreciable	-	9,828	-	-	-	-	-	-	-	-	-	27,000
Improvements Other Than Buildings, Net	-	130,137	-	6,757	-	-	191,702	462,722	-	-	58,314	-
Buildings and Fixed Equipment, Net	-	15,818,229	-	-	-	-	4,166,232	-	15,222,182	-	-	-
Furniture, Fixtures and Equipment, Net	50,260	182	199,862	52,997	-	-	400,977	348,309	225,108	46,228	32,190	350,828
Capital Lease Asset, Net	65,935	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles, Net	-	-	-	-	-	-	-	2,790	-	-	-	195,071
Audio Visual Materials and Computer Software, Net	-	-	4,212	-	-	-	-	-	-	-	-	165,217
Total Assets	681,829	20,309,356	889,616	614,310	634,192	539,856	17,772,973	8,590,977	17,476,279	1,123,302	1,183,653	1,446,913
DEFERRED OUTFLOWS OF RESOURCES												
Net Carrying Amount of Debt Refunding	-	-	-	-	65,508	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	2,026,567	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	65,508	-	2,026,567	-	-	-	-	-
LIABILITIES												
Salaries and Benefits Payable	\$ 91,903	\$ -	\$ 218,614	\$ 131,677	\$ -	\$ -	\$ -	\$ 501,181	\$ -	\$ -	\$ -	\$ 21,623
Payroll Deductions and Withholdings	-	-	-	-	-	-	-	-	444,496	-	-	-
Accounts Payable	229,235	20,000	81,938	26,714	20,000	539,856	80,433	88,746	250,384	58,662	65,416	137,934
Accrued Expenses	-	-	-	-	-	-	473,613	-	-	-	22,781	-
Due to Other Agencies	-	-	-	-	-	-	1,336,478	999,069	18,769	-	-	-
Due to Management Company	-	-	-	-	-	-	75,065	294,439	66,537	-	134,447	8,948
Due to Other Funds	-	-	-	-	-	-	206,392	-	137,069	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	33,120	-	-	-
Accrued Interest Payable	-	309,010	-	-	102,854	-	83,273	-	771	-	-	-
Other Liabilities	-	-	-	-	-	-	642,111	-	352,798	-	-	-
Long-Term Liabilities:												
Portion Due Within One Year:												
Notes Payable	97,012	-	39,081	413,442	-	-	-	-	75,000	-	-	-
Loan Payable	-	-	-	-	-	-	-	-	-	-	-	-
Obligations Under Capital Leases	-	-	54,734	-	-	-	-	-	-	-	-	-
Bonds Payable	-	1,005,000	-	-	210,000	-	375,000	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-	16,658	-	-	-	-	-
Portion Due After One Year:												
Notes Payable	881,460	-	52,614	150,000	-	-	-	-	-	-	-	-
Obligations Under Capital Leases	-	-	53,049	-	-	-	-	-	-	-	-	-
Loan Payable	-	-	-	-	-	-	-	-	156,250	-	-	1,250,000
Bonds Payable	-	16,282,693	-	-	6,146,365	-	4,940,000	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-	143,726	-	7,599	-	-	-
Lease-Purchase Agreements Payable	-	-	-	-	-	-	-	-	17,455,536	-	-	-
Pension Liability	-	-	-	-	-	-	6,610,718	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,299,610	17,616,703	500,030	721,833	6,479,219	539,856	14,983,467	1,883,435	18,998,329	58,662	222,644	1,418,505
DEFERRED INFLOWS OF RESOURCES												
Deferred Amount on Debt Refunding	-	401,370	-	-	-	-	429,443	-	-	-	-	-
Pension	-	-	-	-	-	-	324,437	-	-	-	-	-
Total Deferred Inflows of Resources	-	401,370	-	-	-	-	753,880	-	-	-	-	-
NET POSITION												
Net Investment in Capital Assets	116,195	(719,887)	4,596	59,754	-	-	(444,958)	1,224,855	(2,338,246)	46,228	90,504	195,071
Restricted For:												
Debt Service	-	558,552	-	-	-	-	1,188,163	-	-	-	-	-
Capital Projects	-	606,766	-	-	-	-	149,444	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	1,574,110	-	106,972	-	-	-
Unrestricted	(733,976)	1,845,852	384,990	(167,277)	(5,779,519)	-	1,595,434	5,482,687	709,224	1,018,412	870,505	(166,663)
Total Net Position	\$ (617,781)	\$ 2,291,283	\$ 389,586	\$ (107,523)	\$ (5,779,519)	\$ -	\$ 4,062,193	\$ 6,707,342	\$ (1,322,050)	\$ 1,064,640	\$ 961,009	\$ 28,408

Mater Academy St. Cloud	Mater Brighton Lakes Academy	Mater Palms Academy	New Dimensions High School, Inc.	Osceola Science Charter School	Renaissance Charter School at Boggy Creek	Renaissance Charter School at Poinciana	Renaissance Charter School at Tapestry	Sports Leadership Arts Management	St Cloud Preparatory Academy, Inc.	UCP Osceola Charter School	Victory Charter School K8	Victory Charter School	Total Component Units
\$ 178,117	\$ 211,547	\$ 69,637	\$ 1,989,483	\$ 2,302,771	\$ 638,642	\$ 1,332,262	\$ 3,170,741	\$ 659,063	\$ 649,544	\$ -	\$ 65,888	\$ 646,754	\$ 32,353,876
520,000	1,040,000	877,000	-	-	1,414,590	-	-	20,000	-	-	-	-	10,862,491
-	-	-	-	2,792	18,603	372,589	79,597	-	2,040,190	9,089	-	14,635	3,673,769
14,100	47,164	13,900	8,771	-	58,870	50,153	23,426	-	26,300	-	-	-	397,516
61,011	286,676	277,319	-	87,724	66,703	99,664	458,819	7,926	-	-	25,549	54,257	3,201,796
-	-	-	-	-	-	-	130,747	-	-	4,973,193	-	-	5,103,940
67,200	88,978	600,209	-	25,000	15,445	21,111	23,774	25,423	-	-	-	-	1,112,801
-	-	-	-	-	-	-	-	-	-	-	-	-	610,931
-	-	-	275,000	-	-	-	-	-	-	-	-	-	1,524,020
-	-	-	-	-	-	-	-	-	-	-	-	-	426,793
-	-	-	-	-	-	-	-	-	-	-	-	-	36,828
-	14,927	-	120,326	-	7,677	151,289	38,643	-	-	-	-	-	1,182,494
-	-	12,084	5,118,998	-	17,914,015	10,006,707	15,336,489	-	-	-	-	11,700	83,606,636
604,743	391,905	291,315	120,170	184,777	312,596	331,555	435,206	290,579	82,805	66,462	65,820	580,097	5,464,971
-	18,755,692	-	-	-	-	-	-	-	11,059,634	-	-	-	29,881,261
197,198	-	37,007	-	-	-	-	-	-	-	-	-	-	432,066
-	222	23,394	-	-	-	-	-	204,853	-	-	-	-	397,898
1,642,369	20,837,111	2,164,858	7,669,755	2,603,064	20,447,141	12,365,330	19,697,442	1,207,844	13,858,473	5,048,744	157,257	1,307,443	180,270,087
-	-	-	-	-	-	-	-	-	-	-	-	-	65,508
-	-	-	500,202	-	-	-	-	-	-	-	-	-	2,526,769
-	-	-	500,202	-	-	-	-	-	-	-	-	-	2,592,277
\$ 46,935	\$ 192,414	\$ 174,847	\$ 228,787	\$ 216,885	\$ 247,614	\$ 377,211	\$ 658,955	\$ 35,847	\$ 91,191	\$ -	\$ 49,909	\$ 93,595	\$ 3,379,188
-	-	-	-	-	-	-	-	-	-	-	-	-	444,496
107,951	159,889	422,185	-	39,494	91,556	47,089	106,790	56,209	169,896	102,775	3,280	21,821	2,928,253
-	-	-	-	-	-	-	-	-	-	-	-	-	496,394
-	779,036	570,000	-	-	318,160	49,608	39,337	-	-	-	-	-	2,443,261
-	-	-	-	-	-	7,850	-	260,000	-	-	-	-	2,514,482
-	-	-	-	-	-	250	-	-	-	-	-	-	343,461
-	-	-	-	-	42,875	-	-	-	-	-	-	-	33,370
-	-	-	-	-	-	-	-	-	-	-	-	-	538,783
-	-	-	-	-	-	-	-	-	-	-	-	162,750	1,157,659
1,213,890	600,000	457,131	108,881	552,358	-	-	-	91,332	30,000	-	-	-	3,678,127
-	-	-	-	-	-	-	-	-	114,343	-	-	-	114,343
-	205,229	-	-	-	81,206	286,667	340,000	-	43,257	-	-	-	1,011,093
-	-	-	-	-	353,339	-	-	-	-	-	-	-	1,943,339
-	-	-	-	-	20,177	21,152	38,382	-	-	-	-	-	96,369
214,478	-	-	3,322,384	-	-	-	-	620,500	27,500	-	-	931,017	6,199,953
-	18,783,412	-	-	-	-	11,813,870	17,785,501	-	12,813,525	-	-	-	61,249,357
-	-	-	-	-	-	-	-	-	964,400	-	-	-	2,370,650
-	-	-	-	-	21,287,212	-	-	-	-	-	-	-	48,656,270
-	-	-	-	-	6,726	7,051	12,794	-	-	-	-	-	177,896
-	-	-	-	-	-	-	-	-	-	-	-	-	17,455,536
-	-	-	1,709,328	-	-	-	-	-	-	-	-	-	8,320,046
-	35,000	-	-	-	-	-	-	-	-	-	-	-	35,000
1,583,254	20,754,980	1,624,163	5,369,380	808,737	22,449,115	12,610,498	18,981,759	1,063,888	14,254,112	102,775	53,189	1,209,183	165,587,326
-	-	-	-	-	-	-	-	-	-	-	-	-	830,813
-	-	-	87,563	-	-	-	-	-	-	-	-	-	412,000
-	-	-	87,563	-	-	-	-	-	-	-	-	-	1,242,813
469,933	91,196	326,793	2,240,236	184,777	(2,104,768)	(1,610,986)	(2,315,163)	404,100	(1,714,343)	-	65,820	591,797	(5,136,496)
-	-	-	-	-	-	-	-	-	-	-	-	-	1,746,715
-	-	-	-	-	-	-	-	-	-	-	-	-	756,210
-	-	-	-	-	36,427	16,032	11,051	-	-	-	-	-	1,744,592
(410,818)	(9,065)	213,902	472,778	1,609,550	66,367	1,349,786	3,019,795	(260,144)	1,318,704	4,945,969	38,248	(493,537)	16,921,204
\$ 59,115	\$ 82,131	\$ 540,695	\$ 2,713,014	\$ 1,794,327	\$ (2,001,974)	\$ (245,168)	\$ 715,683	\$ 143,956	\$ (395,639)	\$ 4,945,969	\$ 104,068	\$ 98,260	\$ 16,032,225

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF ACTIVITIES
COMBINING STATEMENT OF COMPONENT UNITS
For the Fiscal Year Ended June 30, 2021

