



**Annual Comprehensive Financial Report**  
**Fiscal Year Ended June 30, 2023**  
**The School Board of Marion County, Florida**



# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**THE SCHOOL BOARD OF MARION COUNTY  
OCALA, FLORIDA**

**FISCAL YEAR ENDED  
JUNE 30, 2023**

**Dr. Diane V. Gullett, Superintendent of Schools**

**Prepared By:**

**The Finance Department**

**The School Board of Marion County  
P.O. Box 670  
Ocala, FL 34478-0670**

**THE SCHOOL BOARD OF MARION COUNTY  
OCALA, FLORIDA  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FISCAL YEAR ENDED  
JUNE 30, 2023**

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OCALA, FLORIDA  
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## INTRODUCTORY

# Principal Officials as of June 30, 2023

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## District School Board



**Mrs. Allison Campbell**  
School Board Chair  
District 1



**Mrs. Lori Conrad**  
Member  
District 2



**Mr. Eric Cummings**  
Member  
District 3



**Mrs. Nancy Thrower**  
School Board Vice-Chair  
District 4



**Dr. Sarah James**  
Member  
District 5

## Executive Officials



**Dr. Diane Gullett**  
Superintendent



**Ms. Theresa Boston-Ellis**  
Chief Financial Officer



**Ms. Margarete Talbert-Irving**  
Chief Academic Officer





January 29, 2024

Members of the Board  
Marion County School Board  
1614 E. Fort King Street  
Ocala, Florida 34471

Dear School Board Members and Citizens of Marion County,

State statute requires that all local governments publish after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Marion County District School Board (the District), for the fiscal year ended June 30, 2023.

This report consists of management’s representations concerning the finances of the District. Responsibility for the administration and management of the schools and the administrative support units of the District is vested in the Superintendent of Schools who serves as the Board Secretary and Chief Executive Officer. Accordingly, responsibility for the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with the Superintendent and the designated representatives of the Superintendent. To provide a reasonable basis for making these representations, the Superintendent and/or her representatives have 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. 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 District representatives, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The State of Florida Auditor General has audited the District’s financial statements. The goal of the independent audit is to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor 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, 2023, 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.

Dr. Diane Gullett  
Superintendent

Dr. Allison Campbell  
District 1

Lori Conrad  
District 2

Eric Cummings  
District 3

Nancy Thrower  
District 4

Dr. Sarah James  
District 5





Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

This report contains the audited financial statements for all operations over which the District is financially accountable. Various potential component units were evaluated to determine whether they should be considered as part of the District's reporting entity. A component unit was considered to be part of the District's reporting entity when it was concluded that the District was financially accountable for the entity or the nature and significance of the relationship between the District and the entity was such that exclusion would cause the District's financial statements to be misleading. Based on established criteria, it was determined that a leasing corporation is identified as a component unit requiring blended presentation, and one direct support organization and four charter schools are component units with discrete presentations in the basic financial statements. Charter schools are funded by the State and Federal governments, and funds pass through the District for distribution to each charter school. Charter schools also receive grants and donations that do not pass through the school system. The notes to financial statements include a detailed discussion of the blended component unit and the component units that are discretely presented in the basic financial statements.

The District is required to undergo an annual Single Audit in conformity with the provisions of the 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, the independent auditors' reports on internal control over financial reporting and on compliance and other matters, the independent auditors' report on Federal program compliance, and the schedule of findings and questioned costs, is included in section IV as additional elements of this report.

### ***Profile of the School District***

The District and its governing board (the 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 (5) elected officials responsible for the adoption of policies which govern the operation of the District's public schools. The Superintendent is responsible for the administration and management of the schools within the applicable parameters of State laws, 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 for the District by State Board of Education Rule 6A-1.001, Florida Administrative Code.

The geographic boundaries of the District are coterminous with those of Marion County. Management of the District is independent of county and city governments. Covering 1,663 square miles, Marion County is one of the largest counties in Florida. With 45,462 students, Marion County student enrollment increased by 2,599 students from the 2021-22 fiscal year to the 2022-23 fiscal year. There is an increase in projected growth for the 2023-24 fiscal year student enrollment.

The District provides a full range of educational programs in Marion County. These include early childhood, kindergarten through 12<sup>th</sup> grade, basic and enriched programs, and exceptional student education. The District also provides vocational, workforce and adult programs.

Key academic achievements are listed below:

- Marion County Public Schools was named the District of the Year for medium-sized school districts by Cambridge International. Cambridge recognized MCPS based on the districts increased student access to the rigorous Cambridge curriculum, sustained or improved student performance on Cambridge exams, and commitment to equity in education for all students. Belleview High School was recognized as a Cambridge AICE Demonstration school.
- Eleven Marion County Public School students were named as National Merit Finalists, earning thousands of dollars in college scholarships, and adding more tallies to the number of winners from Belleview, Vanguard, and West Port High Schools.
- West Port High School was an Arts Achieve Model School.
- South Ocala Elementary School Received first place in the Media Festival for the Public Service Announcement and second place for music video. In the High School division, Dunnellon High School received first place for promotional video.
- Dunnellon High School was named a Magnet School of America school of distinction for the second consecutive year.
- Dunnellon Middle School was recognized for the third consecutive year by AVID as a nationally certified school.
- Belleview High School was a 2023 National Magnet School of Excellence by Magnet Schools of America.
- North Marion High School introduced the first Equine Studies program for a high school in the state of Florida.

### ***Factors Affecting Financial Condition***

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

**Economy.** The District relies heavily upon state funding for the core of the educational programs within the District, and while the economic conditions of the nation and state interact with state funding adequacy and availability, the economic outlook for the District is consistent with the national situation. The State of Florida is dependent upon sales tax collections and tourism. In addition, the community within the District is wholly supportive of the educational program, as evidenced by the contribution of money, time and effort. Any funding fluctuations will mean that new programs, innovative initiatives, and educational enhancements may not be available within the desired time frames.

The Board, Superintendent, and staff are acutely aware of the perils of interrupted revenue receipts. Prudent business practices, accompanied by statutes mandating balanced budgets, result in a continual review of the financial condition of the District.

**Career Development.** As the work force needs in the community change, the District works with the Ocala/Marion County Chamber and Economic Partnership, Career Source, local employers, and other organizations to help ensure our students are prepared to continue on to post-secondary education, the military, or to join our local work force.

Public-private partnerships are shaping strategies to help ensure students are prepared for highly skilled jobs available in Marion County. Marion Technical College (MTC) postsecondary programs and all Marion County secondary career and technical programs work cooperatively with local business

advisory committees to ensure that all programs meet the standards for preparing students for productive careers and for continued education. New program offerings at the secondary levels are selected for implementation based upon projected job openings and high-skill, high-wage criteria.

### ***Long-Term Financial Planning***

**Budgetary Controls.** The District strives to maintain adequate fund balances and top debt ratings by careful management of its financial resources. The District establishes and maintains policies, procedures, and budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds are included in the annual appropriations budget. Although project length financial plans are adopted for the Capital Project Funds, the funding is contingent upon the annual budget adoption. Budgetary control is maintained for individual accounts or a group of accounts within each school or department through the use of an encumbrance accounting system. This process tests for availability of funds, which precludes a requisition for services, equipment, supplies or materials from becoming a purchase order if the account would be overspent. The budgetary process is discussed under the Budgetary Compliance and Accountability section of the Notes to Required Supplementary Information.

**Capital/Facilities Plan.** Long-term financial facility needs are addressed in a Five-Year District Facilities Work Plan encompassing all construction, maintenance, and facility renovation. The Facilities Work Plan is updated every year. Funding is provided primarily from the local capital outlay millage levy on an annual basis.

All school buildings across the county are maintained by the Facilities Department and vary among age and structure. Eighth Street Elementary, built in 1914, marks as the oldest school while Legacy Elementary, which was completed in 2011, marks as the newest addition. A complete list of schools with their year acquired and square footage can be referenced in the Statistical Section of this report on pages 122-123.

To protect, improve, and maintain our schools in our District takes many hours and days. It has become necessary to focus our capital outlay resources on preventative maintenance, repairs, and the upkeep or replacement of building systems. This is critical to continue to meet health, safety, and accessibility requirements. School districts in Florida have been hit hard by the reduction in local capital outlay taxing authority. In response to the U.S. recession in 2008 and 2009, the Florida Legislature reduced the capital millage authority of local school boards by 25%. This 25% reduction of the taxing rate, previously used by districts to meet the needs of facility maintenance, has forced school systems to utilize General Fund dollars to cover the expense of the ongoing, everyday operational projects at school sites and in turn has grown the deferred capital project listings. We continue to update, adopt, and review existing facility maintenance needs within available resources.

### ***Financial Information***

A detailed explanation of the financial position and operating results of the District is provided in this report. The accounting policies of the District conform to GAAP applicable to governmental units. The statements and schedules included in the financial section of this report demonstrate the District's continued commitment to sound financial management.

## **Retirement Program**

The District participates in the Florida Retirement System, which is administered by the State of Florida Department of Management Services. Note III.E to the financial statements describes the District's retirement program in greater detail.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School District of Marion County, Florida, for its ACFR for fiscal year ended June 30, 2022. This is the twenty third consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both GAAP and applicable legal requirements.

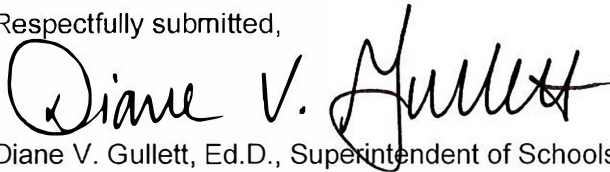
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

The preparation of the Annual Comprehensive Financial Report could not have been accomplished without the loyal and dedicated assistance of the entire staff of the Finance Department, as well as the entire District administrative staff who provided assistance throughout the preparation of this report. We would like to thank the School Board Members for their interest and support in establishing responsible and progressive financial policies for the District. The citizens of Marion County are also to be commended for their continued support of the public schools.

As this fiscal year ends, and we look back at the events that have affected us as a District and as a community, our commitment to quality education is as strong as ever.

Respectfully submitted,



Diane V. Gullett, Ed.D., Superintendent of Schools



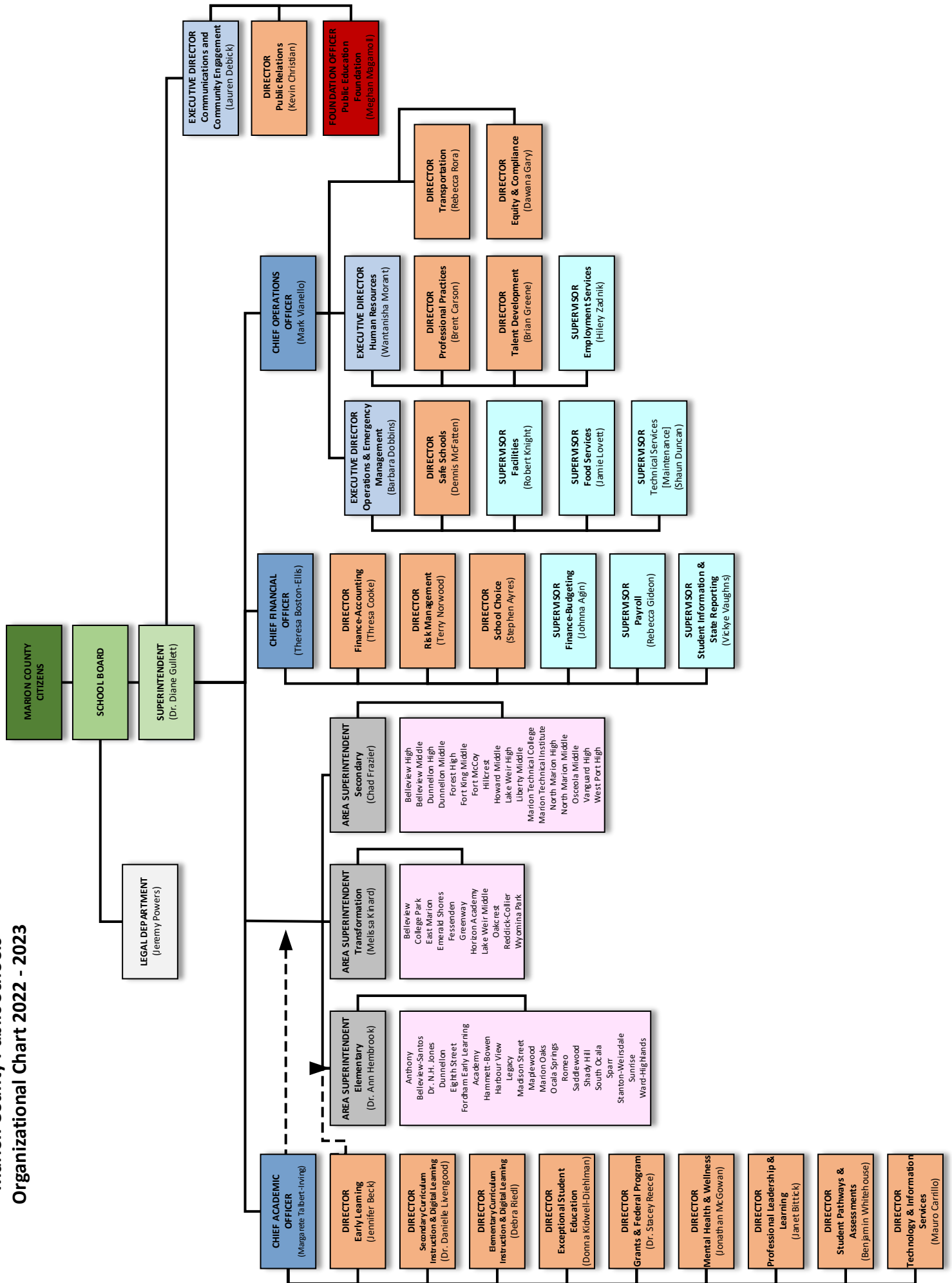
Theresa Boston-Ellis, Chief Financial Officer



Theresa Cooke, Director of Finance



# Marion County Public Schools Organizational Chart 2022 - 2023





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**School District of Marion County  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morill*

Executive Director/CEO



FINANCIAL

## **FINANCIAL SECTION**

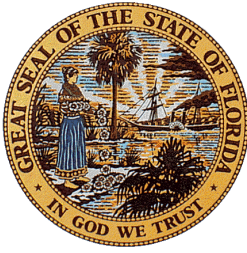
**This section contains the following subsections:**

**Independent Auditor's Report  
Management's Discussion and Analysis  
Basic Financial Statements**

**Notes to Financial Statements  
Required Supplementary Information  
Notes to Required Supplementary Information**

**Supplementary Information:  
Combining and Individual Fund Financial Statements and  
Schedules**





Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## INDEPENDENT AUDITOR'S REPORT

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Marion County District School Board, as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Marion County District School Board, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the school internal funds, which represent 6 percent, 0 percent, 8 percent, 5 percent, and 5 percent, respectively, of the assets, liabilities, net position and fund balance, additions and revenues, and deductions and expenditures of the aggregate remaining fund information as of June 30, 2023. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units columns as of June 30, 2023. The financial statements of the school internal funds and the aggregate discretely presented component units were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the financial statements of the school internal funds and the aggregate discretely presented component units, are based solely on the reports of the other auditors.

## ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the ***Auditor's Responsibilities for the Audit of the Financial Statements*** section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that **Management's Discussion and Analysis, Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – Major Fund – General Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Major Special Revenue Fund – Other Federal Programs Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Major Special Revenue Fund – Federal Education Stabilization Fund; Schedule of Proportionate Share of Net Pension Liability and Schedule of District Contributions – Florida Retirement System Pension Plan; Schedule of Proportionate Share of Net Pension Liability and Schedule of District Contributions – Health Insurance Subsidy Pension Plan; Schedule of Change in Other Postemployment Benefit (OPEB) Plan Liability and Related Ratios; and Notes to Required Supplementary Information** be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 basic financial statements or to the basic financial statements

themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules, and the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, are fairly stated in all material respects, in relation to the basic financial statements as a whole.

***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **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**. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
January 29, 2024  
Audit Report No. 2024-118



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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The management of the Marion County District School Board (the District) has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2023. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2022-23 fiscal year are as follows:

- Total Net Position is \$398,267,522, which represents a 14.26 percent increase from the 2021-22 fiscal year.
- General revenues total \$544,544,657, or 91.30 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$51,910,250 or 8.70 percent of all revenues.
- Expenses total \$546,759,752; only \$51,910,250 of these expenses were offset by program revenues, with the remainder paid from general revenues. Total revenues exceed total expenses by \$49,695,155.
- The total assets and deferred outflows of resources of the district is \$833,269,432 and total liabilities and deferred inflows of resources is \$435,001,910.
- The total combined assigned and unassigned fund balance of the General Fund, representing the net fund balance that is spendable and not restricted or committed totals \$46,876,090 at June 30, 2023, or 11.49 percent of total General Fund revenues excluding transfer and loss recoveries. The unassigned fund balance totals \$26,181,391 which represents 6.42 percent of total General Fund revenues. The restricted balance of \$32,560,020 represents 7.98 percent of total General Fund Revenues and is restricted for activities related to State carry forward and referendum activities.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The basic financial statements consist of three components:

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

#### **Government-Wide Financial Statements**

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net 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, its liabilities, its deferred inflows and its deferred 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, which is a measure of the District's financial health. 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 five separate legal entities in this report including the Marion Charter School, Inc.; the McIntosh Area School, Incorporated; The Clear Choice Academics, Inc., d/b/a Ocali Charter Middle School, Inc.; Ina A. Colen Academy; and the Public Education Foundation of Marion County, Inc. Although the charter schools do not meet the specific financial accountability criteria, they are included in this report as component units based on the nature and significance of their relationship with the District to prevent the District's financial statements from being misleading. Financial information for these component units are reported separately from the financial information presented for the primary government.

The Marion County School Board Leasing Corporation, Inc. (Leasing Corporation), also a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

## **Fund Financial Statements**

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

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize the current financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements.

The current financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund statements provide a detailed short-term view that may be used to evaluate the District's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Special Revenue – Other Federal Programs Fund, Special Revenue - Federal Education Stabilization Fund, and the Capital Projects – Local Capital Improvement Fund. Data from the other seven governmental funds are considered nonmajor and are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and are presented as supplementary information.

### **Proprietary Fund**

Proprietary funds may be established to account for activities in which a fee is charged for services. The District maintains an internal service fund to report activities that provide services to support the District's other programs and functions through user charges. The District uses the internal service fund to account for the cost of the District's self-insurance risk management programs. Since these services predominantly benefit governmental functions, the internal service fund has been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same types of information as the government-wide financial statements, only in more detail. The internal service fund is presented in a single column in the proprietary fund financial statements.

### **Fiduciary Funds**

Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds and the Silver River Museum. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The District uses Custodial Funds to account for resources held for student activities and groups and a Private-Purpose Trust Fund to account for private funds held for the Silver River Museum.

### **Notes to Financial Statements**

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

## Required Supplementary Information

The District adopts an annual budget for its governmental funds. A budgetary comparison schedule has been provided for the General Fund and the major Special Revenue Funds to demonstrate compliance with the budget. Additional required supplementary information is presented relating to the schedule of change in other postemployment benefit plan liability and related ratios, and net pension liabilities and contributions.

## Notes to Required Supplementary Information

The notes provide additional information that is essential for a full understanding of the data provided in the required supplementary information.

## Other Supplementary Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial health. The following is a summary of the District's net position as of June 30, 2023, compared to net position as of June 30, 2022:

	Net Position, End of Year	
	Governmental Activities	
	6-30-23	6-30-22
Current Assets	\$ 212,002,850	\$ 170,206,023
Capital Assets, Net of Depreciation	518,441,376	510,063,535
<b>Total Assets</b>	<u>730,444,226</u>	<u>680,269,558</u>
<b>Deferred Outflows of Resources</b>	<u>102,825,206</u>	<u>86,503,837</u>
<b>Total Assets and Deferred Outflows of Resources</b>	833,269,432	766,773,395
Current Liabilities	31,937,610	23,463,432
Noncurrent Liabilities	375,428,838	240,169,548
<b>Total Liabilities</b>	<u>407,366,448</u>	<u>263,632,980</u>
<b>Deferred Inflows of Resources</b>	<u>27,635,462</u>	<u>154,568,499</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	435,001,910	418,201,479
Net Position:		
Net Investment in Capital Assets	476,030,963	460,097,901
Restricted	92,180,004	67,661,690
Unrestricted (Deficit)	<u>(169,943,445)</u>	<u>(179,187,675)</u>
<b>Total Net Position</b>	<u>\$ 398,267,522</u>	<u>\$ 348,571,916</u>

The largest portion of the District's net position reflects its investment in capital assets (e.g., land; buildings and fixed equipment; furniture, fixtures, right to use assets and equipment), less any related debt still outstanding net of unspent debt proceeds. Current assets increased due to amounts due to the district, additional investment balances due to investment earnings and additional funds available from property taxes and COVID relief funding under the Federal Education Stabilization Fund. Although the investment in capital assets is reported net of related debt, the resources used to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

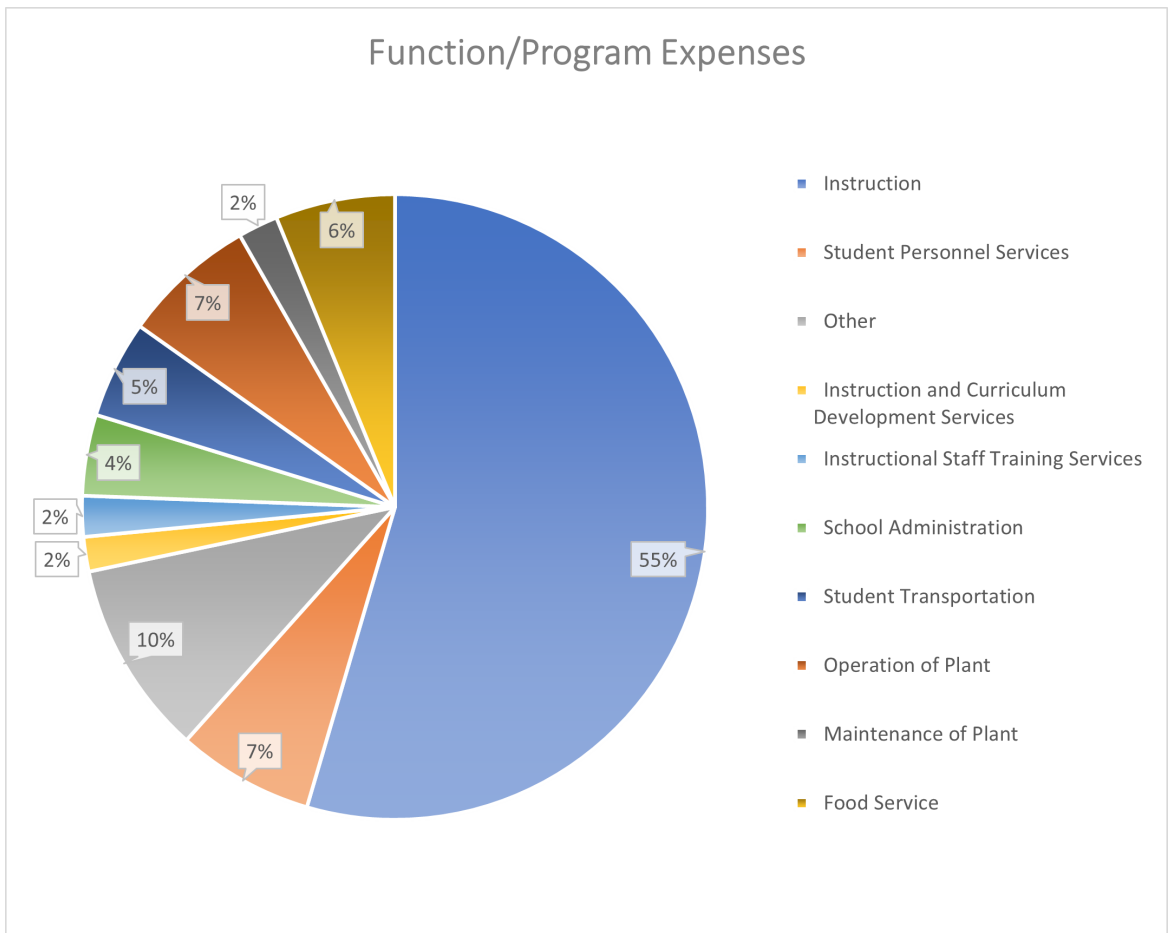
Long-term liabilities increased and deferred inflows of resources decreased primarily due to the District recognizing its proportionate share of the Florida Retirement System's net pension liability and deferred inflows of resources.

The restricted portion of the District's net position represents resources that are subject to external restrictions for capital projects, debt service, food service and other projects.

Governmental activities increased the District's net position by \$49,695,155 during the 2022-23 fiscal year, detailed as follows:

	<b>Operating Results for the Fiscal Year Ended</b>	
	Governmental Activities	
	06-30-23	06-30-22
Program Revenues:		
Charges for Services	\$ 9,887,851	\$ 8,631,262
Operating Grants and Contributions	39,945,725	30,182,932
Capital Grants and Contributions	2,076,674	1,973,608
General Revenues:		
Property Taxes Levied for Operational Purposes	143,290,957	128,630,512
Property Taxes Levied for Capital Projects	42,922,474	35,699,539
Grants and Contributions Not Restricted to Specific Programs	341,959,398	316,914,783
Unrestricted Investment Earnings	5,294,884	(716,941)
Miscellaneous	11,076,944	7,524,641
<b>Total Revenues</b>	<b>596,454,907</b>	<b>528,840,336</b>
Functions/Program Expenses:		
Instruction	301,698,333	262,397,977
Student Personnel Services	39,090,657	34,407,437
Instructional Media Services	4,380,185	4,049,279
Instruction and Curriculum Development	9,898,185	11,326,002
Instructional Staff Training Services	11,641,423	10,400,778
Instruction Related Technology	4,015,351	3,439,180
Board of Education	1,157,534	905,727
General Administration	5,732,853	4,799,515
School Administration	23,154,660	21,598,064
Facility Services	7,001,511	4,806,312
Fiscal Services	3,996,339	3,662,380
Food Services	34,219,904	26,483,331
Central Services	6,761,608	6,141,045
Student Transportation Services	27,939,648	23,065,800
Operation of Plant	38,316,430	31,715,419
Maintenance of Plant	11,447,511	10,109,387
Administrative Technology Services	4,845,798	4,963,826
Community Services	10,023,756	9,177,576
Unallocated Interest on Long-Term Debt	1,438,066	1,900,016
<b>Total Functions/Program Expenses</b>	<b>546,759,752</b>	<b>475,349,051</b>
<b>Increase (Decrease) in Net Position</b>	<b>49,695,155</b>	<b>53,491,285</b>
Net Position - Beginning as Previously Reported	348,571,916	295,080,631
Adjustment to Beginning Net Position	451	-
Net Position - Beginning, as Restated	348,572,367	295,080,631
Net Position - Ending	<b>\$ 398,267,522</b>	<b>\$ 348,571,916</b>





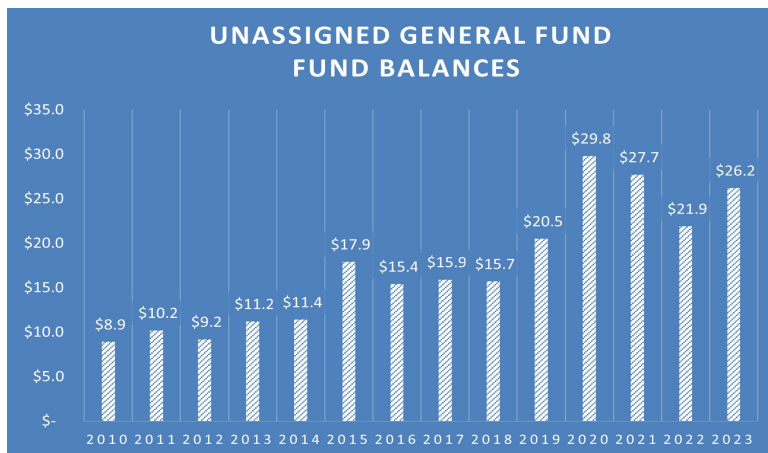
**Key elements of the change in net position are as follows:**

- Property values continue to rise providing increased property taxes for operations and capital projects.
- The increase in net investment in capital assets is due primarily to ongoing construction, including a new central warehouse, electrical and HVAC upgrades. In addition, the implementation of GASB Statement No. 87 recorded right to use assets of approximately 1 million dollars.
- The District continued to receive grants and funds from the Federal Education Stabilization Funds for academic acceleration, technology assistance, non-enrollment and lump sum to continue to offset the impact on school operations related to COVID-19 virus. It is important to note that the Federal Education Stabilization Funds end on September 30, 2024.

**Major Governmental Funds**

General Fund: This fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance was \$26,181,391 while the total fund balance was \$90,008,533. The total fund balance increased by \$19,305,943 during the 2022-23 fiscal year. The increase in fund balance is primarily due to an increase in property values that was offset by increases in expenses related to instruction, student transportation and operation of plant. The increase in instruction is related to additional employee costs and materials and supplies. Other factors included higher interest earnings than in previous years and non-recurring federal stabilization funds as a result of the pandemic. In addition, in the 2022-23 fiscal year the District

allocated \$7,463,092 to the committed fund balance. The committed fund balance classification may include amounts that can be used only for the specific purpose determined by formal action of the District's highest level of decision making authority.



**Special Revenue – Other Federal Programs Fund:**

This fund had revenues and expenditures of \$38,511,595, each. Funding was mainly used for instruction and student support services. Because revenues in this fund are recognized to the extent expenditures are incurred, this fund generally does not accumulate a fund balance.

**Special Revenue – Federal Education Stabilization Fund:**

This fund had revenues and expenditures and transfers out of \$55,718,249. Funding was mainly used for instruction and student support services. Because revenues in this fund are recognized to the extent expenditures are incurred, this fund generally does not accumulate a fund balance.

**Capital Projects – Local Capital Improvement Fund:**

This fund has a total fund balance of \$26,054,705, all of which is restricted for the acquisition, construction, and maintenance of capital assets. The fund experienced an increase in fund balance for 2023 of \$270,583. The District received increase property tax revenues due to increased assessed value that are driven by increased local real estate market values. These additional funds were offset by continuing improvements that include a new central warehouse, HVAC updates, and electrical improvements in District assets.