	American Classical Charter Academy	Bellalago Educational Facilities Benefit District	BridgePrep Academy of Osceola	Creative Inspiration Journey School	Flora Ridge Educational Facilities Benefit District	Florida Cyber Charter Academy at Osceola	The Foundation for Osceola Education, Inc.	Four Corners Charter School, Inc.	Four Corners Upper School	Lincoln-Marti Charter Schools, Inc.	Main Street High School	Mater Academy Preparatory High School
Component Unit Activities:												
Instruction	\$ 1,238,372	\$ -	\$ 2,286,891	\$ 1,225,041	\$ -	\$ 2,182,963	\$ 9,069,678	\$ 5,589,233	\$ 4,024,075	\$ 264,894	\$ 507,682	\$ 1,129,665
Pupil Personnel Services	5,716	-	59,964	74,419	-	564,793	-	-	280,828	-	-	7,513
Instructional Media Services	-	-	-	18,602	-	-	-	-	-	-	-	-
Instruction and Curriculum Development	-	-	-	115,918	-	3,327,387	-	-	3,129	15,644	-	-
Instructional Staff Training Services	3,000	-	9,907	450	-	3,643	-	-	16,920	-	222,916	608
Instruction Related Technology	27,766	-	-	-	-	660,804	-	-	46,114	-	-	-
Board	353,280	37,065	-	13,200	37,068	13,189	-	6,061	26,442	24,871	-	7,150
General Administration	-	20,000	595,303	91,579	6,750	68,732	-	463,317	-	-	-	-
School Administration	458,792	-	578,475	235,098	-	1,174,983	2,660,106	-	771,470	40,158	176,764	170,539
Facilities Acquisition and Construction	-	564,760	-	944,711	-	-	1,073,359	1,340,746	-	-	-	-
Fiscal Services	-	13,456	15,703	117,081	20,000	93	-	20,000	327,707	10,000	374,058	21,150
Food Services	7,644	-	7,053	133,018	-	-	-	-	-	56,058	-	42,809
Central Services	-	-	-	17,639	-	-	-	-	90,753	-	-	41,542
Pupil Transportation Services	-	-	-	-	-	-	-	-	272,786	-	4,861	-
Operation of Plant	1,127,344	-	1,334,311	214,371	-	98,259	2,920,271	-	1,299,153	125,191	874,993	266,151
Maintenance of Plant	10,404	-	88,483	10,036	-	-	-	150,000	325,527	25,160	-	12,532
Administrative Technology Services	-	-	-	12,080	-	-	-	-	3,454	-	-	6,182
Community Services	11,098	-	1,035	42,625	-	-	2,055,585	-	100,381	-	-	314
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Interest on Long Term Debt	-	729,136	25,181	8,378	253,880	-	183,132	-	1,255,873	-	-	554
Unallocated Depreciation/Amortization	16,642	-	90,706	12,036	4,850	-	-	-	-	-	-	-
Total Expenses	3,260,058	1,364,417	5,093,012	3,286,282	322,548	8,094,846	17,962,131	7,569,357	8,844,612	561,976	2,161,274	1,706,709
Program Revenues												
Charges for Services	38,092	-	4,760	132,752	-	-	178,743	-	11,873	-	-	7,895
Operating Grants and Contributions	188,231	-	332,109	204,369	-	97,628	2,415,537	-	374,771	56,058	138,927	305,903
Capital Grants and Contributions	-	-	299,366	-	-	-	1,269,381	663,661	675,501	34,125	143,282	91,147
Net (Expenses) Revenue	(3,033,735)	(1,364,417)	(4,456,777)	(2,949,161)	(322,548)	(7,997,218)	(14,098,470)	(6,905,696)	(7,782,467)	(471,793)	(1,879,065)	(1,301,764)
General Revenues												
Federal	-	-	-	-	-	-	-	-	-	-	-	-
State passed through local school district	1,877,860	-	-	2,555,975	-	5,101,470	13,804,896	7,307,190	-	617,856	1,555,546	1,062,177
Debt forgiveness, from a related party	-	-	-	-	-	-	-	-	-	-	-	-
Grants and Contributions not restricted to specific programs	119,106	2,636,014	4,536,492	-	550,830	-	-	0	8,391,126	72,513	-	-
Investment Earnings	-	17,642	-	-	4,528	-	52	6,627	6,077	-	-	-
Special Items	128,300	-	-	284,842	-	-	-	-	-	-	-	-
Miscellaneous	447,577	-	264,363	130,790	-	2,895,748	979,812	-	153	-	165	230,324
Transfers	-	-	-	-	-	-	(323,959)	-	-	-	-	-
Total General Revenues	2,572,843	2,653,656	4,800,855	2,971,607	555,358	7,997,218	14,460,801	7,313,817	8,397,356	690,369	1,555,711	1,292,501
Change in Net Position	(460,892)	1,289,239	344,078	22,446	232,810	-	362,331	408,121	614,889	218,576	(323,354)	(9,263)
Net Position - beginning	(156,889)	1,002,044	45,508	(129,969)	(6,012,329)	-	3,699,862	6,299,421	(2,266,666)	846,064	1,284,363	37,671
Adjustments to Beginning Net Position	-	-	-	-	-	-	-	-	129,727	-	-	-
Net Position - beginning	(156,889)	1,002,044	45,508	(129,969)	(6,012,329)	-	3,699,862	6,299,421	(2,136,939)	846,064	1,284,363	37,671
Net Position - ending	\$ (617,781)	\$ 2,291,283	\$ 389,586	\$ (107,523)	\$ (5,779,519)	\$ -	\$ 4,062,193	\$ 6,707,542	\$ (1,522,050)	\$ 1,064,640	\$ 961,009	\$ 28,408

Mater Academy St. Cloud	Mater Brighton Lakes Academy	Mater Palms Academy	New Dimensions High School, Inc.	Osceola Science Charter School	Renaissance Charter School at Boggy Creek	Renaissance Charter School at Polciana	Renaissance Charter School at Tapestry	Sports Leadership Arts Management	St Cloud Preparatory Academy, Inc.	UCP Osceola Charter School	Victory Charter School K8	Victory Charter School	Total Component Units
\$ 1,221,211	\$ 3,900,465	\$ 3,164,196	\$ 2,132,308	\$ 3,835,765	\$ 2,338,194	\$ 2,986,919	\$ 5,264,583	\$ 874,410	\$ 2,180,890	\$ 2,059,985	\$ 1,074,108	\$ 2,505,536	\$ 61,056,864
117	55,807	36,131	-	57,786	91,672	701,052	464,165	24,316	52,786	492,137	8,279	29,012	3,006,493
-	-	-	-	51,625	1,889	-	-	-	-	3,003	-	2,925	78,044
-	-	-	-	140,274	-	10,288	10,392	-	32,076	-	4,585	9,877	3,669,570
5,944	3,381	2,141	-	4,425	9,250	7,586	41,014	1,150	-	-	9,272	25,720	367,327
-	-	-	-	-	78,799	102,513	154,426	-	-	-	-	2,159	1,072,581
19,182	58,385	42,909	-	7,500	18,039	18,493	29,584	13,183	129,104	-	32,809	269,324	1,156,838
-	-	-	34,493	96,053	-	-	-	-	200,109	61,437	22,376	173,647	1,833,796
449,151	841,377	728,079	782,833	658,566	485,946	417,301	827,203	408,070	695,437	216,382	157,207	407,700	13,341,637
-	145	-	220,717	-	-	-	-	-	-	-	-	-	4,144,438
40,275	131,700	123,000	-	93,370	7,498	583,593	1,615,567	21,075	40,953	273,993	200,373	513,880	4,564,525
25,838	263,975	1,600	-	764	-	-	280	20,390	100,179	37	-	-	659,645
80,622	200,922	150,634	-	19,993	103,814	93,197	94,758	58,302	26	139,266	93,467	86,018	1,270,953
35,440	131,779	112,534	89,198	-	112,001	51,847	102,662	-	-	-	344,430	253,180	1,510,718
613,701	1,396,650	1,654,559	85,529	1,644,678	1,187,146	1,204,672	1,295,705	492,061	1,413,903	379,402	973,975	996,528	21,598,553
92,126	162,495	177,595	179,459	93,617	166,483	209,685	219,825	16,132	102,218	24,273	20,278	50,383	2,136,711
26,129	38,697	37,678	-	104,538	-	-	-	642	18,703	11,193	16,487	47,811	323,594
47,858	77,201	143,505	-	49,574	42,418	40,127	173,172	14,172	159,713	-	-	-	2,958,778
-	720,000	594,374	-	-	-	-	-	-	-	-	-	-	1,314,374
30,297	646,737	-	-	-	1,045,189	861,116	1,271,866	3,738	-	-	-	-	6,315,077
-	-	-	153,957	72,546	-	-	-	-	-	17,741	-	-	368,478
2,687,891	8,629,716	6,968,935	3,678,494	6,930,310	5,689,102	7,288,389	11,462,260	2,030,193	5,046,308	3,778,991	2,957,683	5,373,500	132,748,994
51,400	132,095	175,093	22,960	-	51,295	34,401	97,962	14,063	34,649	-	829,180	-	1,817,213
100,416	885,004	636,789	225,766	45,801	196,100	759,371	756,406	167,333	-	142,039	576,496	-	8,605,054
148,401	836,411	753,309	291,330	529,512	301,808	559,541	923,084	92,771	48,186	-	394,102	-	8,054,918
(2,387,674)	(6,776,206)	(5,403,744)	(3,138,438)	(6,354,997)	(5,139,899)	(5,935,076)	(9,684,808)	(1,756,026)	(4,963,473)	(3,778,991)	(1,986,464)	(4,402,902)	(114,271,809)
-	-	-	-	-	-	-	-	-	-	-	-	-	-
1,965,915	6,761,034	5,819,648	3,181,006	7,351,671	-	-	-	1,069,772	3,810,861	4,910,961	-	-	68,753,838
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	4,686,111	6,244,739	10,141,414	-	-	88,698	2,088,443	4,353,711	43,909,197
-	-	23,034	91	-	9,863	3,685	15,607	-	-	-	-	-	87,206
-	-	-	-	-	-	-	-	-	478,174	-	-	-	891,316
462,484	43,858	-	-	35,123	-	-	317	709,216	221,443	-	2,089	67,521	6,490,983
-	-	-	-	-	-	-	-	-	-	-	-	-	(323,959)
2,428,399	6,804,892	5,842,682	3,181,097	7,386,794	4,695,974	6,248,424	10,157,338	1,778,988	4,510,478	4,999,659	2,090,532	4,421,232	119,808,581
40,725	28,686	438,938	42,659	1,031,797	(443,925)	313,348	472,530	22,962	(452,995)	1,220,668	104,068	18,330	5,536,772
17,436	52,648	101,677	2,670,355	762,530	(1,911,660)	(578,182)	231,730	119,165	57,356	3,725,301	(502,271)	364,930	9,760,095
954	797	80	-	-	353,611	19,666	11,423	1,829	-	-	502,271	(285,000)	735,358
18,390	53,445	101,757	2,670,355	762,530	(1,558,049)	(558,516)	243,153	120,994	57,356	3,725,301	-	79,930	10,495,453
\$ 59,115	\$ 82,131	\$ 540,695	\$ 2,713,014	\$ 1,794,327	\$ (2,001,974)	\$ (245,168)	\$ 715,683	\$ 143,956	\$ (395,639)	\$ 4,945,969	\$ 104,068	\$ 98,260	\$ 16,032,225