**Proprietary Fund**

Unrestricted net position of the Internal Service Fund totaled \$23,821,320 at June 30, 2023, an increase of \$7,292,335 from the previous fiscal year. Total operating expenses were \$54,233,813 comprised of salaries, employee benefits, purchased services, and expense claims. The increase in net position was due to increased revenues resulting from additional enrollees, investment income, and rebates.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

During the course of the 2022-23 fiscal year, the District amended its General Fund budget several times due primarily to changes in estimated local and Federal through State funding levels and making corresponding adjustments to planned expenditures to ensure maintenance of an adequate fund balance.

The District made several management decisions to curtail spending, which resulted in actual expenditures being approximately \$61 million less than the original budget amounts.

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

### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$518,441,376 (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; leased assets; and audio-visual materials and computer software.

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

- Several heating, ventilating, and air conditioning and re-modeling projects were completed during the year.
- New Central Warehouse Facility.
- Depreciation expense totaled \$21,614,042.

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

### **Long-Term Liabilities**

At June 30, 2023, the District has \$36,604,923 total capital asset-related debt outstanding. This amount is composed of \$22,745,000 of certificates of participation payable, \$1,741,000 of bonds payable, \$10,012,964 of notes payable, \$650,937 of leases payable and \$1,455,022 of unamortized premiums.

Other items classified as long-term liabilities, in the government-wide financial statements, include the compensated absences liability totaling \$31,767,295, other postemployment benefits payable in the amount of \$17,884,104, estimated insurance claims payable totaling \$11,430,931, and net pension obligations totaling \$277,741,585.

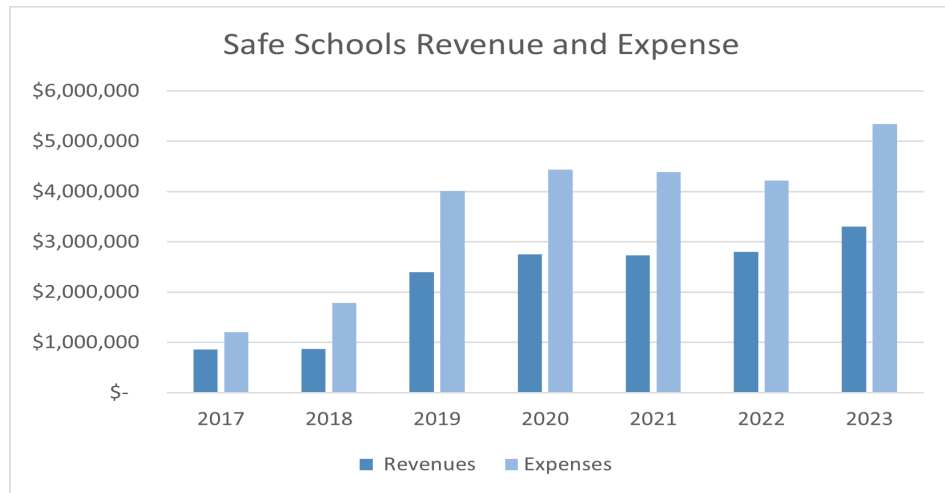
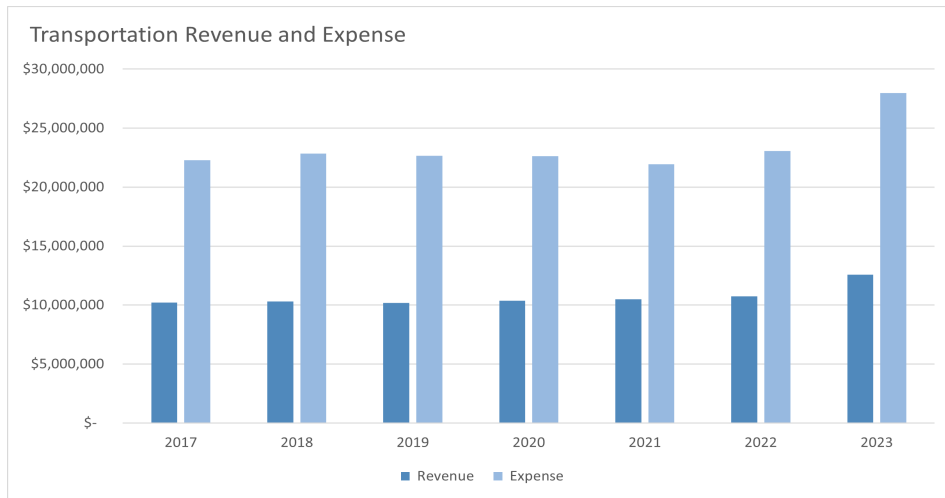
Additional information on the District's long-term liabilities can be found in Note III.J. to the financial statements.

## OTHER MATTERS OF SIGNIFICANCE

As a part of the State-wide educational funding formula, the District is given operational revenues through State appropriations. The District then aligns expenses to fall within those parameters.

Capital revenues are levied up to capacity based on the needs identified in the District Facilities Work Program to adequately house growth in the student population.

Transportation expenses, as well as partially funded mandates such as safe schools, continue to exceed revenues. Funding these areas from current operations continue to be challenging.



## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Marion County District School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, School District of Marion County, Florida, 1614 E. Fort King Street, Ocala, FL 34471.



**MARION COUNTY DISTRICT SCHOOL BOARD**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	<b>Primary Governmental Activities</b>	<b>Component Units</b>
<b>Assets</b>		
Cash	\$ 51,809,377	\$ 1,689,824
Investments	117,525,702	891,489
Accounts Receivable	1,101,861	189,951
Leases Receivable	1,609,962	-
Deposits Receivable	140,000	15,906
Due from Other Agencies	35,090,442	22,482
Inventories	4,230,794	332,417
Prepaid Items	494,712	27,165
Assets Held by Others	-	2,339,180
Capital Assets:		
Capital Assets Not Being Depreciated	50,249,722	364,833
Capital Assets Being Depreciated, Net	468,191,654	2,505,995
<b>Total Assets</b>	<b>730,444,226</b>	<b>8,379,242</b>
<b>Deferred Outflows of Resources</b>		
Deferred Amount on Refunding	612,678	-
Deferred Amount on Other Postemployment Benefits	2,271,340	-
Deferred Amount on Pension Liability	99,941,188	413,231
<b>Total Deferred Outflows of Resources</b>	<b>102,825,206</b>	<b>413,231</b>
<b>Liabilities</b>		
Salaries and Benefits Payable	2,872,516	20,109
Payroll Deductions and Withholdings Payable	7,853,546	-
Accounts Payable	13,104,546	64,354
Sales Tax Payable	3,419	-
Accrued Expenses	-	75,560
Deposits Payable	169,521	-
Construction Contracts Payable	5,549,492	-
Construction Contracts Payable - Retainage	911,513	-
Accrued Interest Payable	175,885	-
Due to Other Agencies	385,778	14,749
Unearned Revenue	911,394	-
Long-term Liabilities Due Within One Year	18,032,703	419,499
Long-term Liabilities Due After One Year	357,396,135	4,968,091
<b>Total Liabilities</b>	<b>407,366,448</b>	<b>5,562,362</b>
<b>Deferred Inflows of Resources</b>		
Deferred Inflow - Leases	1,602,640	-
Deferred Amount on Other Postemployment Benefits	9,972,028	-
Deferred Amount on Pension Liability	16,060,794	81,150
<b>Total Deferred Inflows of Resources</b>	<b>27,635,462</b>	<b>81,150</b>
<b>Net Position</b>		
Net Investment in Capital Assets	476,030,963	287,035
Restricted for:		
State Required Carryover Programs	19,836,569	-
Food Service	16,991,625	-
School Internal Accounts	3,206,072	-
Debt Service	520,083	-
Capital Projects	38,902,204	549,157
Referendum Property Tax	12,723,451	-
Other Purposes	-	2,890,325
Permanent Endowments: Nonexpendable	-	160,318
Unrestricted (Deficit)	(169,943,445)	(737,874)
<b>Total Net Position</b>	<b>\$ 398,267,522</b>	<b>\$ 3,148,961</b>

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

**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units
					Governmental Activities	
<b>Primary Government</b>						
Governmental Activities:						
Instruction	\$ 301,698,333	\$ 9,124,849	\$ -	\$ -	\$ (292,573,484)	\$ -
Student Personnel Services	39,090,657	-	-	-	(39,090,657)	-
Instructional Media Services	4,380,185	-	-	-	(4,380,185)	-
Instruction and Curriculum Development	9,898,185	-	-	-	(9,898,185)	-
Instructional Staff Training Services	11,641,423	-	-	-	(11,641,423)	-
Instruction Related Technology	4,015,351	-	-	-	(4,015,351)	-
Board of Education	1,157,534	-	-	-	(1,157,534)	-
General Administration	5,732,853	-	-	-	(5,732,853)	-
School Administration	23,154,660	-	-	-	(23,154,660)	-
Facility Services	7,001,511	-	-	1,817,563	(5,183,948)	-
Fiscal Services	3,996,339	-	-	-	(3,996,339)	-
Food Services	34,219,904	654,179	39,945,725	-	6,380,000	-
Central Services	6,761,608	-	-	-	(6,761,608)	-
Student Transportation Services	27,939,648	108,823	-	-	(27,830,825)	-
Operation of Plant	38,316,430	-	-	-	(38,316,430)	-
Maintenance of Plant	11,447,511	-	-	-	(11,447,511)	-
Administrative Technology Services	4,845,798	-	-	-	(4,845,798)	-
Community Services	10,023,756	-	-	-	(10,023,756)	-
Unallocated Interest on Long-term Debt	1,438,066	-	-	259,111	(1,178,955)	-
<b>Total Primary Government</b>	<b>\$ 546,759,752</b>	<b>\$ 9,887,851</b>	<b>\$ 39,945,725</b>	<b>\$ 2,076,674</b>	<b>(494,849,502)</b>	<b>-</b>
<b>Component Units</b>						
Component Units	\$ 10,154,431	\$ 324,019	\$ -	\$ 282,302	-	(9,548,110)
<b>General Revenues</b>						
Taxes:						
Property Taxes, Levied for Operational Purposes					143,290,957	-
Property Taxes, Levied for Capital Projects					42,922,474	-
Grants and Contributions Not Restricted to Specific Programs					341,959,398	7,949,108
Unrestricted Investment Earnings					5,294,884	68,309
Miscellaneous					11,076,944	-
<b>Total General Revenues</b>					<b>544,544,657</b>	<b>8,017,417</b>
<b>Change in Net Position</b>					<b>49,695,155</b>	<b>(1,530,693)</b>
Net Position - Beginning as Previously Reported					348,571,916	4,626,274
Adjustment to Beginning Net Position					451	53,380
Net Position - Restated					<b>348,572,367</b>	<b>4,679,654</b>
<b>Net Position - Ending</b>					<b>\$ 398,267,522</b>	<b>\$ 3,148,961</b>

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

**MARION COUNTY DISTRICT SCHOOL BOARD  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2023**

	General Fund	Special Revenue - Other Federal Programs Fund	Special Revenue - Federal Education Stabilization Fund
<b>Assets</b>			
Cash	\$ 2,762,865	\$ 10	\$ -
Investments	90,393,162	-	-
Accounts Receivable	400,838	-	1,954
Leases Receivable	1,609,962	-	-
Due from Other Agencies	5,406,153	3,902,034	23,915,177
Due from Other Funds	60,701	-	-
Inventories	2,715,098	-	-
Prepaid Items	394,233	2,603	45,374
<b>Total Assets</b>	<b>\$ 103,743,012</b>	<b>\$ 3,904,647</b>	<b>\$ 23,962,505</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>			
<b>Liabilities</b>			
Salaries and Benefits Payable	\$ 1,422,025	\$ 245,967	\$ 1,122,600
Payroll Deductions and Withholdings Payable	6,762,479	433,695	574,904
Accounts Payable	3,246,589	180,196	852,787
Sales Tax Payable	3,419	-	-
Deposits Payable	58	-	-
Construction Contracts Payable	74,969	-	323,000
Construction Contracts Payable - Retainage	3,516	-	-
Due to Other Agencies	181,665	25,378	169,161
Due to Other Funds	-	2,634,149	20,874,465
Unearned Revenue	437,119	385,262	45,588
<b>Total Liabilities</b>	<b>12,131,839</b>	<b>3,904,647</b>	<b>23,962,505</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflow - Leases	1,602,640	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,602,640</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>			
Nonspendable:			
Inventories	2,715,098	-	-
Prepaid Items	394,233	-	-
Total Nonspendable Fund Balance	3,109,331	-	-
Restricted for:			
State Required Carryover Programs	19,836,569	-	-
Referendum Property Tax	12,723,451	-	-
Debt Service	-	-	-
Capital Projects	-	-	-
Food Service	-	-	-
Internal Accounts	-	-	-
Total Restricted Fund Balance	32,560,020	-	-
Committed Fund Balance	7,463,092	-	-
Assigned for:			
Budget Shortfall 2023-24 Fiscal Year	20,694,699	-	-
Unassigned Fund Balance	26,181,391	-	-
<b>Total Fund Balances</b>	<b>90,008,533</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 103,743,012</b>	<b>\$ 3,904,647</b>	<b>\$ 23,962,505</b>

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

<b>Capital Projects - Local Capital Improvement Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 24,823,786	\$ 17,252,822	\$ 44,839,483
5,763,380	5,316,238	101,472,780
3,650	102,042	508,484
-	-	1,609,962
1,376,075	491,003	35,090,442
-	3,354,375	3,415,076
-	1,515,696	4,230,794
-	3,141	445,351
<u>\$ 31,966,891</u>	<u>\$ 28,035,317</u>	<u>\$ 191,612,372</u>

\$ -	\$ 76,269	\$ 2,866,861
-	78,844	7,849,922
-	189,974	4,469,546
-	-	3,419
-	169,463	169,521
5,106,744	44,779	5,549,492
805,442	102,555	911,513
-	9,574	385,778
-	40,275	23,548,889
-	43,425	911,394
<u>5,912,186</u>	<u>755,158</u>	<u>46,666,335</u>

-	-	1,602,640
-	-	1,602,640

-	1,515,696	4,230,794
-	3,141	397,374
-	<u>1,518,837</u>	<u>4,628,168</u>

-	-	19,836,569
-	-	12,723,451
-	695,968	695,968
26,054,705	6,386,494	32,441,199
-	15,472,788	15,472,788
-	3,206,072	3,206,072
<u>26,054,705</u>	<u>25,761,322</u>	<u>84,376,047</u>
-	-	7,463,092

-	-	20,694,699
-	-	26,181,391
<u>26,054,705</u>	<u>27,280,159</u>	<u>143,343,397</u>

<u>\$ 31,966,891</u>	<u>\$ 28,035,317</u>	<u>\$ 191,612,372</u>
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**MARION COUNTY DISTRICT SCHOOL BOARD  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2023**

<b>Total Fund Balances - Governmental Funds</b>		\$ 143,343,397
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.		518,441,376
The deferred outflows of resources and deferred inflows of resources related to pensions, other postemployment benefits and debt refundings are applicable to future periods and, therefore, are not reported in the governmental funds.		
Deferred Outflows related to Debt Refundings	\$ 612,678	
Deferred Outflows related to Pensions	99,941,188	
Deferred Outflows related to Other Postemployment Benefits	2,271,340	
Deferred Inflows related to Pensions	(16,060,794)	
Deferred Inflows related to Other Postemployment Benefits	<u>(9,972,028)</u>	
		76,792,384
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.		
Certificates of Participation	(22,745,000)	
Bonds Payable	(1,741,000)	
Note Payable	(10,012,964)	
Lease Payable	(650,937)	
Unamortized Premiums	(1,455,022)	
Unamortized Prepaid Insurance - Debt Related	42,837	
Compensated Absences Payable	(31,767,295)	
Other Postemployment Benefit Liability	(17,884,104)	
Net Pension Liability	<u>(277,741,585)</u>	
		(363,955,070)
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.		23,821,320
Accrued Interest on long-term debt is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.		<u>(175,885)</u>
<b>Total Net Position - Governmental Activities</b>		<u>\$ 398,267,522</u>

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



**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	General Fund	Special Revenue - Other Federal Programs Fund	Special Revenue - Federal Education Stabilization Fund
<b>Revenues</b>			
Intergovernmental:			
Federal Direct	\$ 622,055	\$ 1,141,507	\$ 746,959
Federal Through State and Local	2,166,085	36,116,017	54,971,290
State	240,729,663	1,223,889	-
Local:			
Property Taxes	143,290,957	-	-
Other	21,033,318	30,182	-
<b>Total Revenues</b>	<b>407,842,078</b>	<b>38,511,595</b>	<b>55,718,249</b>
<b>Expenditures</b>			
Current - Education:			
Instruction	232,365,610	19,478,072	34,058,014
Student Personnel Services	26,992,374	5,786,188	6,461,702
Instructional Media Services	4,148,397	220,732	-
Instruction and Curriculum Development	4,480,300	2,616,359	2,498,969
Instructional Staff Training Services	3,069,015	6,638,477	1,984,295
Instruction Related Technology	2,476,672	575	1,548,248
Board of Education	1,161,810	-	-
General Administration	2,234,966	1,618,203	1,906,227
School Administration	23,093,149	48,633	97,026
Facility Services	1,215,406	12,897	254,323
Fiscal Services	3,959,674	-	42,050
Food Services	-	-	-
Central Services	6,514,541	21,438	225,262
Student Transportation Services	24,420,794	37,005	1,553,617
Operation of Plant	37,140,150	-	1,153,505
Maintenance of Plant	11,475,792	-	-
Administrative Technology Services	4,550,215	-	52,123
Community Services	5,117,931	1,079,570	212,854
Capital Outlay:			
Facilities Acquisition and Construction	1,579,264	271,506	1,250,330
Other Capital Outlay	1,465,557	681,940	1,774,092
Debt Service:			
Retirement of Principal	355,032	-	-
Interest and Fiscal Charges	1,377	-	-
<b>Total Expenditures</b>	<b>397,818,026</b>	<b>38,511,595</b>	<b>55,072,637</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>10,024,052</b>	<b>-</b>	<b>645,612</b>
<b>Other Financing Sources (Uses)</b>			
Insurance Loss Recoveries	2,078,802	-	-
Transfers In	7,222,041	-	-
Transfers Out	(18,952)	-	(645,612)
<b>Total Other Financing Sources (Uses)</b>	<b>9,281,891</b>	<b>-</b>	<b>(645,612)</b>
<b>Net Change in Fund Balances</b>	<b>19,305,943</b>	<b>-</b>	<b>-</b>
<b>Fund Balances - Beginning</b>	<b>70,702,590</b>	<b>-</b>	<b>-</b>
<b>Fund Balances - Ending</b>	<b>\$ 90,008,533</b>	<b>\$ -</b>	<b>\$ -</b>

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

<b>Capital Projects - Local Capital Improvement Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 2,510,521
-	39,563,771	132,817,163
-	3,234,432	245,187,984
42,922,474	-	186,213,431
915,470	5,988,480	27,967,450
<u>43,837,944</u>	<u>48,786,683</u>	<u>594,696,549</u>
-	189,935	286,091,631
-	553	39,240,817
-	-	4,369,129
-	333,914	9,929,542
-	7,370	11,699,157
-	-	4,025,495
-	-	1,161,810
-	-	5,759,396
-	-	23,238,808
2,202,913	-	3,685,539
-	-	4,001,724
-	33,790,189	33,790,189
-	-	6,761,241
-	150	26,011,566
-	-	38,293,655
-	-	11,475,792
-	-	4,602,338
-	3,670,780	10,081,135
20,420,165	2,894,002	26,415,267
1,134,584	132,126	5,188,299
-	12,379,496	12,734,528
-	1,648,120	1,649,497
<u>23,757,662</u>	<u>55,046,635</u>	<u>570,206,555</u>
<u>20,080,282</u>	<u>(6,259,952)</u>	<u>24,489,994</u>
3,650	-	2,082,452
-	13,580,965	20,803,006
(19,813,349)	(325,093)	(20,803,006)
<u>(19,809,699)</u>	<u>13,255,872</u>	<u>2,082,452</u>
270,583	6,995,920	26,572,446
25,784,122	20,284,239	116,770,951
<u>\$ 26,054,705</u>	<u>\$ 27,280,159</u>	<u>\$ 143,343,397</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Net Change in Fund Balances - Governmental Funds** \$ 26,572,446

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 capital asset activity in the current period:

Capital Asset Additions	\$ 29,126,971	
Depreciation Expense	(21,614,042)	
Loss on Disposal of Capital Assets	<u>(141,508)</u>	
		7,371,421

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt payments during the year. 12,734,528

Debt Premiums on bond issues are amortized over the life of the debt in the statement of activities but are reported as revenues in the fund statements when debt is issued. This is the amount of current amortization. 373,156

Deferred amount on Refunding is amortized over the life of the debt in the statement of activities, but is reported as an expense in the fund statements when debt is issued. This is the amount of the current amortization. (201,887)

Prepaid insurance is amortized over the life of the debt in the statement of activities but is reported as revenues in the fund statements when debt is issued. This is the amount of current amortization. (8,568)

Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.

Florida Retirement System Pension Contribution	25,331,436	
Health Insurance Subsidy Pension Contribution	4,760,691	
Florida Retirement System Pension Expense	(30,448,629)	
Health Insurance Subsidy Pension Expense	<u>(4,432,706)</u>	
		(4,789,208)

The net decrease in accrued interest on long-term debt is reported in the statement of activities, but not in the fund statements. 48,730

In the prior year, certain State funds were recorded as a receivable and deferred revenue at the fund level as funds were not received within 60 days after year-end. At the government-wide level this was recorded as a receivable and revenue due to the economic resource measurement focus. This is the amount of revenues that became available in the current year. (803,221)

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 paid in excess of the amount earned in the current fiscal year. 246,299

Governmental funds report other postemployment benefit contributions as expenditures. However, in the statement of activities, the actuarial cost of benefits earned net of employee contributions is reported as an expense. 859,124

Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The net income of internal service funds is reported with governmental activities. 7,292,335

**Change in Net Position of Governmental Activities** \$ 49,695,155

**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2023**

	<u>Internal Service Funds</u>
<b>Assets</b>	
Current Assets:	
Cash	\$ 6,969,894
Investments	16,052,922
Accounts Receivable	593,377
Deposits Receivable	140,000
Due From Other Funds	20,133,813
Prepaid Items	<u>6,524</u>
<b>Total Assets</b>	<u>43,896,530</u>
<b>Liabilities</b>	
Current Liabilities:	
Salaries and Benefits Payable	5,655
Payroll Deductions and Withholdings Payable	3,624
Accounts Payable	8,635,000
Estimated Insurance Claims Payable	<u>3,397,561</u>
Total Current Liabilities	12,041,840
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	<u>8,033,370</u>
<b>Total Liabilities</b>	<u>20,075,210</u>
<b>Net Position</b>	
Unrestricted	<u><u>\$ 23,821,320</u></u>

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

**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Internal Service Funds</u>
<b>Operating Revenues</b>	
Charges for Services	\$ 58,690,878
<b>Total Operating Revenues</b>	<u>58,690,878</u>
<b>Operating Expenses</b>	
Salaries	192,970
Employee Benefits	76,432
Purchased Services	8,127,075
Claim Expense	45,837,336
<b>Total Operating Expenses</b>	<u>54,233,813</u>
<b>Operating Income</b>	<u>4,457,065</u>
<b>Nonoperating Revenue</b>	
Investment Income	460,875
Increase in Fair Value of Investments	18,253
Other Miscellaneous Local Sources	2,356,142
<b>Total Nonoperating Revenue</b>	<u>2,835,270</u>
<b>Change in Net Position</b>	7,292,335
<b>Net Position - Beginning</b>	<u>16,528,985</u>
<b>Net Position - Ending</b>	<u><u>\$ 23,821,320</u></u>

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

**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Internal Service Funds</b>
<b>Cash Flows from Operating Activities</b>	
Cash Received from Interfund Services Provided	\$ 58,690,878
Cash Payments to Suppliers for Goods and Services	(6,362,290)
Cash Payments to Employees for Services	(267,208)
Cash Payments for Insurance Claim Payments	(47,749,725)
	4,311,655
<b>Net Cash Provided by Operating Activities</b>	
<b>Cash Flows from Noncapital Financing Activities</b>	
Cash Received from Health Insurance Carriers	2,356,142
Cash Payment for Temporary Loan to Other Funds	(20,133,813)
	(17,777,671)
<b>Net Cash Used for Noncapital Financing Activities</b>	
<b>Cash Flows from Investing Activities</b>	
Purchase of Investments	(370,650)
Investment Income	460,875
	90,225
<b>Net Cash Provided by Investing Activities</b>	
<b>Net Decrease in Cash</b>	(13,375,791)
<b>Cash, Beginning of Year</b>	20,345,685
<b>Cash, End of Year</b>	\$ 6,969,894
 <b><u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</u></b>	
Operating Income	\$ 4,457,065
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(530,677)
Increase in Prepaid Items	(81)
Increase in Salaries and Benefits Payable	4,053
Increase in Accounts Payable	1,763,752
Decrease in Due to Other Agencies	(745)
Decrease in Estimated Insurance Claims Payable	(1,381,712)
	(1,381,712)
<b>Net Cash Provided by Operating Activities</b>	\$ 4,311,655

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

**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2023**

	<b>Private-Purpose Trust Fund</b>	<b>Custodial Funds</b>
<b>ASSETS</b>		
Cash	\$ -	\$ 1,013,523
Investments	389,085	-
<b>TOTAL ASSETS</b>	<b>\$ 389,085</b>	<b>\$ 1,013,523</b>
<b>NET POSITION</b>		
Held in Trust for Silver River Museum	\$ 389,085	\$ -
Restricted for School Internal Accounts	-	1,013,523
<b>TOTAL NET POSITION</b>	<b>\$ 389,085</b>	<b>\$ 1,013,523</b>

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



**MARION COUNTY DISTRICT SCHOOL BOARD  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Private-Purpose Trust Fund</b>	<b>Custodial Funds</b>
<b>ADDITIONS</b>		
Investment Earnings:		
Investment Loss	\$ (7,077)	\$ -
Net Increase in Fair Value of Investments	26,053	-
Clubs, Donations and Booster Activities	-	1,622,890
Total Additions	18,976	1,622,890
<b>DEDUCTIONS</b>		
Materials, Supplies and Other Expenses	-	1,549,207
<b>Change in Net Position</b>	18,976	73,683
<b>Net Position - Beginning</b>	370,109	939,840
<b>Net Position - Ending</b>	\$ 389,085	\$ 1,013,523

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

## NOTES TO FINANCIAL STATEMENTS

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The Marion County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Marion County School District (District) is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education, and is governed by State laws 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 Marion 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 legally separate 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 Unit** Blended component units, are in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the District. The Marion County School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note III.K.1. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

**Discretely Presented Component Units** The component units columns in the government-wide financial statements include the financial data of the District's other component units.

The Public Education Foundation of Marion County, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization to receive, hold, invest, and administer property and to make expenditures to and for the benefit of the District. Because of the nature and significance of its relationship with the District, the Foundation is considered a component unit.

The Marion Charter School, Inc.; the McIntosh Area School, Incorporated; The Clear Choice Academics, Inc. d/b/a Ocali Middle School; and the Ina A. Colen Academy are 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 charters approved by its sponsor, the Marion County District School Board. The charter schools are considered to be a component unit of the District because the District is financially

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

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 a public school 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 Foundation's and the charter schools' audited financial statements for the fiscal year ended June 30, 2023. These audited reports are filed in the District's administrative offices at 1614 East Fort King Street, Ocala, Florida 34471.

**B. 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 non-exchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense is charged to the functional category that initially purchased the related asset.

**C. 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 the internal service fund. 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.

**D. 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.

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

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 certain grant programs.
- Special Revenue - Federal Education Stabilization Fund - to account for Federal funds received under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, new and replacement equipment, motor vehicle purchases, and debt service payments.

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

- Internal Service Fund – to account for the District’s individual self-insurance programs.
- Private-Purpose Trust Fund – to account for resources provided for the benefit of the Silver River Museum.
- Custodial Funds – to account for resources of the school internal funds, which are used to administer moneys collected at several schools in connection with school, student athletic, and club activities. These assets are held for the benefit of students and the District does not have administrative involvement with the assets nor were the assets derived from the District's sources of revenue received for those students. These funds are combined and reported in one custodial fund of the District. The trusts/donations accounts for those funds collected for a specific restricted purpose that can only be expended in accordance with the donor's provisions as required by the Florida Department of Education.

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 fund) are eliminated. 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.

**E. 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

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

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. Property taxes, sales taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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). 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 only recorded 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 and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The Foundation is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

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

**F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates. The most significant estimates used are those used in the actuarial assumptions for the Other Post Employment Benefits Liability, Net Pension Liability, and the Estimated Insurance Claims Payable along with depreciable useful lives of capital assets.

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**G. Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position/Fund Balance**

**1. Cash**

The District's cash is considered to be cash on hand and in demand deposits.

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

The Foundation considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

**2. Investments**

Investments consist of amounts placed with the State Board of Administration (SBA) in Florida PRIME created by Section 218.405, Florida Statutes and those made locally. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME and Florida Public Assets for Liquidity Management (FL Palm) meet all of the necessary criteria to elect to measure all of the investments in Florida PRIME and Florida Palm at amortized cost. Like money market funds, a participant's account balance is a share of the investment pool, not the underlying securities, and reported at amortized cost which is considered the fair value of the participant's investment. Florida Prime and FL Palm are external investment pools that are not registered with the Securities and Exchange Commission (SEC), but operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. There are no fees or restrictions to withdraw from either of these pools.

The District's investment policy established permitted investments, asset allocation limits and issuer limits, credit rating requirements, and maturity limits to protect the District's cash and investment assets. The District maintains a common cash and investment pool for the use of all funds. Earnings are allocated monthly to each fund based on end of month balances.

The District's investments made locally consist of investments in direct obligations of the United States Treasury, Federal instrumentalities, corporate bonds, municipal obligations, and registered investment companies (money market funds), which are reported at fair value.