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STATISTICAL SECTION



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Introduction to the Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Schedule 1	Net Position by Component-Primary Government
Schedule 2	Changes in Net Position-Primary Government
Schedule 3	General Revenues and Total Changes in Net Position
Schedule 4	Fund Balances, Governmental Funds
Schedule 5	Governmental Funds Revenues
Schedule 6	Governmental Funds Expenditures and Debt Service Ratio
Schedule 7	Other Financing Sources and Uses and Net Change in Fund Balances-Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Schedule 8	Assessed Value and Estimated Actual Value of Taxable Property
Schedule 9	Direct and Overlapping Property Tax Rates
Schedule 10	Principal Osceola County Property Tax Payers
Schedule 11	Property Tax Levies and Collections

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Schedule 12	Outstanding Debt by Type
Schedule 13	Direct and Overlapping Governmental Activities Debt
Schedule 14	Legal Debt Margin Information
Schedule 15	Pledged-Revenue Coverage

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Schedule 16	Demographic and Economic Statistics
Schedule 17	Osceola County Principal Employers

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Schedule 18	Full-time-Equivalent District Employees by Type
Schedule 19	Operating Statistics
Schedule 20	Teacher Salaries
Schedule 21	School Building Information & Unweighted Full Time Equivalent Enrollment Data

Sources: *Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.*

Schedule 1
 District School Board of Osceola County
 Net Position by Component - Primary Government
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	For the Fiscal Year ending June 30			
	2012	2013	2014	2015
Governmental Activities				
Net investment in Capital Assets	\$ 488,096,469	\$ 477,532,359	\$ 494,470,617	\$ 487,069,988
Restricted	75,558,613	91,902,083	75,247,973	83,317,955
Unrestricted	40,835,214	16,937,578	(10,626,220)	(171,469,553)
Total governmental activities net position	<u>\$ 604,490,296</u>	<u>\$ 586,372,020</u>	<u>\$ 559,092,370</u>	<u>\$ 398,918,390</u>

Source:
 District records

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	484,808,699	\$ 508,196,302	\$ 556,200,796	\$ 594,521,122	\$ 642,091,911	\$ 669,257,845
	119,173,058	148,132,173	170,937,433	240,578,560	308,631,681	414,159,573
	<u>(173,075,853)</u>	<u>(187,484,019)</u>	<u>(156,403,703)</u>	<u>(162,506,739)</u>	<u>(192,824,401)</u>	<u>(208,431,521)</u>
\$	<u>430,905,904</u>	<u>\$ 468,844,456</u>	<u>\$ 570,734,526</u>	<u>\$ 672,592,943</u>	<u>\$ 757,899,191</u>	<u>\$ 874,985,897</u>

Schedule 2
District School Board of Osceola County
Changes in Net Position - Primary Government
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	For the Fiscal Year ending June 30			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Primary Government:				
Expenses				
Governmental activities:				
Instruction	\$ 256,106,769	\$ 268,705,463	\$ 290,738,409	\$ 287,060,332
Pupil Personnel Services	21,838,137	21,225,019	22,892,264	22,519,240
Instructional Media Services	4,213,693	4,590,168	4,954,439	4,493,306
Instruction and Curriculum Development Services	12,918,163	13,955,272	16,291,806	15,765,392
Instructional Staff Training Services	8,893,254	8,683,127	9,304,247	8,908,032
Instruction-Related Technology	3,506,394	3,400,004	4,070,147	4,327,747
Board of Education	1,735,224	1,449,083	1,478,064	1,862,188
General Administration	2,778,064	2,223,978	2,494,349	2,255,012
School Administration	21,712,072	22,187,638	23,645,915	22,432,816
Facilities Services	7,231,837	7,301,809	11,431,928	12,186,629
Fiscal Services	1,795,816	2,068,151	2,073,286	1,998,168
Food Services	23,211,603	26,792,335	31,642,638	28,841,287
Central Services	6,866,451	6,854,756	6,828,128	6,771,155
Pupil Transportation Services	21,866,622	22,887,687	24,340,819	23,123,277
Operation of Plant	26,379,530	30,799,393	32,314,289	34,174,683
Maintenance of Plant	12,068,670	7,116,029	8,587,830	7,520,421
Administrative Technology Services	3,159,953	3,920,100	4,012,196	3,889,429
Community Services	4,427,474	4,607,250	4,978,829	5,082,800
Interest on Long-term Debt	14,542,638	15,195,406	11,420,473	14,635,622
Loss on Disposal of Capital Assets	-	-	-	-
Unallocated Depreciation Expense	32,061,585	34,621,488	35,275,678	35,257,897
Total expenses - Primary Government	<u>\$ 487,313,949</u>	<u>\$ 508,584,156</u>	<u>\$ 548,775,734</u>	<u>\$ 543,105,433</u>
Program Revenues				
Governmental Activities				
Charges for Services				
Instruction	\$ 2,126,462	\$ 2,303,121	\$ 2,076,715	\$ 2,339,173
Food Services	5,718,630	4,791,692	4,291,076	3,678,965
Pupil Transportation Services	613,100	589,816	392,314	497,908
Community Services	2,598,249	2,750,258	2,874,860	2,805,201
Operating Grants and Contributions				
Instruction	-	-	97,871,733	95,237,159
Food Services	21,165,198	23,618,227	26,203,051	27,460,542
Student Transportation Services	9,626,629	-	-	-
Capital Grants and Contributions				
Facilities Acquisition and Construction	11,851,852	584,483	16,532,017	27,067,210
Community Services	-	-	-	-
Interest on Long-term Debt	21,870	1,654,690	1,630,218	1,611,974
Total Program Revenues - Primary Government	<u>\$ 53,721,990</u>	<u>\$ 36,292,287</u>	<u>\$ 151,871,984</u>	<u>\$ 160,698,132</u>
Net (Expense) - Primary Government	<u>\$ (433,591,959)</u>	<u>\$ (472,291,869)</u>	<u>\$ (396,903,750)</u>	<u>\$ (382,407,301)</u>

Source:
District records

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	311,639,361	\$ 333,153,721	\$ 352,078,958	\$ 386,512,557	\$ 395,651,095	\$ 415,275,745
	23,533,909	25,245,474	27,161,815	30,655,797	31,286,985	32,494,498
	4,638,080	4,767,568	5,076,970	5,370,748	4,997,342	5,184,681
	16,950,455	18,401,374	19,201,920	21,941,930	22,621,624	24,560,164
	8,895,901	9,279,268	9,928,182	12,595,631	12,407,615	11,884,929
	4,268,253	4,540,916	4,828,689	4,924,091	5,036,599	9,141,686
	1,748,662	1,578,395	1,255,886	1,211,308	1,243,539	1,778,741
	2,760,587	2,851,014	3,089,842	3,260,521	3,462,702	4,154,629
	23,324,361	24,531,728	25,768,790	26,538,432	26,491,620	27,230,029
	14,914,658	12,483,779	17,348,888	21,289,873	34,209,654	29,153,447
	1,971,065	2,068,355	2,310,798	2,391,647	2,292,148	2,530,927
	29,309,705	30,676,116	32,571,028	33,576,252	30,929,431	25,083,377
	7,564,360	7,777,920	8,220,245	8,836,176	9,071,627	12,339,829
	22,452,171	22,826,052	25,326,208	27,235,730	26,247,815	25,686,161
	31,647,174	33,552,679	34,662,229	36,421,063	41,569,779	40,909,210
	8,295,989	8,808,276	9,405,015	10,641,145	10,338,335	10,878,590
	4,071,518	4,442,744	5,007,879	5,755,107	4,523,927	7,783,017
	5,444,934	5,294,861	4,838,607	4,924,520	4,467,594	5,219,173
	12,049,157	15,788,423	9,051,396	9,495,189	8,945,531	8,853,423
	-	681,916	-	-	-	-
	35,316,748	35,026,910	34,635,528	34,896,561	34,151,861	37,187,781
	<u>\$ 570,797,048</u>	<u>\$ 603,777,489</u>	<u>\$ 631,768,873</u>	<u>\$ 688,474,278</u>	<u>\$ 709,946,823</u>	<u>\$ 737,330,037</u>
\$	2,642,876	\$ 2,454,403	\$ 2,181,514	\$ 2,424,452	\$ 1,948,570	\$ 1,821,774
	3,390,984	2,519,613	2,214,598	1,809,646	1,328,966	579,136
	646,279	663,527	904,007	94,448	75,447	20,940
	2,829,867	2,803,086	3,296,995	3,415,103	2,651,189	1,997,891
	108,562,019	110,127,867	113,634,808	118,869,038	120,658,558	122,573,469
	31,689,599	33,985,232	34,774,560	36,948,188	28,189,494	61,760,344
	-	-	-	-	-	-
	36,043,720	42,941,325	43,917,297	78,912,194	78,197,965	85,268,479
	-	1,264,597	-	-	-	-
	1,832,828	-	942,878	763,389	677,985	645,136
	<u>\$ 187,638,172</u>	<u>\$ 196,759,650</u>	<u>\$ 201,866,657</u>	<u>\$ 243,236,458</u>	<u>\$ 233,728,174</u>	<u>\$ 274,667,169</u>
	<u>\$ (383,158,876)</u>	<u>\$ (407,017,839)</u>	<u>\$ (429,902,216)</u>	<u>\$ (445,237,820)</u>	<u>\$ (476,218,649)</u>	<u>\$ (462,662,868)</u>

Schedule 3
District School Board of Osceola County
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	For the Fiscal Year ending June 30			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net (Expense)/Revenue - Primary Government	<u>\$ (433,591,959)</u>	<u>\$ (472,291,869)</u>	<u>\$ (396,903,750)</u>	<u>\$ (382,407,301)</u>
General Revenues and Changes in Net Position				
Taxes:				
Property taxes, levied for operational purposes	\$ 104,108,613	\$ 98,493,989	\$ 105,900,393	\$ 111,668,108
Property taxes, levied for capital projects	25,707,956	25,367,760	26,438,255	28,370,255
Local sales taxes	9,925,207	10,416,923	10,600,770	12,129,743
Impact Fees	-	12,286,659	-	-
Grants and contributions not restricted to specific programs	262,026,194	299,164,318	215,374,466	223,592,024
Investment earnings	1,801,749	483,975	1,199,839	1,389,318
Miscellaneous	9,660,582	7,959,969	10,110,377	11,503,406
Total General Revenues - Primary Government	<u>\$ 413,230,301</u>	<u>\$ 454,173,593</u>	<u>\$ 369,624,100</u>	<u>\$ 388,652,854</u>
Changes in Net Position - Primary Government	<u>\$ (20,361,658)</u>	<u>\$ (18,118,276)</u>	<u>\$ (27,279,650)</u>	<u>\$ 6,245,553</u>