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Authorized investments for endowments include equities, hedged funds, and real estate. The District has a formal investment policy that allows for the following investments for governmental funds:

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement (Moody's or Standard and Poor's)	Maximum Maturity
US Treasury	100%	100%	N/A	5.50 Years
GNMA	100%	40%	N/A	5.50 Years
Other U.S. Government Guraranteed	100%	10%	N.A	5.50 Years
Federal Agency/GSE:FNMA,FHLMC, FHLB,FFCB	80%	40%	N/A	5.50 Years
Federal Agency/GSE other than those above	80%	10%	N/A	5.50 Years
Supranationals	25%	10%	A-1/P-1, AAA/Aaa or equivalent	5.50 Years
Corporates	50%	5%	A-1/P=1,A-/A3 or equivalent	5.50 Years
Municipals	25%	5%	SP-1/MIG 1, A-/A3, or equivalent	5.50 Years
Agency Mortgage-Backed Securities (MBS)	25%	40%	N/A	5.50 Years
Asset-Backed Securities (ABS)	25%	5%	A-1+/P-1,AAA/Aaa, or equivalent	5.50 Years
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	50%	None	None	2 Years
Commercial Paper (CP)	50%	5%	A-1/P-1, or equivalent	270 days
Banker's Acceptances (Bas)	10%	5%	A-1/P-1, or equivalent	180 days
Money Market Funds (MMF)	50%	25%	AAAm/Aaa-mf,or equivalent	N/A
Intergovernmental Investment Pool	75%	50%	AAAm/AAAf,S1, or equivalent	N/A
Florida Local Government Surplus Funds Trust Funds ("Florida Prime")	25%	N/A	AAAm/Aaa-mf, or equivalent	N/A

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

**3. Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories, except those for purchased food, donated foods, certain nonfood supplies, and fuel, are stated at cost on a moving-average basis. Purchased food,

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NOTES TO FINANCIAL STATEMENTS (Continued)  
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nonfood supplies purchased by various food service operations, and fuel inventories are valued at last invoice cost which approximates the first-in, first-out basis. 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 costs of inventories are recorded as expenditures when used rather than purchased.

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.

**4. 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 \$1,000 or more; except computer software which are those costing \$5,000 or more. For leases, the District capitalizes intangible right-to-use lease assets when the lease liability is \$5,000 or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	7 - 20 years
Buildings and Fixed Equipment	25 - 50 years
Furniture, Fixtures, and Equipment	5 - 20 years
Motor Vehicles	7 - 12 years
Lease Assets	2 - 20 years
Audio Visual Materials and Computer Software	3 - 5 years

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

**5. Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting in this category. The deferred outflows of resources related to pensions and Other Post Employment Benefits (OPEB) are discussed in subsequent notes. A deferred amount on refunding 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.

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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has three types of items that qualify for reporting in this category. The deferred inflows of resources related to pensions and OPEB are discussed in subsequent notes. Deferred Inflows - Leases are established when the District is the lessor in an arrangement under GASB Statement No 87. This offset to the lease receivable is recognized as revenue over the life of the lease term. On the fund level statement deferred unavailable revenues reflect the amounts due to the district that were not available during the revenue recognition period.

**6. 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 are amortized over the life of the bonds and certificates of participation using the effective interest method.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize issuance costs during the current period. The face amount of debt issued is reported as other financing sources, while debt issuance costs 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 III.K.

**7. Leases**

The District entered into noncancelable leases for the right to use equipment and facilities throughout its operations. When the District is the lessee, the contract results in recognition of a right-to-use intangible asset that is offset by a corresponding lease liability. When the District is the lessor, the contract results in recognition of a lease receivable and corresponding deferred inflows of resources. Lease intangible assets are reported with capital assets and lease liabilities are reported with long term liabilities on the government-wide statements.

At commencement of a lease when the District is the lessee, the District initially measures the lease liability at the present value of total payments over the lease term. The lease asset is measured as the value of the lease liability, adjusted for any prepayments, plus certain initial direct costs. At commencement of a lease when the District is the lessor, the District measures the lease receivable at the present value of expected rental receipts over the lease term. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for prepayments received prior to the lease commencement.

Estimates and judgements are sometimes made when determining the discount rate and overall term for leases. The District monitors its leases for significant changes in circumstances that warrant a remeasurement of the lease liability and associated intangible asset, and/or lease receivable and associated deferred inflow of resources.

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NOTES TO FINANCIAL STATEMENTS (Continued)  
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**8. 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.

**9. Pensions**

In the government-wide financial 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 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 III.E

**10. 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.

**11. 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.

**12. 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

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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

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

As such, the District has established a stabilization arrangement in Board Policy 6235, *Fund Balance*, to cover unforeseen events. The minimum amount to be contained in the Stabilization Account is ten percent (10%) of the most recent audited annual operating revenues excluding interfund transfers for the General Fund. The Stabilization Account includes the minimum fund balance levels required by F.S. 1011.051. To establish the Stabilization Account an annual transfer will be made to the Stabilization Account. The amount transferred will be equal to two percent (2%) of the operating General Fund revenues excluding interfund transfers until the desired ten percent (10%) is achieved.

Amounts held in the Stabilization Account may be expended only under specified limited circumstances. The circumstances when it is necessary to appropriate or spend required by this section, are set forth below. The existence of the circumstances must be declared by four-fifths majority vote of all of the members of the Board establishing that one (1) or more of the criteria listed below exists:

- Expenditures for emergency situations from natural disasters for life, health, or public safety issues for which no appropriation exists.
- Situations where a significant revenue decline of five percent (5%) of General Fund original budgeted estimated revenues (excluding transfers in) arises that could not have reasonably been foreseen, and for which new revenue is not available and transfers of existing appropriations are not considered feasible or appropriate in maintaining existing service levels.
- Correcting the results of an inaccurate estimate, accounting error, or budgeting error in excess of five percent (5%) of General Fund original budgeted estimated revenues (excluding transfers in).

The stabilization balance and amount reported as committed fund balance was \$7,463,092 at June 30, 2023.

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 may 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. Accordingly, the Board approved assigned amounts within the general fund for an anticipated shortfall in the 2023-2024 fiscal year.

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

**H. Revenues and Expenditures/Expenses**

**1. 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.

**2. State Revenue Sources**

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of five months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. State Board of Education (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 year to be expended for the same educational programs. The Department 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 balance of categorical and earmarked educational program resources.

A schedule of revenue from State sources for the current year is presented in Note III.M.1.

**3. District Property Taxes**

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

On August 28, 2018, Marion County voters approved a one mill ad valorem tax for educational enhancement. Specifically, the funds were to be used to restore programs previously affected by the recession, level funding and operating expenses associated with reading, physical education, art, music, library/media, vocational programs, meeting class

**MARION COUNTY DISTRICT SCHOOL BOARD**  
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**JUNE 30, 2023**

size requirements, and retaining teachers and paraprofessionals. In November 2022, voters approved the request for renewal of the one-mil and valorem taxes and included safe schools into the fund uses. The renewal will expire on June 30, 2027. Unexpended funds are shown as restricted fund balance in the General Fund.

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

The Board adopted the 2022 tax levy on September 9, 2022. 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 Marion County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes budgeted for the current year are presented in Note III.M.2.

**4. 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. The FDOE may require adjustments to subsequent fiscal period expenditures and related revenues based upon an audit of the District's compliance with applicable Federal awards requirements. Normally, such adjustments are treated as reductions of expenditures and related revenues in the fiscal year when the adjustments are made.

**5. Proprietary Fund Operating and Nonoperating Revenues and Expenses**

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



**MARION COUNTY DISTRICT SCHOOL BOARD**  
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**JUNE 30, 2023**

**II. ACCOUNTING CHANGES**

**Governmental Accounting Standards Board Statement No. 87**

Effective July 1, 2021, the District adopted GASB Statement No. 87, Leases. At that date, the impact of this statement was determined to be immaterial for the District's financial statements and no lease liability or lease receivable was reflected in the District's ACFR. During the current year, this was revisited. Implementation of this Statement changes accounting and financial reporting for lease liabilities that were previously recorded as operating leases. As a result of the implementation of this Statement, the beginning net position for governmental activities on the statement of activities has been restated to reflect recognition of these accounting changes. The impact on net position was an increase of \$451, as a result of recognizing lease assets of \$1,006,420 and lease liabilities of \$1,005,969 as of July 1, 2022. This increased beginning net position from \$348,571,916 as previously reported to \$348,572,367.

**Governmental Accounting Standards Board Statement No. 96**

The Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, in May of 2020. This statement is effective for the current fiscal year ending June 30, 2023. The District reviewed the provisions of GASB 96 and compiled an inventory of agreements that would potentially be impacted by the implementation of this statement. An evaluation of each agreement was made based on materiality to the District's financial statements. Based on this evaluation, the impact of the provisions of GASB Statement No. 96 to the District was deemed not significant.

**MARION COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS (Continued)  
JUNE 30, 2023**

**III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

**A. Cash Deposits with Financial Institutions**

*Custodial Credit Risk-Deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to the District. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes.

**B. Investments**

As of June 30, 2023, the District had the following investments and maturities:

Security Type	Duration Year	Credit Rating (1)	Fair Value	Fair Value Measurement (3)
<u>Primary Government</u>				
State Board of Administration (SBA):				
Florida PRIME	0.10	AAAm	\$ 19,073,056	n/a
U.S. Treasury Notes	2.83	AA+	11,204,362	1
Agency MBS	2.40	AA+	592,716	2
Agency CMO	1.57	AA+	53,233	2
Agency CMBS	3.89	AA+	2,183,194	2
Federal Home Loan Mortgage	0.28	Aaa	245,677	2
Supranational Agency Bonds	3.03	AAA	349,974	2
Money Market Funds				
Fidelity	n/a	AAAm	128,873	n/a
FL FIT	n/a	AAAf	787,272	n/a
FL PALM	0.08	AAAm	46,625,765	n/a
FL PALM TERM	0.37	AAAf	25,000,000	n/a
Corporate Bonds	3.0	AA - BBB+	5,798,575	2
Money Market Funds			160,107	
Municipal Obligations	0.8	AA+ - A-	315,377	2
Asset-Backed Security	2.84	AAA,NR	5,007,521	2
Total Investments, Primary Government			117,525,702	
<u>Fiduciary Funds</u>				
Money Market Funds	n/a	AAAm	71,574	1
Common Stock	n/a	n/a	182,600	1
Other Equities	n/a	n/a	39,762	1
Fixed Income Securities - Short Term Bond Market		AAA to Below B	95,149	1
Total Investments, Fiduciary Funds			389,085	
<u>Component Units</u>				
Public Education Foundation of Marion County, Inc. (2)			891,489	
<b>Total Investments</b>			<b>\$ 118,806,276</b>	
Presented as Investments in the Financial Statements:				
Governmental Funds			\$ 101,472,780	
Proprietary Fund			16,052,922	
Fiduciary Funds			389,085	
Component Units			891,489	
<b>Total Investments</b>			<b>\$ 118,806,276</b>	

(1) Credit ratings provided by Standard and Poor's.

(2) Information regarding the maturities, risks, and ratings associated with investments in money market funds, bonds, and various equities made by a brokerage firm on behalf of the Public Education Foundation of Marion County, Inc., was not disclosed in the annual post audit of the Foundation filed in the District's administrative offices.

(3) The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, which is based on a matrix pricing model; Level 3 inputs are significant unobservable inputs and were evaluated using a curve-based approach.

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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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➤ **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy limits interest rate risk by attempting to match investment maturities with known cash needs and anticipated cash flow requirements. Investments of current operating funds will have maturities of no longer than twenty-four (24) months. Investments of bond reserves, construction funds, and other non-operating funds (core funds) shall have a term appropriate to the need for funds, and in accordance with debt covenants, but should not exceed five (5) years and the average duration of the funds as a whole may not exceed three (3) years.

The District utilizes duration as a measurement of interest rate risk and as of June 30, 2023, the investment portfolio had a weighted average duration of 1.73 years.

Florida PRIME had weighted average days to maturity (WAM) of 37 days at June 30, 2023. 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, with regard to redemption gates, Section 218.409(8)(a), Florida Statutes, states, "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 [State Board of Administration] 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 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." As of June 30, 2023, 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**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Board policy provides that temporarily idle funds be invested as prescribed by Section 218.415(17), Florida Statutes, and SBE rules. The District's investment policy permits investments which are limited to credit quality ratings from nationally recognized rating agencies.

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**JUNE 30, 2023**

➤ **Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Pursuant to Section 218.415(18), Florida Statutes, the District's investment policy requires securities, with the exception of certificates of deposit, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the District should be properly designated as an asset of the District. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida. Certificates of deposit will be placed in the provider's safekeeping department for the term of the deposit.

As of June 30, 2023, the District's investment portfolio was held with a third-party custodian as required by the District's investment policy. The endowment funds of the Silver River Museum Private-Purpose Trust Fund are held by a bank and trust company.

➤ **Concentration of Credit Risk**

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 has established asset allocation and issuer limits which are designed to reduce concentration of credit risk of the District's investment portfolio. The District did not have any investments in any one issuer greater than five percent.

➤ **Endowment Investments**

To achieve the greatest likelihood of meeting endowment investment objectives, the investment assets shall be diversified in accordance with the following asset allocation weightings: domestic equity (20%-40%); international equity (0%-30%); real estate (0%-10%); inflation hedged (10%-80%); and fixed income (10%-80%).

➤ **Foreign Currency Risk**

The District's investment policy does not allow for investments in foreign currency therefore the District has no exposure to foreign currency risk.

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JUNE 30, 2023**

**C. Receivables**

**1. Accounts Receivable**

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered fully collectible. As such, no allowance for uncollectible accounts receivable is accrued. Accounts receivables are actual cash receipts received within 60 days of June 30, 2023, and were susceptible to accrual. Below is a schedule of due from other agencies at June 30, 2023:

Funds/Source	Amount
Major Governmental Funds:	
General:	
E-Rate	\$ 396,368
United States Department of Defense:	
Army JROTC	18,692
Navy JROTC	16,186
Marion County Tax Collector:	
Unremitted Property Taxes	4,594,576
Other Agencies:	
Miscellaneous	380,331
Special Revenue - Other Federal Programs:	
Florida Department of Education:	
Federal Grant Reimbursements	3,747,739
Other Agencies:	
Grant Reimbursements	154,295
Special Revenue - Federal Education Stabilization Fund:	
Florida Department of Education:	
Federal Grant Reimbursement	23,915,177
Capital Projects - Local Capital Improvement:	
Marion County Tax Collector:	
Unremitted Property Taxes	1,376,075
Nonmajor Governmental Funds:	
Special Revenue - Food Service:	
Florida Department of Agriculture and Consumer Services:	
Food Service Program	478,215
Capital Projects - Capital Outlay and Debt Service:	
Florida Department of Education:	
Capital Outlay and Debt Service	2,992
Capital Projects - Other Capital Projects	
Florida Department of Education:	
Other Capital Projects	9,796
<b>Total Due From Other Agencies</b>	<b>\$ 35,090,442</b>

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**JUNE 30, 2023**

**2. Leases Receivable**

The District is the lessor in contracts with outside parties for the right to use various parcels of land and cell phone towers. The land lease for Emerald Road requires payments of \$1,400 monthly with an interest rate of 0.3150% over the remain lease life of 337 months. The land lease for West Port High School requires annual payments of \$18,094 with interest at 0.2180% for the remaining 204 months of the lease.

The District also has cell tower leases. Both of these have a remaining lease life of 329 months with interest at 0.2180% and monthly payments of \$1,400.

The District has \$1,609,962 in outstanding lease receivables at June 30, 2023.

**D. Changes in Capital Assets**

Changes in capital assets are presented in the table below:

	<u>Beginning Balance *</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 14,454,102	\$ -	\$ -	\$ 14,454,102
Construction in Progress	17,736,879	24,023,350	5,964,609	35,795,620
Total Capital Assets Not Being Depreciated	<u>32,190,981</u>	<u>24,023,350</u>	<u>5,964,609</u>	<u>50,249,722</u>
Capital Assets Being Depreciated/Amortized:				
Improvements Other Than Buildings	14,097,997	2,336,510	-	16,434,507
Buildings and Fixed Equipment	726,051,721	3,708,645	-	729,760,366
Lease Assets -Buildings and Fixed Equipment	102,722	-	-	102,722
Furniture, Fixtures, and Equipment	43,269,850	3,933,181	2,953,246	44,249,785
Lease Assets-Furniture, Fixtures, and Equipment	903,698	-	-	903,698
Motor Vehicles	40,279,731	1,089,894	671,762	40,697,863
Audio Visual Materials and Computer Software	695,115	-	28,500	666,615
Total Capital Assets Being Depreciated	<u>825,400,834</u>	<u>11,068,230</u>	<u>3,653,508</u>	<u>832,815,556</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	5,034,071	351,395	-	5,385,466
Buildings and Fixed Equipment	287,620,944	15,334,550	-	302,955,494
Lease Assets-Buildings and Fixed Equipment	-	56,030	-	56,030
Furniture, Fixtures, and Equipment	32,162,608	2,964,701	2,865,776	32,261,533
Lease Assets-Furniture, Fixtures, and Equipment	-	299,430	-	299,430
Motor Vehicles	21,010,146	2,607,471	617,724	22,999,893
Audio Visual Materials and Computer Software	694,091	465	28,500	666,056
Total Accumulated Depreciation	<u>346,521,860</u>	<u>21,614,042</u>	<u>3,512,000</u>	<u>364,623,902</u>
Total Capital Assets Being Depreciated, Net	<u>478,878,974</u>	<u>(10,545,812)</u>	<u>141,508</u>	<u>468,191,654</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 511,069,955</u>	<u>\$ 13,477,538</u>	<u>\$ 6,106,117</u>	<u>\$ 518,441,376</u>

\*The District implemented GASB 87 in the current year. The beginning balance is the result of the implementation and was accounted for as part of the prior period adjustment described at Note II.

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Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 17,181,109
Student Personnel Services	85,010
Instructional Media Services	37,243
Instruction and Curriculum Development	28,220
Instructional Staff Training Services	12,368
Instruction Related Technology	13,972
School Board	2,148
General Administration	7,975
School Administration	55,178
Facility Services	848,285
Fiscal Services	18,644
Food Services	632,145
Central Services	40,990
Student Transportation Services	2,083,990
Operation of Plant	252,200
Maintenance of Plant	40,483
Administrative Technology Services	271,053
Community Services	3,029
<b>Total Depreciation Expense - Governmental Activities</b>	<b>\$ 21,614,042</b>

**E. Retirement Plans**

**General Information about the Florida Retirement System (FRS)**

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 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 the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. 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 the 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, Division of Retirement. The FRS Investment Plan is administered by the SBA and is reported in the SBA's annual financial statement and in the State of Florida Annual Comprehensive Financial Report.

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**NOTES TO FINANCIAL STATEMENTS (Continued)**  
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The District's FRS and HIS pension expense totaled \$34,881,335 for the fiscal year ended June 30, 2023.

**Florida Retirement System (FRS) Defined Benefit 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:

- *Regular* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers* – Members who hold specified elective offices in local government.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable 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 FRS 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 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 FRS Pension 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 table shows the percentage value for each year of service credit earned.



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<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<u>Regular members initially enrolled before July 1, 2011</u>	
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
<u>Regular members initially enrolled on or after July 1, 2011</u>	
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 or more years of service	1.68
<u>Elected County Officials</u>	3.00

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. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

*Contributions.* The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2022-23 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (A)</u>
Florida Retirement System, Regular	3.00	11.91
Florida Retirement System, Elected County Officers	3.00	57.00
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	18.60
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 Plan.

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

The District's contributions to the Plan totaled \$25,331,436 for the fiscal year ended June 30, 2023.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2023, the District reported a liability of \$201,407,353 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to

**MARION COUNTY DISTRICT SCHOOL BOARD**  
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calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the District's 2021-22 fiscal year contributions relative to the total 2021-22 fiscal year contributions of all participating members. At June 30, 2022, the District's proportionate share was 0.541300681 percent, which was an increase of 0.017993726 percent from its proportionate share measured as of June 30, 2021.

For the year ended June 30, 2023, the District recognized the Plan pension expense of \$30,448,629. At June 30, 2023, 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	\$ 9,565,686	\$ -
Change of assumptions	24,804,158	-
Net difference between projected and actual earnings on FRS pension plan investments	13,298,901	-
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	13,097,180	2,601,090
District FRS contributions subsequent to the measurement date	25,331,436	-
Total	<u>\$ 86,097,361</u>	<u>\$ 2,601,090</u>

The deferred outflows of resources related to pensions totaling \$25,331,436 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 year ended June 30, 2024. 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>Amortization</u>
2024	\$ 13,863,556
2025	6,785,702
2026	(1,228,462)
2027	36,483,815
2028	2,260,224
Total	<u>\$ 58,164,835</u>

*Actuarial Assumptions.* The total pension liability in the July 1, 2022, 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
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table varied by member category and sex, projected generationally with scale MP-2018.

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The actuarial assumptions used in the July 1, 2022, 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 real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.6%	2.6%	1.1%
Fixed Income	19.80%	4.4%	4.4%	3.2%
Global Equity	54.00%	8.8%	7.3%	17.8%
Real Estate (Property)	10.30%	7.4%	6.3%	15.7%
Private Equity	11.10%	12.0%	8.9%	26.3%
Stategic Investments	3.80%	6.2%	5.9%	7.8%
<b>Total</b>	<u>100.00%</u>			
Assumed inflation - Mean			2.4%	1.3%

Note: (1) As outlined in the Plan's investment policy.

**Discount Rate.** The discount rate used to measure the total pension liability was 6.7 percent. The pension 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. The discount rate changed from 6.8 percent to 6.7 percent.

**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 6.7 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 (5.7 percent) or 1-percentage-point higher (7.7 percent) than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
District's proportionate share of the net pension liability	<u>\$ 348,320,169</u>	<u>\$ 201,407,353</u>	<u>\$ 78,570,758</u>

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

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*Payables to the Pension Plan.* At June 30, 2023, the District reported a payable of \$322,558 for the outstanding amount of contributions to the Plan required to the Plan for the fiscal year ended June 30, 2023.

**Health Insurance Subsidy (HIS) Defined Benefit 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 retired members of any state-administered retirement system in paying the costs of health insurance and is administered by the Florida Department of Management Services, Division of Retirement.

*Benefits Provided.* For the fiscal year ended June 30, 2023 eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Federal 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, 2023, 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 three years. HIS Plan contributions are deposited in a separate trust fund from which HIS 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 defined-benefit pension plan totaled \$4,760,691 for the fiscal year ended June 30, 2023.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2023, the District reported a net pension liability of \$76,334,232 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 1 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the District's 2021-22 fiscal year contributions relative to the total 2021-22 fiscal year contributions of all participating members. At June 30, 2022, the District's proportionate share was 0.720705581 percent, which was an increase of 0.021095248 percent from its proportionate share measured as of June 30, 2021.

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For the year ended June 30, 2023, the District recognized HIS Plan pension expense of \$4,432,706. 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	\$ 2,316,924	\$ 335,877
Change of assumptions	4,375,527	11,808,856
Net difference between projected and actual earnings on HIS pension plan investments	110,516	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	2,280,169	1,314,971
District contributions subsequent to the measurement date	4,760,691	-
Total	<u>\$ 13,843,827</u>	<u>\$ 13,459,704</u>

The deferred outflows of resources totaling \$4,760,691 was related to pensions resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. 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>Amortization</u>
2024	\$ (1,177,726)
2025	(627,411)
2026	(168,847)
2027	(534,104)
2028	(1,280,120)
Thereafter	(588,360)
Total	<u>\$ (4,376,568)</u>

*Actuarial Assumptions.* The total pension liability in the July 1, 2022, 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	3.54 percent

Mortality rates were based on the PUB-2010 base table varied by member category and sex, projected generationally with scale MP-2018.

While an experience study has not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

*Discount Rate.* The discount rate used to measure the total pension liability was 3.54 percent. In general, the discount rate for calculating the total pension liability is equal to the

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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. The discount rate used in the 2022 valuation was updated from 2.16 percent to 3.54 percent.

*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 3.54 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 (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
District's proportionate share of the net pension liability	\$ 87,332,629	\$ 76,334,232	\$ 67,233,286

*Pension Plan Fiduciary Net Position.* Detailed information about pension 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, 2023, the District reported a payable of \$60,620 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2023.

**FRS – Defined Contribution Pension Plan**

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive 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. 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. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited

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benefits of Investment Plan Members. Allocations to the investment member’s accounts during the 2022-23 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	9.30%
FRS, Elected County Officers	14.34%

For all membership classes, employees are immediately vested in their own contributions and are vested after one 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. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2023, 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 \$8,679,828 for the fiscal year ended June 30, 2023.

**F. Other Postemployment Benefit Obligations**

The District follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for reporting the employers’ OPEB Plan liability.

**Plan Description.** The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District’s health and hospitalization plan for medical and prescription drug coverage. Retirees and their eligible dependents are offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. The District

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subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

**Benefits Provided.** The OPEB Plan provides healthcare insurance benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

**Employees Covered by Benefit Terms.** The following table provides a summary of the number of participants in the plan as of the measurement date:

Inactive Employees or Beneficiaries Currently Receiving Benefits	330
Active Employees	5,311
Total Plan Members	5,641

**Changes in the Total OPEB Plan Liability.** The following table shows the change in the District's OPEB Plan liability:

Description	Amount
Service Cost	\$ 1,107,358
Interest on the Total OPEB Plan Liability	418,996
Changes of Assumptions	(3,783,873)
Benefit Payments	(1,147,430)
Change in Total OPEB Plan Liability	(3,404,949)
Total OPEB Plan Liability, Beginning of Year	21,289,053
Total OPEB Plan Liability, End of Year	\$ 17,884,104

**Funded Status and Funding Progress.** As of June 30, 2021 (updated for 2022) the most recent valuation date, the total OPEB Plan liability was \$17,884,104, and assets held in trust were \$0, resulting in a funded ratio of 0 percent. The covered-employee payroll (annual payroll of active participating employees) was \$274,229,015 and the ratio of the total OPEB Plan liability to the covered-employee payroll was 6.52 percent.

The District has not advanced-funded or established a funding methodology for the annual OPEB expense or the net OPEB Plan liability, and the OPEB Plan is financed on a pay-as-you-go basis.

**Actuarial Valuation Date.** The total OPEB liability was determined based on an actuarial valuation performed as of June 30, 2021 and a measurement date of June 30, 2022.

**Actuarial Valuation Methods and Assumptions.** Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about



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the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the OPEB Plan are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Individual Entry Age Normal Cost Method with an increasing normal cost pattern consistent with the salary increase assumptions used in the July 1, 2021, actuarial valuation of the Florida Retirement (FRS) was used in the OPEB Plan liability calculation.

Demographic assumptions employed in the actuarial valuation were the same as those employed in the July 1, 2021, actuarial valuation of the FRS Benefit Pension Plan. These demographic assumptions were developed by FRS from an Actuarial Experience Study, and therefore are appropriate for use in the OPEB Plan Actuarial Valuation. 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 in the July 1, 2021, actuarial valuation of the FRS Defined Benefit Pension Plan. Assumptions used in valuation of benefits for participants of the FRS Investment plan are the same as for similarly situated participants of the FRS Defined Benefit Pension Plan.

Mortality tables used in the July 1, 2021, actuarial valuation of the Florida Retirement System were used. They are based on the results of a statewide experience study covering the period 2013 through 2018.

The total OPEB Plan liability actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary Increases	3.4 percent to 7.8 percent, including inflation as used in the July 1, 2021 actuarial valuation of the Florida Retirement System

Healthcare cost trend rates were based on the Getzen Model, with trend starting at 4.00% followed by 5.75% for 2023 and gradually decreasing per Getzen Model to an ultimate trend rate of 3.75% in 2040.

Aging factor expenses were based on the 2013 SOA Study "Health Care Costs – From Birth to Death". Administrative expenses are included in the per capita health costs.

**Discount Rate.** There are no invested plan assets held in trust to finance the OPEB Plan liability. The discount rate used equals the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA/Aa or higher rating as of the measurement date. For the purpose of the OPEB Plan valuation, the municipal bond rate was 3.69% (based on the daily rate closest to but not later than the measurement date of the "Fidelity 20-Year Municipal GO AA Index"). The discount rate increased from 1.92 percent as of June 30, 2021, to 3.69 percent as of June 30, 2022.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.** For the fiscal year ended June 30, 2023, the District recognized OPEB

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expense of \$272,217. At June 30, 2023, the District reported deferred outflows and inflows of resources related to the OPEB Plan liability from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions and other inputs	\$ 1,139,498	\$ 8,984,854
Difference between actual and expected experience	-	987,174
Estimated benefits paid subsequent to the measurement date	<u>1,131,842</u>	<u>-</u>
Total	<u>\$ 2,271,340</u>	<u>\$ 9,972,028</u>

The deferred outflows of resources related to OPEB resulting from benefits paid subsequent to the measurement date, totaling \$1,131,842 will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amortization</u>
2024	\$ (1,253,637)
2025	(1,253,637)
2026	(1,253,637)
2027	(1,253,637)
2028	(1,096,213)
Thereafter	<u>(2,721,769)</u>
	<u>\$ (8,832,530)</u>

*Sensitivity of the District's Total OPEB Plan Liability to Changes in the Discount Rate.* The following table presents the District's OPEB Plan liability calculated using the discount rate of 3.69 percent, as well as what the OPEB Plan liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.69 percent) or 1-percentage-point higher (4.69 percent) than the current rate:

	<u>1% Decrease 2.69%</u>	<u>Current Discount Rate 3.69%</u>	<u>1% Increase 4.69%</u>
OPEB Plan Liability	<u>\$ 19,888,368</u>	<u>\$ 17,884,104</u>	<u>\$ 16,167,407</u>

*Sensitivity of the Total OPEB Plan Liability to Changes in the Healthcare Cost Trend Rates.* The following table presents the total OPEB liability of the District, as well as the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or one percent higher than the current healthcare cost trend rates.