Source:
District records

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
	<u>\$ (383,158,876)</u>	<u>\$ (407,017,839)</u>	<u>\$ (429,902,216)</u>	<u>\$ (445,237,820)</u>	<u>\$ (476,218,649)</u>	<u>\$ (462,662,868)</u>
\$	117,462,480	\$ 117,411,122	\$ 125,285,264	\$ 130,434,603	\$ 140,658,925	\$ 147,611,813
	30,186,687	32,537,685	34,733,867	39,812,487	44,488,771	48,898,005
	12,771,275	25,010,568	45,404,305	47,849,163	44,396,966	45,489,330
	-	-	-	-	-	-
	242,260,027	259,580,554	277,817,616	304,090,750	308,037,023	318,123,332
	3,176,842	1,060,614	2,339,176	10,499,198	12,624,596	1,345,658
	9,289,079	9,355,848	10,200,372	14,410,036	11,318,616	18,281,436
	<u>\$ 415,146,390</u>	<u>\$ 444,956,391</u>	<u>\$ 495,780,600</u>	<u>\$ 547,096,237</u>	<u>\$ 561,524,897</u>	<u>\$ 579,749,574</u>
	<u>\$ 31,987,514</u>	<u>\$ 37,938,552</u>	<u>\$ 65,878,384</u>	<u>\$ 101,858,417</u>	<u>\$ 85,306,248</u>	<u>\$ 117,086,706</u>

Schedule 4
District School Board of Osceola County
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	For the Fiscal Year Ending June 30			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund				
Nonspendable	\$ 1,838,068	\$ 1,931,315	\$ 2,077,677	\$ 2,303,278
Restricted	16,184,090	21,044,012	21,082,476	19,487,714
Assigned	13,663,265	8,688,530	13,375,810	3,303,083
Unassigned	52,631,593	44,389,869	33,702,182	41,368,678
Total General Fund	<u>\$ 84,317,016</u>	<u>\$ 76,053,726</u>	<u>\$ 70,238,145</u>	<u>\$ 66,462,753</u>
All Other Governmental Funds				
Nonspendable	\$ 416,365	\$ 724,170	\$ 0	\$ 974,141
Restricted	73,935,852	73,637,841	58,179,268	69,347,218
Assigned	774,561	1,081,812	139,376	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 75,126,778</u>	<u>\$ 75,443,823</u>	<u>\$ 59,573,028</u>	<u>\$ 70,321,359</u>
Total Governmental Funds	<u>\$ 159,443,794</u>	<u>\$ 151,497,549</u>	<u>\$ 129,811,173</u>	<u>\$ 136,784,112</u>

Source:
District records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 2,504,747	\$ 2,714,482	\$ 2,504,820	\$ 2,425,555	\$ 3,175,284	\$ 2,976,253
18,156,321	18,400,024	15,905,069	15,428,255	20,064,640	24,190,993
4,844,727	4,681,885	5,962,073	6,853,872	4,896,493	6,519,633
41,010,743	41,618,791	44,079,630	44,243,507	49,808,926	55,301,401
<u>\$ 66,516,538</u>	<u>\$ 67,415,182</u>	<u>\$ 68,451,592</u>	<u>\$ 68,951,189</u>	<u>\$ 77,945,343</u>	<u>\$ 88,988,280</u>
\$ 1,162,356	\$ 1,205,400	\$ 1,077,716	\$ 763,956	\$ 1,550,526	\$ 668,749
106,161,674	222,501,059	235,402,182	260,325,766	295,794,200	450,364,307
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 107,324,030</u>	<u>\$ 223,706,459</u>	<u>\$ 236,479,898</u>	<u>\$ 261,089,722</u>	<u>\$ 297,344,726</u>	<u>\$ 451,033,056</u>
<u>\$ 173,840,568</u>	<u>\$ 291,121,641</u>	<u>\$ 304,931,490</u>	<u>\$ 330,040,911</u>	<u>\$ 375,290,069</u>	<u>\$ 540,021,336</u>

Schedule 5
District School Board of Osceola County
Governmental Funds Revenues
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	For the Fiscal Year Ending June 30			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Revenues				
Federal direct	\$ 6,333,326	\$ 4,390,418	\$ 3,882,342	\$ 4,020,887
Federal through State	53,248,874	59,529,883	58,990,124	56,918,921
State sources	235,804,919	259,006,088	278,832,947	288,489,943
Local sources	171,187,869	167,952,654	185,384,897	195,797,333
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 466,574,988</u>	<u>\$ 490,879,043</u>	<u>\$ 527,090,310</u>	<u>\$ 545,227,084</u>

Source:
District records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 4,245,607	\$ 4,275,783	\$ 3,842,771	\$ 5,584,301	\$ 6,193,236	\$ 5,603,360
71,723,722	73,692,342	74,144,738	86,565,817	72,413,909	107,163,950
309,665,209	329,266,843	351,551,486	371,198,454	381,106,787	392,461,051
215,536,470	231,140,276	265,935,801	323,938,115	333,289,983	348,327,256
<u>\$ 601,171,008</u>	<u>\$ 638,375,244</u>	<u>\$ 695,474,796</u>	<u>\$ 787,286,687</u>	<u>\$ 793,003,915</u>	<u>\$ 853,555,617</u>

Schedule 6
 District School Board of Osceola County
 Governmental Funds Expenditures and Debt Service Ratio
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Unaudited

	For the Fiscal Year Ending June 30			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Expenditures				
Instruction	\$ 253,767,483	\$ 264,220,967	\$ 280,329,535	\$ 287,013,856
Pupil Personnel Services	21,600,574	20,837,078	21,786,239	22,697,456
Instructional Media Services	4,171,544	4,516,147	4,771,047	4,525,806
Instruction and Curriculum Development Services	12,852,001	13,670,171	15,683,860	15,819,513
Instructional Staff Training Services	8,831,137	8,545,858	9,098,166	9,002,894
Instruction Related Technology	3,445,793	3,319,737	3,917,886	4,286,444
Board of Education	1,737,280	1,445,253	1,466,041	1,872,534
General Administration	2,737,481	2,210,250	2,415,274	2,299,003
School Administration	21,548,515	21,860,841	22,476,668	22,518,181
Facilities Acquisition and Construction	7,495,265	8,908,965	11,181,228	9,881,355
Fiscal Services	1,763,306	2,020,295	1,936,268	2,014,809
Food Services	23,043,598	26,592,821	31,050,012	28,667,778
Central Services	6,849,484	6,780,716	6,541,885	6,770,403
Pupil Transportation Services	18,599,266	19,696,499	20,842,262	20,532,244
Operation of Plant	27,341,814	30,585,170	31,742,175	32,777,540
Maintenance of Plant	12,011,268	7,023,537	8,280,498	7,697,959
Administrative Technology Services	3,194,658	3,844,461	3,815,336	3,902,468
Community Services	4,409,058	1,840,018	4,876,281	5,081,934
Capital outlay:				
Facilities Acquisition and Construction	36,644,633	16,040,556	28,540,227	15,343,982
Charter School Local Capital Improvement	-	-	-	-
Other Capital Outlay	4,111,070	4,009,251	8,600,402	6,176,371
Debt service:				
Principal	15,564,668	16,079,567	16,704,179	17,013,917
Interest and Fiscal Charges	15,520,709	15,353,689	13,924,407	12,862,021
Dues, Fees, and Issuance Costs	-	-	-	-
Total Expenditures	<u>\$ 507,240,605</u>	<u>\$ 499,401,847</u>	<u>\$ 549,979,876</u>	<u>\$ 538,758,468</u>

Debt Service as a Percentage of Noncapital Expenditures	6.66%	6.56%	5.97%	5.78%
--	-------	-------	-------	-------

Source:
 District records

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	310,555,110	\$ 321,579,744	\$ 339,632,764	\$ 371,095,214	\$ 380,420,950	\$ 401,926,413
	23,290,424	24,058,648	25,392,616	28,910,431	30,195,019	30,919,490
	4,627,227	4,612,307	4,811,090	5,088,937	4,821,553	4,936,980
	16,710,413	17,412,544	17,953,151	20,495,516	21,847,887	23,320,027
	8,882,840	8,843,586	9,367,984	11,974,841	11,957,354	11,355,338
	4,238,816	4,302,167	4,518,485	4,672,795	4,861,790	8,882,610
	1,745,998	1,565,672	1,236,867	1,200,520	1,189,679	1,763,849
	2,819,209	2,793,008	2,984,967	3,125,785	3,318,701	4,080,983
	23,086,838	23,459,783	24,197,009	24,893,749	25,584,213	25,836,108
	11,243,631	12,346,580	16,533,565	21,212,121	31,728,153	14,179,228
	2,021,992	1,925,667	2,140,615	2,216,960	2,211,899	2,411,036
	29,143,693	29,988,376	31,701,034	32,748,883	29,788,939	24,527,080
	7,466,404	7,534,680	7,790,493	8,524,645	8,730,710	11,999,386
	19,832,017	19,772,543	22,217,613	24,117,823	23,060,659	21,980,515
	31,140,563	32,664,336	33,315,337	35,371,798	38,876,991	38,551,657
	8,194,955	8,594,886	8,949,660	10,088,887	9,943,301	10,514,105
	4,099,622	4,255,025	4,766,512	5,544,939	4,357,240	7,593,182
	5,408,882	5,131,035	4,650,056	4,773,796	4,295,743	5,078,758
	6,817,643	40,287,143	70,625,077	91,447,376	66,843,723	77,773,443
	-	-	624,570	-	404,992	-
	9,798,576	3,663,657	13,010,289	13,157,293	12,109,706	4,522,969
	18,690,550	19,066,296	16,501,060	21,331,584	21,981,361	22,700,211
	11,797,768	12,177,869	10,350,671	10,052,163	9,678,533	9,120,262
	-	-	-	-	-	166,565
\$	<u>561,613,171</u>	<u>\$ 606,035,552</u>	<u>\$ 673,271,485</u>	<u>\$ 752,046,056</u>	<u>\$ 748,209,096</u>	<u>\$ 764,140,195</u>

5.59%

5.56%

4.55%

4.85%

4.73%

4.67%

Schedule 7
 District School Board of Osceola County
 Other Financing Sources and Uses and Net Change in Fund Balances
 Governmental Funds
 Last Ten Fiscal Years
(modified accrual basis of accounting)
 Unaudited

	For the Fiscal Year Ending June 30			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Excess of revenues over (under) expenditures	\$ (40,665,617)	\$ (8,522,804)	\$ (22,889,566)	\$ 6,468,616
Other Financing Sources	37,188,470	76,326,708	40,663,038	51,703,245
Other Financing Uses	<u>36,942,805</u>	<u>75,750,149</u>	<u>39,459,848</u>	<u>51,198,924</u>
Net change in fund balances	<u>\$ (40,419,952)</u>	<u>\$ (7,946,245)</u>	<u>\$ (21,686,376)</u>	<u>\$ 6,972,937</u>

Source:
 District records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>\$ 39,557,837</u>	<u>\$ 32,339,692</u>	<u>\$ 22,203,311</u>	<u>\$ 35,240,631</u>	<u>\$ 44,794,819</u>	<u>\$ 89,415,422</u>
71,455,987	199,528,943	28,222,915	46,079,352	58,376,700	122,260,561
<u>73,957,368</u>	<u>114,587,563</u>	<u>36,616,377</u>	<u>56,210,562</u>	<u>57,922,361</u>	<u>46,944,719</u>
<u><u>\$ 37,056,456</u></u>	<u><u>\$ 117,281,072</u></u>	<u><u>\$ 13,809,849</u></u>	<u><u>\$ 25,109,421</u></u>	<u><u>\$ 45,249,158</u></u>	<u><u>\$ 164,731,264</u></u>

Schedule 8
District School Board of Osceola County
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years (In thousands)
Unaudited

Fiscal Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2011	\$ 16,573,745	\$ 16,673,788	\$ 1,473,806	\$ 1,482,702
2012	15,288,985	15,942,633	1,356,605	1,414,604
2013	15,075,763	15,970,088	1,387,049	1,469,332
2014	15,668,183	16,739,512	1,403,246	1,499,194
2015	18,141,220	19,035,908	1,371,038	1,438,655
2016	19,637,295	21,579,445	1,362,727	1,497,502
2017	21,532,969	23,228,661	1,423,844	1,535,970
2018	23,825,533	25,813,145	1,542,600	1,671,289
2019	26,769,110	28,417,314	1,633,570	1,734,151
2020	29,745,311	31,410,043	1,646,343	1,738,483

Notes: Centrally assessed property consists of railroads and other systems which are assessed by the State of Florida.