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	1 % Decrease	Current Healthcare Cost Trend Rate Assumption	1 % Increase
OPEB Plan Liability	\$ 15,329,490	\$ 17,884,104	\$ 21,110,668

**G. Construction and Other Significant Commitments**

**Construction Contracts.** The following is a schedule of major construction contract commitments at June 30, 2023.

Project	Contract Amount	Completed to Date	Balance Committed
Covered Play Areas	\$ 505,440	\$ 62,005	\$ 443,435
CTE Stations	234,351	29,326	205,025.00
Dining Pavillions	2,380,555	191,732	2,188,823.00
Districtwide Fire Alarms	540,440	36,141	504,299.00
Electrical System Upgrades	2,718,160	1,107,307	1,610,853.00
Generator install and Setup	363,438	295,953	67,485.00
HVAC Upgrades	25,939,536	12,322,768	13,616,768.00
New Cafeterias	12,624,924	12,588,833	36,091.00
New Central Warehouse	9,075,175	3,396,877	5,678,298.00
Roof Replacement	5,692,655	5,324,693	367,962.00
Security Fencing	694,071	439,985	254,086.00
Total	\$ 60,768,745	\$ 35,795,620	\$ 24,973,125

**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 year-end.

Major Funds					
	Special Revenue Other	Special Revenue Federal	Capital Projects- Local Capital Improvement	Other Governmental Funds	Total Governmental Funds
General Fund	Federal Programs Fund	Education Stabilization Fund	Fund	Funds	Funds
\$ 2,663,595	\$ 529,488	\$ 19,765,607	\$ 16,392,290	\$ 1,061,417	\$ 40,412,397

**H. Net Position - Net Investment in Capital Asset**

In the government-wide Statement of Net Position, the difference between total assets and total liabilities is net position. Generally accepted accounting principles require that net position be subdivided into the following three components: Net investment in capital

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assets, restricted net position, and unrestricted net position. The composition of net investment in capital assets as of June 30, 2023, is shown in the table below:

Description	Amount
Total Capital Assets, Net of Accumulated Depreciation	\$ 518,441,376
Less related Debt, Net of Unspent Proceeds:	
Certificates of Participation Payable	\$ (22,745,000)
Bonds Payable	(1,741,000)
Notes Payable	(10,012,964)
Leases Payable	(650,937)
Unamortized Debt Premiums	(1,455,022)
Deferred Amount on Refunding	612,678
Construction and Retainage Payable	(6,461,005)
Prepaid Insurance on Refunding Debt	42,837
Total Related Debt, Net of Unspent Proceeds	(42,410,413)
Net Investment in Capital Assets	\$ 476,030,963

**I. Risk Management Programs**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District established a Risk Management Internal Service Fund to account for and finance its uninsured risks of loss related to workers' compensation, automobile liability, and general liability claims. Under the program, the Risk Management Fund provides coverage for up to \$500,000 for each workers' compensation claim, \$300,000 for each automobile and general liability claim and \$100,000 or 2 percent named windstorm for property. The District has entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claims minus specific excess coverage exceeds the loss fund established annually by the District. The District has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

The district provides health and hospitalization under a self-funded program administered through a commercial provider. By utilizing a self-funded model, the District assumes the claims risk directly and uses a purchased stop loss policy to mitigate those risks. The stop-loss policy covers an individual claim over \$375,000, with no aggregate stop loss deductible. The District had claims in excess of the stop-loss limit of \$2,822,456 in the current year. Funding levels for the program and the run-out claims were actuarially determined. The District reports the self-funded program in the Internal Service Fund. Amounts are charged to various funds to provide sufficient resources to cover claims incurred, to pay for the purchase of excess insurance, and to pay the insurance service agent's administrative fees.

A liability in the amount of \$11,430,931 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2023.

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

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**Workers' Compensation, Automobile Liability, and General Liability**

Fiscal Year	Fiscal-Year Liability	Claims and Changes in Estimates	Payments	Fiscal Year-End
2021-22	\$ 10,274,452	\$ 1,694,026	\$ (1,703,835)	\$ 10,264,643
2022-23	10,264,643	1,418,051	(2,368,763)	9,313,931

**Health Insurance**

Fiscal Year	Fiscal-Year Liability	Claims and Changes in Estimates	Payments	Fiscal Year-End
2021-22	\$ 2,535,000	\$ 42,063,454	\$ (42,050,454)	\$ 2,548,000
2022-23	2,548,000	44,419,285	(44,850,285)	2,117,000

**J. Long Term Liabilities**

**1. Certificates of Participation**

**Certificates of participation at June 30, 2023, are as follows:**

Series	Amount Outstanding	Interest Rates (Percent)	Lease Term Maturity	Original Amount
Series 2014, Direct Placement	\$ 7,655,000	2.77	2025	\$ 37,380,000
Series 2015B	15,090,000	3.13	2027	32,860,000
Total Certificates of Participation	<u>\$ 22,745,000</u>			<u>\$ 70,240,000</u>

The District entered into financing arrangements, characterized as lease-purchase agreements, with the Marion County School Board Leasing Corporation (Leasing Corporation), a blended component unit, whereby the District secured the financing of various educational facilities. The financing was accomplished through the issuance, by the Leasing Corporation to third-party investors, of certificates of participation. All the certificates issued and outstanding are subject to a master ground and facilities lease-purchase agreement between the District and the Leasing Corporation, which ends on the date that all certificates are paid in full. The lease payments, which are used to make debt service payments on the certificates, are payable from funds appropriated annually by the District for such purpose from current funds or other funds legally available. The District is not legally required to annually appropriate funds to make the lease payments.

As a condition of the financing arrangements, the District has given a ground lease on District property acquired with proceeds from the certificates to the Leasing Corporation. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the

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District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates for a period of time specified by the arrangements which may be up to 30 years from the date of inception of the arrangement.

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

<u>Certificates</u>	<u>Description of Properties</u>
Series 2014, Direct Placement	Hammett Bowen, Jr., Elementary School; North Marion Middle School Cafeteria; Vanguard High School Classroom Additions and Cafeteria/Multi-Purpose Building, Refunding 2005B
Series 2015B	South Ocala Elementary School, Howard Middle School, Lake Weir High School, Partial Refunding 2007B

The lease payments are payable by the District semiannually on June 1 and December 1 for the certificates of participation. The following is a schedule by years of future minimum lease payments under the lease agreement together with the present value of minimum lease payments as of June 30, 2023:

<u>Certificates of Participation:</u> <u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 4,178,469	3,500,000	\$ 678,469
2025	4,178,468	3,675,000	503,468
2026	4,179,719	3,860,000	319,719
2027	4,181,719	4,055,000	126,719
Total Minimum Lease Payments	<u>\$ 16,718,375</u>	<u>\$ 15,090,000</u>	<u>\$ 1,628,375</u>

<u>Certificates of Participation from Direct Placement:</u> <u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 3,987,044	\$ 3,775,000	\$ 212,044
2025	3,987,476	3,880,000	107,476
Total Minimum Lease Payments	<u>\$ 7,974,520</u>	<u>\$ 7,655,000</u>	<u>\$ 319,520</u>

**2. Bonds Payable**

Bonds payable at June 30, 2023, are as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>	<u>Original Amount</u>
State School Bonds:				
Series 2014A, Refunding	\$ 215,000	3-5	2025	\$ 895,000
District Revenue Bonds from Direct Placement:				
Series 2013, Refunding	1,526,000	3.66	2031	2,725,500
Total Bonds Payable	<u>\$ 1,741,000</u>			<u>\$ 3,620,500</u>

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

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➤ 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, Direct Placement

These bonds are authorized by Chapters 80-550 and 89-513, Laws of Florida, which provide that the bonds be secured from the pari-mutuel tax proceeds distributed annually to Marion County from the State's Pari-mutuel Tax Collection Trust Fund pursuant to Chapter 550, Florida Statutes (effective July 1, 2000, tax proceeds were distributed pursuant to Section 212.20(6)(d)7.a., Florida Statutes (2001), now Section 212.20(6)(d)6.a., Florida Statutes (2011)). The annual distribution is remitted by the Florida Department of Financial Services to the District. As required by the bond resolution, the District has established the sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account.

The District has pledged a total of \$1,789,554 of pari-mutuel tax proceeds in connection with the District Revenue Bonds of 2013, described above. During the 2022-23 fiscal year, the District recognized pari-mutuel tax proceeds totaling \$223,250 and expended \$198,816 (89.5 percent) of these revenues for debt service directly collateralized by these revenues. The pledged pari-mutuel tax proceeds are committed until final maturity of the debt on December 1, 2031. Approximately 100 percent of this revenue stream has been pledged in connection with debt service on the revenue bonds.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2023, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2024	\$ 113,550	\$ 105,000	\$ 8,550
2025	113,300	110,000	3,300
Total State School Bonds	<u>226,850</u>	<u>215,000</u>	<u>11,850</u>
District Revenue Bonds from Direct Placement:			
2024	\$ 197,216	\$ 144,000	\$ 53,216
2025	199,800	152,000	47,800
2026	198,163	156,000	42,163
2027	199,326	163,000	36,326
2028	201,213	171,000	30,213
2029-2032	793,836	740,000	53,836
Total District Revenue Bonds from Direct Placement	<u>1,789,554</u>	<u>1,526,000</u>	<u>263,554</u>
Total	<u>\$ 2,016,404</u>	<u>\$ 1,741,000</u>	<u>\$ 275,404</u>

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**3. Notes Payable, Direct Placement**

The notes payable from direct placement at June 30, 2023, are as follows:

Notes Payable, Direct Placement	Amount Outstanding	Interest Rate (Percent)	Annual Maturity To	Original Amount
Bus Purchase 2019	\$ 10,012,964	2.78	2029	\$ 15,839,901

The district entered into a financing arrangement in the 2018-19 fiscal year to purchase 150 buses.

Annual requirements to amortize the note payable as of June 30, 2023, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,823,352	1,555,845	267,507
2025	1,823,351	1,599,379	223,972
2026	1,823,352	1,644,132	179,220
2027	1,823,351	1,690,137	133,214
2028	1,823,352	1,737,428	85,924
2029	1,823,352	1,786,043	37,309
Total Notes Payable, Direct Placement	<u>\$ 10,940,110</u>	<u>\$ 10,012,964</u>	<u>\$ 927,146</u>

**4. Changes in Long-Term Liabilities**

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

<u>Description</u>	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due In One Year</u>
Governmental Activities					
Debt Related to Capital Assets:					
Certificates of Participation Payable	\$ 18,425,000	\$ -	\$ 3,335,000	\$ 15,090,000	\$ 3,500,000
Certificates of Participation Payable					
Direct Placement	14,800,000	-	7,145,000	7,655,000	3,775,000
Bonds Payable	460,000	-	245,000	215,000	105,000
Bonds Payable					
Direct Placement	1,667,000	-	141,000	1,526,000	144,000
Notes Payable, Direct Placement	11,526,460	-	1,513,496	10,012,964	1,555,845
Leases Payable	1,005,969	-	355,032	650,937	346,491
Unamortized Premiums	1,828,178	-	373,156	1,455,022	-
Total Capital Asset Related Debt	<u>49,712,607</u>	<u>-</u>	<u>13,107,684</u>	<u>36,604,923</u>	<u>9,426,336</u>
Compensated Absences Payable	32,013,594	3,033,067	3,279,366	31,767,295	3,645,003
Other Postemployment Benefits Payable	21,289,053	1,526,354	4,931,303	17,884,104	1,131,842
Estimated Insurance Claims Payable	12,812,643	45,837,336	47,219,048	11,430,931	3,397,561
Net Pension Liability:					
Florida Retirement System	39,529,893	229,124,415	67,246,955	201,407,353	-
Health Insurance Subsidy	85,817,726	18,041,580	27,525,074	76,334,232	431,961
<b>Total Governmental Activities</b>	<u>\$ 241,175,516</u>	<u>\$ 297,562,752</u>	<u>\$ 163,309,430</u>	<u>\$ 375,428,838</u>	<u>\$ 18,032,703</u>

\* The District implemented GASB 87 in the current year. The beginning balance is the result of the implementation and was accounted for as part of the prior period adjustment described at Note II.



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For the governmental activities, compensated absences, pensions, and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with the resources of the Internal Service Fund, as discussed in Note III.I.

**5. Deferred Outflows / Inflows of Resources**

The components of deferred inflows and outflows are:

Description	Beginning Balance	Change	Ending Balance
<b>GOVERNMENTAL ACTIVITIES</b>			
Non-pension Related Deferred Outflows:			
Deferred Amount on Refunding	\$ 814,565	\$ (201,887)	\$ 612,678
Other Postemployment Benefits	2,433,856	(162,516)	2,271,340
Total	<u>\$ 3,248,421</u>	<u>\$ (364,403)</u>	<u>\$ 2,884,018</u>
Pension Related Deferred Outflows:			
Florida Retirement System	\$ 68,426,728	\$ 17,670,633	\$ 86,097,361
Health Insurance Subsidy	14,828,688	(984,861)	13,843,827
Total	<u>\$ 83,255,416</u>	<u>\$ 16,685,772</u>	<u>\$ 99,941,188</u>
Pension Related Deferred Inflows:			
Florida Retirement System	\$ 141,690,723	\$ (139,089,633)	\$ 2,601,090
Health Insurance Subsidy	5,289,056	8,170,648	13,459,704
Total	<u>\$ 146,979,779</u>	<u>\$ (130,918,985)</u>	<u>\$ 16,060,794</u>
Non-pension Related Deferred Inflows:			
Other Postemployment Benefits	\$ 7,588,720	\$ 2,383,308	\$ 9,972,028
Deferred Inflows - Leases	-	1,602,640	1,602,640
Total	<u>\$ 7,588,720</u>	<u>\$ 3,985,948</u>	<u>\$ 11,574,668</u>

**6. Lease Payable**

The District is the lessee of equipment and buildings in several departments of operation. Details of the District's significant leases are outlined in the table below.

Description of Leased Item	Lease Term	Payments	Payment Frequency	Interest Rate
Clearview Copiers	24 months	\$ 24,677	Monthly	0%
Mail Processing Equipment	44 months	840	Quarterly	.686%
Building	21 months	4,744	Monthly	1.66%

The District's lease payable at June 30, 2023 is \$650,937. Future debt service payments at June 30 are as follows:

Fiscal Year	Principal Payments	Interest Payments	Total Payments
2024	\$ 346,491	\$ 430	\$ 346,921
2025	299,436	49	299,485
2026	3,334	26	3,360
2027	1,676	4	1,680
Total	<u>\$ 650,937</u>	<u>\$ 509</u>	<u>\$ 651,446</u>

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**K. Fund Balance Reporting**

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

- **Nonspendable Fund Balance.** Nonspendable 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.
- **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.
- **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. The General Fund is the only fund that reports a positive unassigned fund balance because it is not appropriate to report a positive unassigned fund balance in other government funds. It may be necessary to report a negative unassigned fund balance if expenditures exceed nonspendable, restricted, committed and unassigned fund balance.

**L. Revenues**

**1. Schedule of State Revenue Sources**

The following is a schedule of the District's State revenue sources for the 2022-23 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 189,772,350
Categorical Educational Program - Class Size Reduction	43,673,605
Workforce Development Program	4,057,685
Motor Vehicle License Tax (Capital Outlay and Debt Service)	1,822,604
Voluntary Prekindergarten Program	1,800,349
Food Service Supplement	381,954
Charter School Capital Outlay	282,302
State License Tax	277,563
Workforce Education Performance Incentive	210,154
Miscellaneous	2,909,418
Total	<u>\$ 245,187,984</u>

Accounting policies relating to certain State revenue sources are described in Note I.H.2.

**MARION COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS (Continued)  
JUNE 30, 2023**

**2. Property Taxes**

The following is a summary of millages and taxes budgeted from the 2022 tax roll for the 2022-23 fiscal year; taxes budgeted are stated at 96 percent of the actual tax roll levy to allow for early payment discounts and uncollectable amounts:

<u>GENERAL FUND</u>	<u>Millages</u>	<u>Taxes Budgeted</u>
Nonvoted School Tax:		
Required Local Effort	3.250	\$ 92,769,953
Required Local Effort - Prior Period Adjustment	0.007	199,812
Basic Discretionary Local Effort	0.748	21,351,361
Voted School Tax:		
Operating	1.000	28,544,601
 <u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvement	1.500	42,816,901
Total	<u>6.505</u>	<u>\$ 185,682,628</u>

**M. Donor-Restricted Endowments**

The Silver River Museum Endowment was created to provide long-term funding for the continuation and enhancement of educational programs offered through the museum. The initial investment of \$410,000 must be invested for perpetuity and cannot be spent under any circumstances. Investments are currently valued at \$389,085. The Silver River Museum has sole access to the interest from the endowment.

**N. Interfund Receivables, Payables, and Transfers**

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

<u>Funds</u>	<u>Interfund</u>	
	<u>Transfers In</u>	<u>Transfers Out</u>
Major:		
General	\$ 7,222,041	\$ 18,952
Capital Projects:		
Local Capital Improvement	-	19,813,349
Special Revenue:		
Federal Education Stabilization	-	645,612
Nonmajor Governmental	<u>13,580,965</u>	<u>325,093</u>
Total	<u>\$ 20,803,006</u>	<u>\$ 20,803,006</u>

Transfers from the Local Capital Improvement Fund are for payments of principal and interest on certificates of participation, property insurance and to assist in funding maintenance operations of the District. The remaining transfers between funds were operational in nature.