2021 information not available.

⁽¹⁾ Per \$1,000 of assessed value

Source: Osceola County Comprehensive Annual Financial Report, FYE 9/30/20, Schedule 5

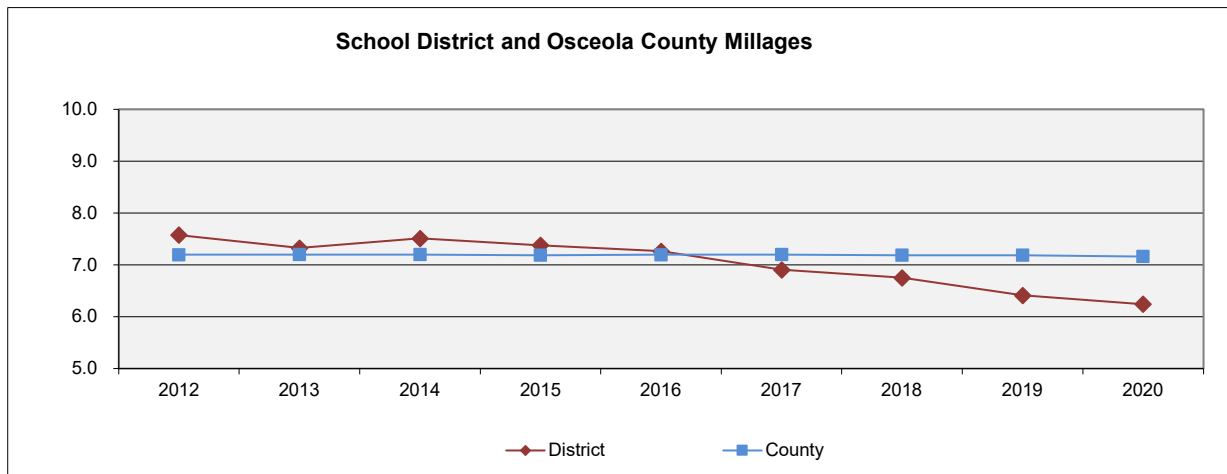
Centrally Assessed Property		Total		Total Direct Rate ⁽¹⁾
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$ 3,677	\$ 3,699	\$ 18,051,228	\$ 18,160,189	7.715
4,083	4,258	16,649,673	17,361,495	7.577
4,184	4,432	16,466,996	17,443,852	7.323
4,365	4,663	17,075,794	18,243,369	7.509
4,493	4,715	19,516,751	20,479,278	7.375
4,767	5,238	21,004,789	23,082,185	7.261
4,630	4,995	22,961,443	24,769,626	6.905
4,821	5,223	25,372,954	27,489,657	6.749
4,801	5,097	28,407,481	30,156,562	6.411
5,422	5,725	31,397,076	33,154,251	6.240

Schedule 9
 District School Board of Osceola County
 Direct and Overlapping Property Tax Rates
 Last Ten Levy Years
(rate per \$1,000 of assessed value)
 Unaudited

Levy Year	District Direct Rates						Overlapping Rates
	Required Local Effort	Capital Outlay	Basic Discretionary	Prior Period Funding Adjustment	Supplemental Discretionary	Total Direct	Osceola County
2012	5.329	1.500	0.748	-	-	7.577	7.195
2013	5.075	1.500	0.748	-	-	7.323	7.197
2014	5.261	1.500	0.748	-	-	7.509	7.196
2015	5.127	1.500	0.748	-	-	7.375	7.184
2016	5.009	1.500	0.748	0.004	-	7.261	7.193
2017	4.643	1.500	0.748	0.014	-	6.905	7.199
2018	4.501	1.500	0.748	-	-	6.749	7.186
2019	4.161	1.500	0.748	0.002	-	6.411	7.186
2020	3.984	1.500	0.748	0.008	-	6.240	7.164
2021	3.761	1.500	0.748	0.017	-	6.026	n/a

Note: Osceola County 2021 information not available

Sources: District records, District Summary Budget, Section I. Assessment and Millage Levies
 Osceola County Comprehensive Annual Financial Report, FYE 9/30/20, Schedule 6



Schedule 10
District School Board of Osceola County
Principal Osceola County Property Tax Payers
September 30, 2020 and Nine Years Earlier
(In thousands)
Unaudited

Taxpayer	September 30, 2020			September 30, 2011		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Westgate Properties/Resorts/Towers	\$ 1,082,345	1	3.45%	\$ 772,994	1	4.28%
Walt Disney Parks and Resorts US Inc.	816,095	2	2.60%	536,181	2	2.97%
Lando Resorts Corporation	672,549	3	2.14%	365,610	3	2.03%
RHP Property G.P. Limited Partnership	306,997	4	0.98%	-	-	0.00%
Tempus Palms International	293,999	5	0.94%	274,270	4	1.52%
Windham Vacation Own & Resorts/Club Wyndham	271,032	6	0.86%	-	-	-
Duke Energy Florida LLC	263,646	7	0.84%	-	-	-
BR Gates/Grand at Westside/Meadows/Sonoma DST	248,771	8	0.79%	-	-	-
Osceola Regional Hospital Inc.	145,021	9	0.46%	87,971	12	0.49%
Omni-Championsgate Resort Hotel LLC	134,280	10	0.43%	99,525	11	0.55%
Sabal Trail Transmission	120,035	11	0.38%	-	-	-
Silver Lake Resort	112,513	12	0.36%	112,781	10	0.62%
Worldmark The Club	102,610	13	0.33%	-	-	-
Walmart Stores/WalSam Dev Co.	92,481	14	0.29%	55,839	20	0.31%
Orlando Resort Development Group, Inc.	76,821	15	0.24%	63,031	18	0.35%
Lowe's Home Centers Inc.	70,580	16	0.22%	74,613	15	0.41%
HUH DI-OCP Crosslands LLC/Cinque Terre LLC	65,353	17	0.21%	-	-	-
San Mateo Crossing LLC	65,252	18	0.21%	-	-	-
Shingle Creek Acquisition LLC	65,160	19	0.21%	-	-	-
Progress Energy Florida Inc.	-	-	-	260,610	5	1.44%
Star Island/Vacation Break/Wyndham	-	-	-	245,200	7	1.36%
Adventist Health System	-	-	-	117,755	9	0.65%
Embarq Florida Inc/Sprint/SprintCom	-	-	-	71,977	16	0.40%
First Continental Corp	-	-	-	75,958	14	0.42%
Ginn-LA/Reunion	-	-	-	76,872	13	0.43%
G.P. Limited Partnership	-	-	-	246,987	6	1.37%
Genon Florida LP	-	-	-	124,099	8	0.69%
Florida Gas Transmission Co.	-	-	-	63,142	17	0.35%
Deerfield Land Corp	-	-	-	59,253	19	0.33%
Total taxable assessed value twenty largest taxpayers	5,005,540		15.94%	3,784,668		20.97%
Total taxable assessed value all other taxpayers	26,391,536		84.06%	14,266,560		79.03%
Total taxable assessed value all taxpayers	\$ 31,397,076		100.00%	\$ 18,051,228		100.00%

Source:

Osceola County Comprehensive Annual Financial Report, FYE 9/30/20, Schedule 7

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Schedule 11
District School Board of Osceola County
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year	Taxes Levied for the Fiscal Year	Collected with the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 134,835,605	\$ 128,901,673	95.60%	\$ 555,818	\$ 129,457,491	96.01%
2013	128,129,837	123,305,931	96.24%	462,603	123,768,534	96.60%
2014	137,619,241	131,876,045	95.83%	550,115	132,426,160	96.23%
2015	144,752,427	139,488,248	96.36%	206,607	139,694,855	96.51%
2016	153,424,444	147,442,560	96.10%	164,884	147,607,444	96.21%
2017	155,326,218	149,783,923	96.43%	121,820	149,905,743	96.51%
2018	166,007,030	159,897,312	96.32%	237,430	160,134,742	96.46%
2019	175,782,158	170,009,659	96.72%	74,249	170,009,659	96.72%
2020	192,931,890	185,073,447	95.93%	67,973	185,141,420	95.96%
2021	196,335,681	196,441,845	100.05%	-	196,441,845	100.05%

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter.
Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1st of each year.

Source: District records

Schedule 12

District School Board of Osceola County

Outstanding Debt by Type

Last Ten Fiscal Years

Unaudited

Fiscal Year	Capital Leases and Installment Purchases	Notes	Bonds	Certificates Of Participation
2012	\$ 343,646	\$ 16,044,967	\$ 82,639,229	\$ 199,375,637
2013	93,280	13,163,292	76,149,609	193,328,587
2014	-	10,126,547	68,906,000	186,625,000
2015	-	6,926,368	66,112,180	182,465,005
2016	-	3,553,948	60,315,556	174,013,756
2017	-	-	139,784,038	166,041,925
2018	-	-	133,297,264	156,118,988
2019	-	-	122,116,112	145,876,051
2020	-	-	110,740,961	135,208,259
2021	-	-	174,319,516	124,143,477

Notes:

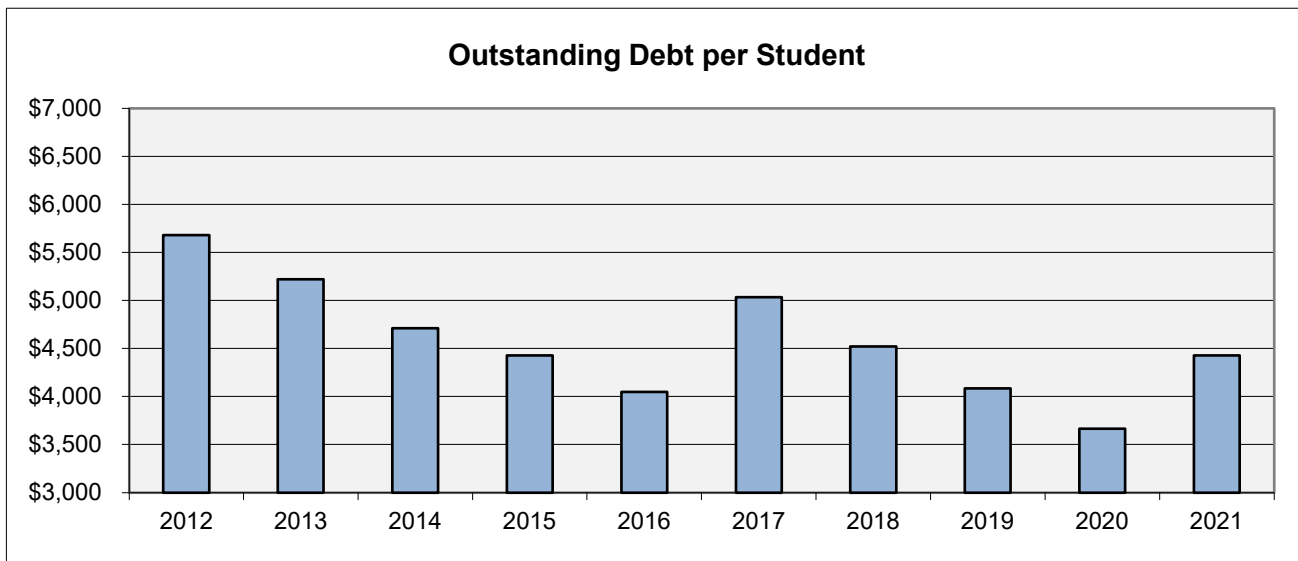
⁽¹⁾ Schedule 16 Personal Income (thousands) divided by Total Debt.

⁽²⁾ Total Debt divided by Schedule 19 Student Enrollment.

n/a = data not available

Source:

District records



EFBD Agreement Payable	Total	Percentage of Personal Income (1)	Outstanding Debt Per Student (2)
\$ 9,346,115	\$ 307,749,594	2.44%	\$ 5,680
8,973,589	291,708,357	2.69%	5,219
4,020,439	269,677,986	2.99%	4,710
3,863,449	259,367,002	3.36%	4,428
9,583,179	247,466,439	3.92%	4,047
9,312,626	315,138,626	3.27%	5,035
9,001,150	298,417,402	3.79%	4,521
8,649,566	276,641,729	4.44%	4,085
8,254,204	254,203,424	5.21%	3,664
7,820,994	306,283,987	n/a	4,426

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Schedule 13
 District School Board of Osceola County
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2021
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Osceola County Board of County Commissioners			
Limited General Obligation Bonds	\$ 15,880,000	100.00%	\$ 15,880,000
Revenue Bonds	415,061,000	100.00%	415,061,000
Special Assessment Bonds	1,100,000	100.00%	<u>1,100,000</u>
Subtotal, overlapping debt			<u>432,041,000</u>
District direct debt			<u>306,283,987</u>
Total direct and overlapping debt			<u><u>\$ 738,324,987</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Osceola County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt, of each overlapping government.

Sources:

- District records
- Osceola County Comprehensive Annual Financial Report, FYE 9/30/20, Schedule 9

Schedule 14
District School Board of Osceola County
Legal Debt Margin Information
Last Ten Fiscal Years (In thousands)
Unaudited

	Fiscal Year			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Assessed value ⁽¹⁾	\$ 18,051,228	\$ 16,649,673	\$ 16,466,996	\$ 17,075,794
Debt limit (10% of assessed value)	1,805,123	1,664,967	1,646,700	1,707,579
Debt applicable to limit:				
Bonds payable	86,957	82,639	76,150	68,906
Total net debt applicable to limit	<u>86,957</u>	<u>82,639</u>	<u>76,150</u>	<u>68,906</u>
Legal debt margin	<u>\$ 1,718,166</u>	<u>\$ 1,582,328</u>	<u>\$ 1,570,550</u>	<u>\$ 1,638,673</u>
Total net debt applicable to the limit as a percentage of debt limit	4.82%	4.96%	4.62%	4.04%

Notes:

This schedule was previously presented as a requirement of Rule 6A-1.037(2) State Board of Education, Florida Administration Code, which established a legal debt limit of 10 percent of the assessed valuation of the District. Rule 6A-1.037 was repealed in March 2006; however, management believes this information may still be of value to users.

⁽¹⁾ Schedule 8

Osceola County's information is not available for 2021

Sources:

District records
Osceola County Comprehensive Annual Financial Report, FYE 9/30/20, Schedule 5

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$	19,516,751	\$ 21,004,789	\$ 22,961,443	\$ 25,372,954	\$ 28,407,481	\$ 31,397,076
	1,951,675	2,100,479	2,296,144	2,537,295	2,840,748	3,139,708
	66,112	60,316	139,784	133,297	122,116	110,741
	66,112	60,316	139,784	133,297	122,116	110,741
\$	<u>1,885,563</u>	<u>\$ 2,040,163</u>	<u>\$ 2,156,360</u>	<u>\$ 2,403,998</u>	<u>\$ 2,718,632</u>	<u>\$ 3,028,967</u>
	3.39%	2.87%	6.09%	5.25%	4.30%	3.53%

Schedule 15
 District School Board of Osceola County
 Pledged-Revenue Coverage
 Last Ten Fiscal Years
 Unaudited

Sales Tax Revenue Bonds - Local Discretionary Surtax					
Fiscal Year	Local Sales Tax Revenue	Debt Service		Coverage	
		Principal	Interest		
2012	\$ 9,925,207	\$ 3,790,000	\$ 3,441,102	137.3%	
2013	10,416,923	3,950,000	3,279,877	144.1%	
2014	10,600,770	4,125,000	3,109,678	146.5%	
2015	12,129,743	4,300,000	2,929,688	167.8%	
2016	12,771,275	4,520,000	2,714,688	176.5%	
2017	13,860,037	5,174,000	1,784,652	199.2%	
2018	15,182,038	5,624,000	901,803	232.6%	
2019	15,972,508	5,740,000	810,918	243.8%	
2020	14,805,629	5,856,000	703,928	225.7%	
2021	15,165,486	5,972,000	594,751	230.9%	

Sales Tax Revenue Bonds - School Capital Outlay Surtax					
Fiscal Year	Local Sales Tax Revenue	Debt Service		Coverage	
		Principal	Interest		
2018	\$ 30,222,267	\$ -	\$ 2,116,000	1428.3%	
2019	31,876,655	4,720,000	2,315,364	453.1%	
2020	29,591,338	4,850,000	2,183,298	420.7%	
2021	30,323,844	4,985,000	2,669,483	396.2%	

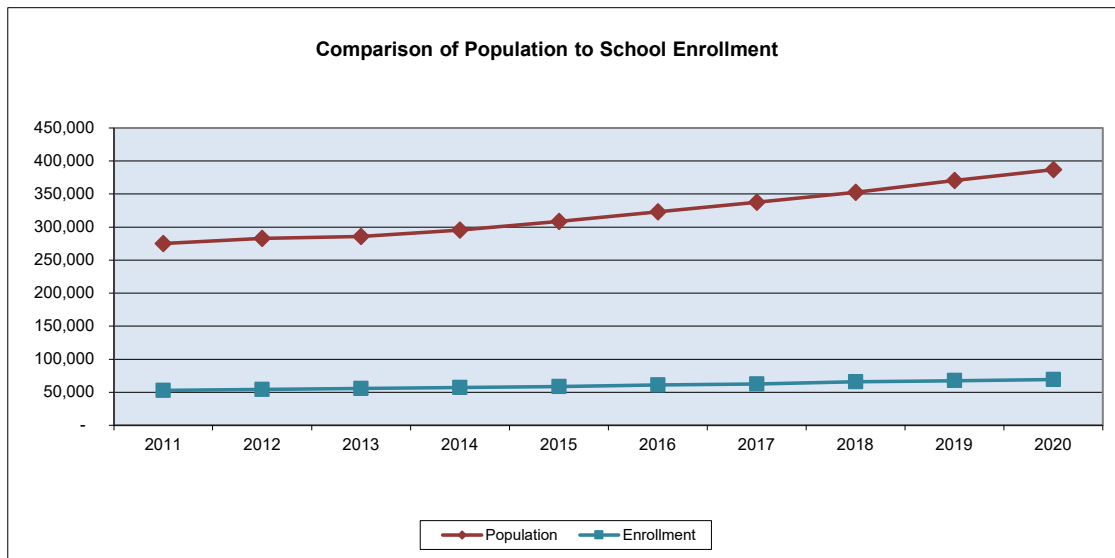
Source: District records

Schedule 16
 District School Board of Osceola County
 Demographic and Economic Statistics
 Last Ten Calendar Years
 Unaudited

Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2011	275,010	7,022,084	25,534	35.5	52,900	11.6%
2012	282,676	7,503,530	26,545	36	54,197	9.4%
2013	286,001	7,851,188	27,452	35.9	55,892	7.2%
2014	295,553	8,065,185	27,288	35.9	57,252	6.7%
2015	308,327	8,713,098	28,259	36.4	58,569	5.7%
2016	322,862	9,691,044	30,016	36.5	61,141	5.0%
2017	337,614	10,300,608	30,510	36.5	62,590	4.2%
2018	352,496	11,303,408	32,067	36.6	66,010	3.6%
2019	370,552	12,271,080	33,116	36.7	67,632	3.3%
2020	387,055	13,248,144	34,228	36.8	69,378	12.7%

Note: Information not available for 2021

Sources: State of Florida Office of Economic and Demographic Research
 District records



Schedule 17
District School Board of Osceola County
Osceola County Principal Employers
September 30, 2020 and Nine Years Earlier
Unaudited

Employer	September 30, 2020			September 30, 2011		
	Employees	Rank	Percentage of Total Labor Force Employed	Employees	Rank	Percentage of Total Labor Force Employed
Total Labor Force Employed ⁽¹⁾	183,636			126,431		
The School District of Osceola County ⁽²⁾	8,562	1	4.66%	6,521	1	5.16%
Walt Disney Company (Osceola County only)	3,700	2	2.01%	3,123	2	2.47%
Orange Lake Resorts & Holiday Inn Club Vacation	2,600	3	1.42%	-	-	0.00%
Osceola Regional Medical Center	1,900	4	1.03%	-	-	0.00%
Advent Health Celebration	1,658	5	0.90%	-	-	0.00%
Gaylord Palms Resort & Convention Center	1,624	6	0.88%	1,433	10	1.13%
Westgate Vacation Villas	1,500	7	0.82%	1,500	9	1.19%
Osceola County Government	1,399	8	0.76%	2,352	3	1.86%
Valencia College	1,213	9	0.66%	-	-	0.00%
Wilson Resort Management	1,200	10	0.65%	-	-	-
Total principal employers	25,356		13.81%	14,929		11.81%

Notes:

⁽¹⁾ Total Labor Force Employed for Osceola County as reported by the Florida Department of Economic Opportunity, Local Area Unemployment Statistics - released 8/20/2021

⁽²⁾ School District employees are shown as of June 30, 2020, and 2011. (See Schedule 18)

Sources:

Osceola County Comprehensive Annual Financial Report, FYE 9/30/20, Schedule 17
Orlando Economic Development Commission
District records

Schedule 18
District School Board of Osceola County
Full-Time-Equivalent District Employees by Type
Last Ten Fiscal Years
Unaudited

	Full-time-Equivalent Employees as of June 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Supervisory										
Officials, Administrators and Managers	43	51	69	61	61	61	69	75	87	79
Consultants/Supervisors of Instruction	11	11	10	7	7	8	7	6	9	8
Principals	55	58	61	60	62	64	68	70	73	76
Assistant Principals	64	69	71	81	88	92	93	99	101	101
Community Education Coordinators	-	-	-	-	-	17	25	29	39	34
Deans/Curriculum Coordinators	9	9	8	6	-	-	-	-	-	-
Total supervisory	182	198	219	215	218	242	262	279	309	298
Instruction										
Classroom Teachers, Elementary (PK-6)	1,438	1,447	1,463	1,509	1,529	1,544	1,547	1,608	1,621	1,583
Classroom Teachers, Secondary (7-12)	1,359	1,405	1,417	1,460	1,483	1,520	1,558	1,628	1,705	1,715
Exceptional Education Teachers	395	402	437	437	463	443	474	543	552	538
Other Teachers	127	130	135	156	157	225	151	308	328	268
Total instruction	3,319	3,384	3,452	3,562	3,632	3,732	3,730	4,087	4,206	4,104
Student Services										
Guidance Counselors	98	100	100	107	105	114	130	154	150	159
Social Workers	9	11	10	10	11	14	13	29	28	26
School Psychologists	31	30	32	33	31	36	36	36	38	39
Librarians/Audio-Visual Workers	47	45	46	45	46	47	48	49	49	49
Other Professional Staff, Instructional	262	277	304	321	321	386	402	458	490	499
Other Professional Staff, Non-Instructional	186	183	183	189	189	201	208	223	225	245
Aides	694	728	786	817	812	876	899	959	974	922
Technicians	124	119	124	127	126	134	134	135	141	139
Total student services	1,451	1,493	1,585	1,649	1,641	1,808	1,870	2,043	2,095	2,078
Support and Administration										
Clerical/Secretarial	494	519	518	538	510	552	560	586	590	591
Service Workers	1,101	1,147	1,150	1,162	1,141	1,186	1,193	1,253	1,242	1,201
Skilled Crafts Workers	66	67	66	70	66	66	63	72	70	73
Unskilled Laborers	20	24	19	21	26	27	29	48	50	54
Total support and administration	1,681	1,757	1,753	1,791	1,743	1,831	1,845	1,959	1,952	1,919
Total	6,633	6,832	7,009	7,217	7,234	7,613	7,707	8,368	8,562	8,399

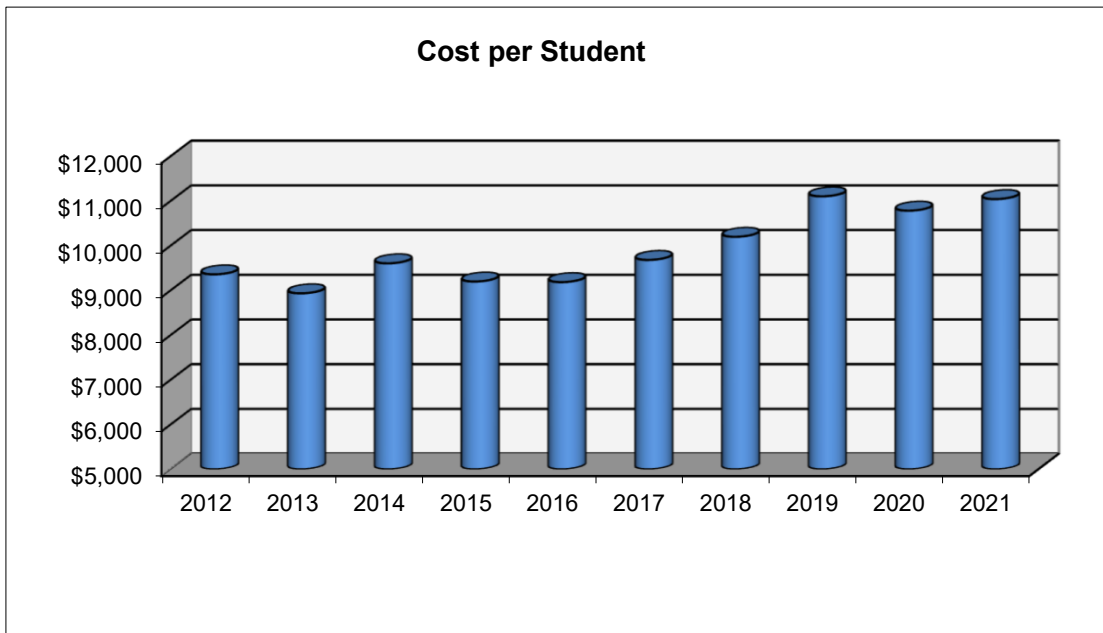
Source:
Florida Department of Education
Education Information and Accountability Services

Schedule 19
 District School Board of Osceola County
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Expenditures	Student Enrollment	Cost per Student	Number of Schools
2012	\$ 507,240,605	54,197	\$ 9,359	45
2013	499,401,847	55,892	8,935	45
2014	549,979,876	57,252	9,606	45
2015	538,758,468	58,569	9,199	45
2016	561,613,171	61,141	9,186	45
2017	606,035,552	62,590	9,683	45
2018	673,271,486	66,010	10,200	45
2019	752,046,056	67,632	11,105	46
2020	748,209,096	69,378	10,785	48
2021	764,140,195	69,194	11,043	49

Sources:

District records
 Florida Department of Education, Education Information and Accountability Services,
 PK - 12 Public School Data Publications and Reports, Students,
 Free/Reduced Price Lunch Eligibility



Number of Classroom Teachers	Student/Teacher Ratio	Percentage of Students Receiving Free/Reduced Meals	
		Osceola	Statewide
3,319	16.3	70.7%	57.6%
3,384	16.5	70.4%	57.5%
3,452	16.6	64.1%	54.2%
3,562	16.4	64.6%	51.3%
3,632	16.8	65.0%	58.1%
3,732	16.8	78.6%	61.2%
3,730	17.7	82.1%	69.4%
4,087	16.6	77.2%	66.0%
4,206	16.5	74.0%	64.1%
4,104	16.9	72.1%	63.7%

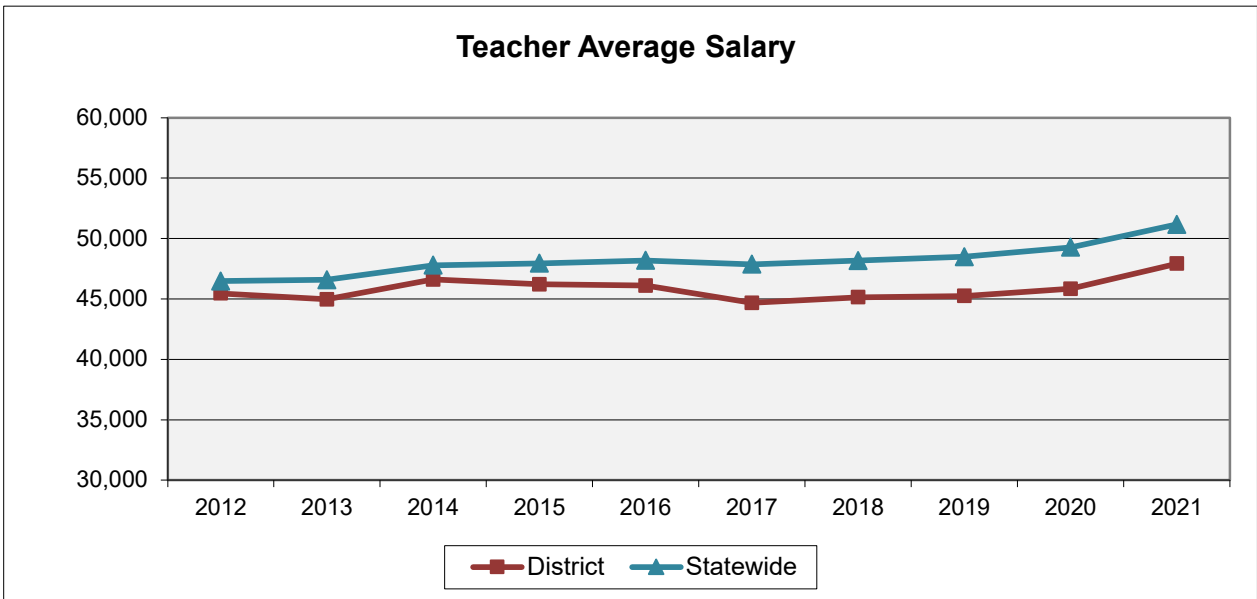
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Schedule 20
 District School Board of Osceola County
 Teacher Salaries
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Minimum Salary ⁽¹⁾	Maximum Salary ⁽¹⁾	Osceola Average Salary ⁽²⁾	Statewide Average Salary ⁽²⁾
2012	\$ 38,036	\$ 66,485	\$ 45,457	\$ 46,479
2013	38,036	66,485	44,965	46,583
2014	39,445	67,894	46,606	47,780
2015	39,500	67,935	46,211	47,950
2016	39,500	68,685	46,103	48,179
2017	40,100	69,285	44,679	47,858
2018	40,100	70,085	45,135	48,168
2019	41,000	71,285	45,236	48,486
2020	41,400	72,785	45,839	49,269
2021	46,100	73,785	47,917	51,166

Sources:

- ⁽¹⁾ District records
- ⁽²⁾ Florida Department of Education
 Education Information and Accountability Services



Schedule 21
District School Board of Osceola County
School Building Information & Unweighted Full-Time Equivalent Enrollment Data
Last Ten Fiscal Years
Unaudited

	Current		Unweighted Full-Time Equivalent Enrollment Data				
	Square Footage	Student Capacity	2020-21	2019-20	2018-19	2017-18	2016-17
Elementary Schools (Placed in Service)							
Boggy Creek (1982)	101,543	878	591	641	673	682	651
Central Avenue (1934)	137,484	1,016	587	657	645	706	635
Chestnut (2005)	125,007	1,088	647	689	687	670	677
Cypress (1991)	107,015	782	496	565	609	693	753
Deerwood (1990)	129,995	990	518	532	549	533	571
East Lake (2010)	110,255	984	833	899	928	930	1,046
Flora Ridge (2007)	119,436	1,150	874	1,003	1,086	976	864
Harmony Community School (2007)	106,047	915	757	837	1,062	1,000	954
Hickory Tree (1983)	120,787	954	564	987	966	917	807
Highlands (1959)	133,844	1,009	662	733	814	859	821
Kissimmee (2000)	130,485	1,118	869	968	985	996	937
Koa (2009)	107,654	898	541	596	622	663	684
Lakeview (1985)	111,571	808	634	684	686	704	689
Michigan Avenue (1971)	134,764	951	734	582	632	626	642
Mill Creek (1986)	140,975	1,120	706	820	882	955	989
Narcoossee (2009)	122,037	1,100	1,064	1,128	1,067	1,004	926
Neptune (2007)	118,621	1,154	947	971	1,000	994	973
Partin Settlement (2002)	123,963	911	769	799	838	887	799
Pleasant Hill (1986)	137,787	1,056	731	732	763	822	823
Poinciana Academy of Fine Arts (2001)	142,990	890	580	612	593	664	658
Reedy Creek (1980)	111,010	1,113	836	990	1,049	1,060	975
Saint Cloud (2005)	126,170	1,186	841	955	979	1,027	969
Sunrise (2005)	125,349	1,176	914	921	864	912	891
Thacker Avenue (1963)	144,926	928	676	765	812	827	846
Ventura (1987)	135,886	1,084	773	823	831	854	883
Total Elementary Schools		25,259	18,144	19,889	20,622	20,961	20,463
Middle Schools (Placed in Service)							
Denn John (1973)	157,049	1,464	945	957	963	881	827
Discovery (2000)	180,530	1,473	1,018	977	951	1,001	981
Harmony (2019)	178,094	1,456	1,032	1,039			
Horizon (1993)	165,298	1,733	1,347	1,309	1,331	1,299	1,273
Kissimmee (1995)	188,507	1,951	1,393	1,401	1,348	1,331	1,194
Narcoossee (2000)	184,375	1,588	1,220	1,208	1,302	1,205	1,177
Neptune (1987)	182,543	1,570	1,007	1,089	1,329	1,472	1,442
Parkway (1986)	153,050	1,268	850	909	956	948	860
Saint Cloud (1974)	149,060	1,602	1,249	1,221	1,451	1,378	1,258
Total Middle Schools			10,062	10,110	9,631	9,515	9,012
High Schools (Placed in Service)							
Celebration (2001)	345,456	2,896	2,430	2,524	2,528	2,515	2,407
Gateway (1981)	305,573	3,074	1,611	1,553	1,632	2,437	2,468
Harmony (2004)	333,362	2,460	2,077	1,996	1,857	2,346	2,145
Liberty (2007)	308,983	2,484	1,719	1,857	1,945	1,963	1,967
Neocity (2019)	50,072	725	303	206			
Osceola (1962)	324,162	2,965	2,132	2,310	2,356	2,744	2,678
PATHS Technical Education Center (1990)	163,079	1,479	462	533	501	537	555
Poinciana (1991)	377,013	3,013	2,201	1,963	2,022	1,859	1,718
Saint Cloud (1962)	278,270	2,333	1,944	2,058	2,064	2,367	2,261
Tohopekaliga (2018)	341,735	3,084	2,120	2,208	2,166	-	-
Total High Schools			17,480	17,683	17,527	17,264	16,688
Multilevel Schools (Placed in Service)							
Canoe Creek K-8 (2021)	142,204	1,447	619				
Celebration K-8 (1995)	218,907	1,936	1,426	1,498	1,494	1,450	1,392
Osceola County School for the Arts (2002)	177,157	1,068	924	921	877	879	950
Westside K-8 (2009)	200,594	2,154	1,873	1,717	1,638	1,653	1,497
Total Multilevel Schools			4,843	4,136	4,009	3,982	3,839
Total K-12 Schools			50,528	51,818	51,789	51,722	50,002

Note: The District's adult schools at oTECH are not included in this report.
Harmony Community changed from multilevel school to elementary school

Sources:
Florida Department of Education, Educational Facilities Summary Report
District records

2015-16	2014-15	2013-14	2012-13	2011-12
682	714	746	720	718
653	712	736	711	686
689	752	697	671	683
735	726	718	755	727
571	672	651	676	698
1,001	974	920	867	859
839	921	949	1,122	1,071
885	830	855	799	800
720	716	653	620	604
826	938	916	963	905
873	996	1,036	843	835
708	759	783	816	863
654	649	656	645	637
648	645	634	618	608
998	975	868	786	867
849	767	717	748	734
975	984	907	886	882
832	791	854	790	818
883	890	891	880	936
681	765	749	714	707
969	967	909	730	763
980	970	971	924	921
890	1,001	928	814	817
874	891	850	791	729
888	946	919	967	917
<u>20,303</u>	<u>20,951</u>	<u>20,513</u>	<u>19,856</u>	<u>19,785</u>
948	1,022	1,140	1,169	1,181
1,026	1,138	1,193	1,219	1,291
1,239	1,220	1,213	1,158	1,199
1,249	1,258	1,300	1,307	1,215
1,178	1,090	1,092	1,069	1,041
1,330	1,296	1,369	1,385	1,399
858	938	1,018	1,011	929
1,191	1,172	1,139	1,180	1,230
<u>9,019</u>	<u>9,134</u>	<u>9,464</u>	<u>9,498</u>	<u>9,485</u>
2,309	2,155	2,005	1,995	1,864
2,454	2,417	2,421	2,317	2,241
1,926	1,822	1,782	1,806	1,858
1,963	1,914	1,873	1,898	2,052
2,676	2,543	2,477	2,285	2,080
593	460	641	681	694
1,685	1,548	1,416	1,447	1,348
2,304	2,214	2,073	2,057	1,886
-	-	-	-	-
<u>15,910</u>	<u>15,073</u>	<u>14,688</u>	<u>14,486</u>	<u>14,023</u>
1,343	1,279	1,280	1,282	1,319
906	911	859	852	828
1,518	1,487	1,351	1,523	1,359
<u>3,767</u>	<u>3,677</u>	<u>3,490</u>	<u>3,657</u>	<u>3,506</u>
<u>48,999</u>	<u>48,835</u>	<u>48,155</u>	<u>47,497</u>	<u>46,799</u>

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SINGLE AUDIT SECTION



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**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor Number	Amount Provided to Subrecipients	Amount of Expenditures
Clustered				
Child Nutrition Cluster:				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	15002	\$ -	341,592
National School Lunch Program	10.555	15001 15003	-	4,573,991
Summer Food Service Program for Children	10.559	14006 14007 15006 15007	-	21,555,344
School Nutrition Programs Emergency Operational Costs Reimbursement Program	10.555			3,760,094
Total Child Nutrition Cluster			-	30,231,021
Special Education Cluster:				
United States Department of Education:				
Florida Department of Education:				
Special Education - Grants to States	84.027	263	279,266	13,388,181
Special Education - Preschool Grants	84.173	267	-	216,542
Total Special Education Cluster			279,266	13,604,723
Student Financial Assistance Cluster:				
United States Department of Education:				
Federal Pell Grant Program	84.063	N/A	-	1,128,966
Total Student Financial Assistance Cluster			-	1,128,966
Not Clustered				
United States Department of Defense				
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	-	155,840
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	251,687
Marines Junior Reserve Officers Training Corps	12.UNK	N/A	-	99,621
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	50,191
Total United States Department of Defense			-	557,339
United States Department of Education				
COVID-19				
Florida Department of Education				
COVID-19 - Governor's Emergency Education Relief Fund	84.425C	N/A	92,537	2,195,196
COVID-19 - Elementary & Secondary School Emergency Relief Fund	84.425D	N/A	3,037,199	26,410,661
Coronavirus Response and Relief Supplemental Appropriations Act - Reimagining Workforce Preparation Grants	84.425G	N/A	-	2,186,423
COVID-19 - Higher Education Emergency Relief Fund-Student Aid Portion	84.425E		-	590,004
Coronavirus Response and Relief Supplemental Appropriations Act - Higher Education Emerg	84.425F	N/A	-	400,923
Total COVID-19			3,129,736	31,783,207
Teacher and Leader Incentive	84.374A	N/A	-	410,620
National Council History Education	84.422	N/A	-	164,212
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191 193	-	645,768
Title I Grants to Local Educational Agencies	84.010	212 222 223 226 228	3,534,175	18,499,555
Career and Technical Education - Basic Grants to States	84.048	161	-	565,850
Education for Homeless Children and Youth	84.196	127	-	152,835
Charter Schools	84.282	298	731,732	731,732
Twenty-First Century Community Learning Centers	84.287	244	453,641	1,683,099
English Language Acquisition State Grants	84.365	102	26,954	2,255,963
Supporting Effective Instruction State Grants, Title II, Part A	84.367	224	129,528	3,191,422
Title I School Improvement	84.377	N/A	-	211,059
Student Support and Academic Enrichment	84.424	241	294,037	1,824,077
Total United States Department of Education			8,299,803	62,119,399
United States Department of Health and Human Services				
Osceola County System Care	93.104	N/A	-	529,184
Total United States Department of Health and Human Services			-	529,184
Total Expenditures of Federal Awards			\$ 8,579,069	\$ 108,170,632

The accompanying notes are an integral part of this schedule.

Notes:

- (1) **Basis of Presentation.** The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Osceola County District School Board under programs of the Federal Government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.
- (2) **Summary of Significant Account Policies.** Expenditures are reported on the modified accrual basis of accounting. Such expenditures are recognized as the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) **Indirect Cost Rate.** The District has not elected to use the 10 percent de minimus cost rate allowed under the Uniform Guidance.
- (4) **Noncash Assistance: National School Lunch Program** - Includes \$3,050,402 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.



Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Chairman and Members of
The District School Board of Osceola County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Osceola County, Florida (the "District") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 24, 2022. Our report includes a reference to other auditors who audited the financial statements of the custodial funds and aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Chairman and Members of
The District School Board of Osceola County, Florida

Compliance and Other Matters

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

Pursuant to provisions of Chapter 10.800, *Rules of the Auditor General*, we reported certain matters to management of the District in a separate management letter and Independent Accountant's Report dated January 24, 2022.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
January 24, 2022



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

Chairman and Members of
The District School Board of Osceola County, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the District School Board of Osceola County, Florida (the “District”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement*, which could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2021. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of the District’s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District’s compliance.

Chairman and Members of
The District School Board of Osceola County, Florida

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to in the first paragraph. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Chairman and Members of
The District School Board of Osceola County, Florida

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the basic financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated January 24, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Our report on the basic financial statements included disclosures regarding our reference to the reports of other auditors. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
January 24, 2022

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended June 30, 2021

Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*.

No matters are reported.

Section III - Federal Award Findings and Questioned Costs Section reported in accordance with the Uniform Guidance.

No matters are reported.

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

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SCHOOL BOARD MEMBERS

- District 1 – Teresa “Terry” Castillo – Chair
407-577-5022
- District 2 – Julius Melendez – Vice Chair
321-442-2862
- District 3 – Jon Arguello
407-433-9082
- District 4 – Clarence Thacker
407-870-4009
- District 5 – Robert Bass
407-870-4009

Superintendent of Schools
 Dr. Debra P. Pace

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2021

Audit Report No. (Finding No.)	Program/Area	Brief Description	Status	Comments
2017-080 (2016-001)	Child Nutrition Cluster (CFDA Nos. 10.553 and 10.555)	Contrary to Federal regulations, the District maintained excess net cash resources for its food service program.	Partially Corrected	The District's budget for FY2021-22 reflects an expected reduction in revenues and increase in appropriations including increased food and distribution costs, which should result in an ending fund balance at June 30, 2022 that will no longer have the District in an excess cash position. On November 2, 2021, the updated SNS plan was presented to the School Board along with the budget update.
2020-001	Unrecorded liabilities	The FY2019-20 audit disclosed an unrecorded liability that resulted in an audit adjustment to a major fund.	Fully Corrected	The District has appropriate processes in place to identify unrecorded liabilities, and has been continuing to strengthen its procedures to ensure all liabilities are properly accrued at year-end.

Student Achievement – Our Number One Priority
 Districtwide Accreditation by the AdvancED Accreditation Commission
 An Equal Opportunity Agency