**MARION COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS (Continued)  
JUNE 30, 2023**

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

Funds	Interfund	
	Due From	Due To
Major:		
General	\$ 60,701	\$ -
Special Revenue - Other Federal Programs	-	2,634,149
Special Revenue - Federal Education Stabilization	-	20,874,465
Non major Governmental	3,354,375	40,275
Internal Service Fund	20,133,813	-
Total	\$ 23,548,889	\$ 23,548,889

The interfund receivables and payables are temporary in nature and were to offset pooled cash positions.

**MARION COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS (Continued)  
JUNE 30, 2023**

**IV. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

**Litigation**

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

**REQUIRED SUPPLEMENTARY  
INFORMATION**

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Federal Direct:				
Reserve Officers Training Corps	\$ 510,000	\$ 510,000	\$ 622,055	\$ 112,055
Federal Through State:				
Medicaid	2,163,000	2,344,096	1,916,705	(427,391)
National Forest Funds	200,000	241,319	241,319	-
National School Lunch Act	3,000	8,150	8,061	(89)
Total Federal Through State	<u>2,366,000</u>	<u>2,593,565</u>	<u>2,166,085</u>	<u>(427,480)</u>
State:				
Florida Education Finance Program	204,774,519	189,772,350	189,772,350	-
Workforce Development Program	4,057,685	4,057,685	4,057,685	-
Workforce Education Performance Incentive	146,000	146,000	210,154	64,154
CO&DS Withheld for Administrative Expense	26,000	26,000	26,867	867
Class Size Reduction - Operating Funds	43,326,227	43,673,605	43,673,605	-
School Recognition Funds	-	666,020	666,020	-
Voluntary Prekindergarten Program	1,597,450	1,597,450	1,800,348	202,898
Other State:				
State License Tax	250,000	277,563	277,563	-
Miscellaneous State Revenue	171,580	280,899	245,071	(35,828)
Total State	<u>254,349,461</u>	<u>240,497,572</u>	<u>240,729,663</u>	<u>232,091</u>
Local:				
District School Taxes	142,865,727	142,662,715	142,662,715	-
Tax Redemptions	400,000	628,242	628,242	-
Tuition	-	10,261	10,261	-
Rent	115,500	115,500	192,652	77,152
Investment Income	250,000	3,132,426	3,132,425	(1)
Net Increase in Fair Value of Investments	-	-	54,312	54,312
Gifts, Grants, and Bequests	-	173,780	174,107	327
Interest Income - Leases	-	-	4,086	4,086
Local Adult General Education Course Fees	47,000	18,062	14,280	(3,782)
Postsecondary Vocational Course Fees	1,178,828	1,186,148	965,468	(220,680)
Capital Improvement Fees	67,532	67,892	56,015	(11,877)
Postsecondary Lab Fees	1,617,121	1,626,305	1,476,975	(149,330)
Lifelong Learning Fees	134,645	134,645	52,918	(81,727)
Financial Aid Fees	134,841	135,561	110,544	(25,017)
Other Student Fees	712,770	713,130	673,661	(39,469)
School Age Child Care Fees	4,559,240	5,830,146	5,742,181	(87,965)
Other Schools, Courses, and Classes Fees	2,400	2,400	2,625	225
Bus Fees	-	-	26,330	26,330
Transportation Services Rendered for School Activities	50,000	50,000	82,493	32,493
Sale of Junk	-	115,033	117,832	2,799
Receipt of Federal Indirect Cost Rate	2,400,000	3,534,599	3,496,622	(37,977)
Miscellaneous Local Revenues	2,089,171	3,458,970	3,925,368	466,398
Collection of Lost or Damaged Textbooks	-	24,251	24,405	154
Receipts of Food Service Indirect Costs	500,000	697,758	697,758	-
Total Local	<u>157,124,775</u>	<u>164,317,824</u>	<u>164,324,275</u>	<u>6,451</u>
<b>Total Revenues</b>	<u>414,350,236</u>	<u>407,918,961</u>	<u>407,842,078</u>	<u>(76,883)</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
(Continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Expenditures</b>				
Current Education:				
Instruction:				
Salaries	\$ 159,705,379	\$ 159,805,996	\$ 151,587,391	\$ 8,218,605
Employee Benefits	59,789,715	58,136,734	54,342,350	3,794,384
Purchased Services	38,034,326	21,656,386	19,110,639	2,545,747
Energy Services	47,226	45,273	31,788	13,485
Materials and Supplies	12,641,037	13,225,555	4,575,731	8,649,824
Capital Outlay	4,892,698	5,376,031	1,153,923	4,222,108
Other	5,639,113	3,698,596	1,563,788	2,134,808
<b>Total Instruction</b>	<b>280,749,494</b>	<b>261,944,571</b>	<b>232,365,610</b>	<b>29,578,961</b>
Student Personnel Services:				
Salaries	20,145,057	19,546,730	18,825,164	721,566
Employee Benefits	7,343,144	7,888,834	6,820,910	1,067,924
Purchased Services	811,628	1,619,977	1,001,382	618,595
Energy Services	900	1,000	929	71
Materials and Supplies	87,420	132,970	95,599	37,371
Capital Outlay	12,000	252,475	242,259	10,216
Other	5,025	7,113	6,131	982
<b>Total Student Personnel Services</b>	<b>28,405,174</b>	<b>29,449,099</b>	<b>26,992,374</b>	<b>2,456,725</b>
Instructional Media Services:				
Salaries	2,979,895	2,991,060	2,866,519	124,541
Employee Benefits	1,104,068	1,143,466	1,051,569	91,897
Purchased Services	96,540	121,235	95,842	25,393
Energy Services	1,000	1,681	697	984
Materials and Supplies	34,517	36,487	19,502	16,985
Capital Outlay	447,264	485,927	113,356	372,571
Other	7,450	7,960	912	7,048
<b>Total Instructional Media Services</b>	<b>4,670,734</b>	<b>4,787,816</b>	<b>4,148,397</b>	<b>639,419</b>
Instruction and Curriculum Development:				
Salaries	3,410,211	3,359,692	2,829,521	530,171
Employee Benefits	1,091,458	1,151,617	913,288	238,329
Purchased Services	323,747	334,381	182,438	151,943
Energy Services	2,050	3,937	3,919	18
Materials and Supplies	53,246	94,773	26,644	68,129
Capital Outlay	25,150	41,466	24,866	16,600
Other	610,150	606,658	499,624	107,034
<b>Total Instruction and Curriculum Development</b>	<b>5,516,012</b>	<b>5,592,524</b>	<b>4,480,300</b>	<b>1,112,224</b>
Instructional Staff Training Services:				
Salaries	2,256,580	2,380,411	2,067,934	312,477
Employee Benefits	712,831	785,995	616,817	169,178
Purchased Services	321,205	470,235	271,477	198,758
Materials and Supplies	52,407	29,661	8,448	21,213
Capital Outlay	1,000	650	164	486
Other	2,007,310	1,797,752	104,175	1,693,577
<b>Total Instructional Staff Training Services</b>	<b>5,351,333</b>	<b>5,464,704</b>	<b>3,069,015</b>	<b>2,395,689</b>



**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
(Continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Expenditures (continued)</b>				
Current Education (continued):				
Instruction Related Technology:				
Salaries	\$ 1,773,112	\$ 1,669,573	\$ 1,456,428	\$ 213,145
Employee Benefits	741,539	744,937	608,005	136,932
Purchased Services	354,006	330,439	238,426	92,013
Energy Services	6,000	8,367	8,365	2
Materials and Supplies	26,000	58,887	51,787	7,100
Capital Outlay	130,100	116,861	105,798	11,063
Other	37,000	40,100	7,863	32,237
Total Instruction Related Technology	<u>3,067,757</u>	<u>2,969,164</u>	<u>2,476,672</u>	<u>492,492</u>
Board of Education:				
Salaries	592,902	567,142	567,139	3
Employee Benefits	312,620	416,938	377,061	39,877
Purchased Services	285,780	335,994	191,385	144,609
Materials and Supplies	11,667	12,853	2,304	10,549
Capital Outlay	3,291	3,291	-	3,291
Other	26,000	26,000	23,921	2,079
Total Board of Education	<u>1,232,260</u>	<u>1,362,218</u>	<u>1,161,810</u>	<u>200,408</u>
General Administration:				
Salaries	1,563,819	1,611,493	1,603,141	8,352
Employee Benefits	517,599	576,221	515,882	60,339
Purchased Services	114,165	113,411	73,499	39,912
Energy Services	2,770	2,585	1,676	909
Material and Supplies	16,260	27,318	7,938	19,380
Capital Outlay	8,945	10,737	6,748	3,989
Other	42,077	41,627	26,082	15,545
Total General Administration	<u>2,265,635</u>	<u>2,383,392</u>	<u>2,234,966</u>	<u>148,426</u>
School Administration:				
Salaries	17,280,705	17,316,740	16,919,701	397,039
Employee Benefits	6,048,624	6,346,730	5,945,401	401,329
Purchased Services	213,715	193,548	119,548	74,000
Materials and Supplies	41,423	41,631	33,470	8,161
Capital Outlay	21,253	54,579	41,451	13,128
Other	26,458	35,284	33,578	1,706
Total School Administration	<u>23,632,178</u>	<u>23,988,512</u>	<u>23,093,149</u>	<u>895,363</u>
Facility Services:				
Salaries	697,092	701,714	635,573	66,141
Employee Benefits	219,858	221,155	198,664	22,491
Purchased Services	142,419	155,449	42,883	112,566
Energy Services	5,500	5,500	4,308	1,192
Materials and Supplies	16,900	17,160	8,395	8,765
Capital Outlay	5,500	3,238	105	3,133
Other	442,744	466,298	325,478	140,820
Total Facility Services	<u>1,530,013</u>	<u>1,570,514</u>	<u>1,215,406</u>	<u>355,108</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
(Continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Expenditures (continued)</b>				
Current Education (continued):				
Fiscal Services:				
Salaries	\$ 2,401,981	\$ 2,326,549	\$ 2,209,015	\$ 117,534
Employee Benefits	740,062	786,345	754,010	32,335
Purchased Services	1,155,315	1,219,851	881,398	338,453
Energy Services	450	450	140	310
Materials and Supplies	24,145	30,706	26,612	4,094
Capital Outlay	9,450	8,642	2,712	5,930
Other	391,103	592,039	85,787	506,252
Total Fiscal Services	<u>4,722,506</u>	<u>4,964,582</u>	<u>3,959,674</u>	<u>1,004,908</u>
Central Services:				
Salaries	4,356,728	4,471,205	4,077,435	393,770
Employee Benefits	1,522,080	1,557,166	1,384,233	172,933
Purchased Services	825,568	840,733	564,363	276,370
Energy Services	28,740	37,136	36,439	697
Materials and Supplies	113,656	86,740	70,083	16,657
Capital Outlay	109,730	114,959	103,215	11,744
Other	387,268	379,871	278,773	101,098
Total Central Services	<u>7,343,770</u>	<u>7,487,810</u>	<u>6,514,541</u>	<u>973,269</u>
Student Transportation Services:				
Salaries	11,513,308	13,439,639	13,197,041	242,598
Employee Benefits	5,806,644	6,150,700	5,684,980	465,720
Purchased Services	1,701,772	1,663,812	1,538,060	125,752
Energy Services	3,121,464	3,033,425	2,957,763	75,662
Materials and Supplies	733,651	971,775	824,334	147,441
Capital Outlay	25,500	29,040	25,822	3,218
Other	62,000	198,598	192,794	5,804
Total Student Transportation Services	<u>22,964,339</u>	<u>25,486,989</u>	<u>24,420,794</u>	<u>1,066,195</u>
Operation of Plant:				
Salaries	11,921,637	12,151,427	11,162,756	988,671
Employee Benefits	5,027,678	5,205,692	4,724,144	481,548
Purchased Services	9,940,977	10,038,182	9,412,377	625,805
Energy Services	9,248,120	11,097,860	10,900,010	197,850
Materials and Supplies	949,511	1,118,752	845,864	272,888
Capital Outlay	131,683	120,881	93,607	27,274
Other	3,014,189	732,617	1,392	731,225
Total Operation of Plant	<u>40,233,795</u>	<u>40,465,411</u>	<u>37,140,150</u>	<u>3,325,261</u>
Maintenance of Plant:				
Salaries	6,008,471	6,144,024	5,849,159	294,865
Employee Benefits	2,393,478	2,415,503	2,278,191	137,312
Purchased Services	2,054,093	1,705,065	1,665,698	39,367
Energy Services	133,000	167,510	167,509	1
Materials and Supplies	1,115,333	1,517,245	1,414,146	103,099
Capital Outlay	28,549	82,454	74,106	8,348
Other	25,325	29,437	26,983	2,454
Total Maintenance of Plant	<u>11,758,249</u>	<u>12,061,238</u>	<u>11,475,792</u>	<u>585,446</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR FUND - GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**  
(Continued)

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Expenditures (continued)</b>				
Current Education (continued):				
Administrative Technology Services:				
Salaries	\$ 1,899,659	\$ 2,092,552	\$ 1,746,353	\$ 346,199
Employee Benefits	658,926	702,908	575,086	127,822
Purchased Services	2,425,728	2,482,313	2,143,552	338,761
Energy Services	1,800	6,222	6,221	1
Materials and Supplies	25,550	28,348	13,834	14,514
Capital Outlay	260,100	300,117	49,083	251,034
Other	17,800	43,221	16,086	27,135
Total Administrative Technology Services	<u>5,289,563</u>	<u>5,655,681</u>	<u>4,550,215</u>	<u>1,105,466</u>
Community Services:				
Salaries	3,588,442	4,177,494	3,690,331	487,163
Employee Benefits	1,098,177	1,233,655	1,107,183	126,472
Purchased Services	143,735	256,878	194,945	61,933
Materials and Supplies	94,798	97,296	77,984	19,312
Capital Outlay	20,700	33,089	25,490	7,599
Other	3,500	24,487	21,998	2,489
Total Community Services	<u>4,949,352</u>	<u>5,822,899</u>	<u>5,117,931</u>	<u>704,968</u>
Capital Outlay:				
Buildings and Fixed Equipment	50,000	2,000,561	430,717	1,569,844
Improvements Other Than Buildings	731,687	3,048,309	687,139	2,361,170
Remodeling and Renovations	469,408	2,081,315	461,408	1,619,907
Vehicles	48,946	40,754	-	40,754
Other Capital Outlay	3,342,080	3,611,357	1,465,557	2,145,800
Total Capital Outlay	<u>4,642,121</u>	<u>10,782,296</u>	<u>3,044,821</u>	<u>7,737,475</u>
Debt Service:				
Retirement of Principal	-	-	355,032	(355,032)
Interest and Fiscal Charges	-	-	1,377	(1,377)
<b>Total Expenditures</b>	<u>458,324,285</u>	<u>452,239,420</u>	<u>397,818,026</u>	<u>54,421,394</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(43,974,049)</u>	<u>(44,320,459)</u>	<u>10,024,052</u>	<u>54,344,511</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Loss Recoveries	-	2,081,347	2,078,802	(2,545)
Transfers In	7,297,390	7,966,556	7,222,041	(744,515)
Transfers Out	(20,000)	(20,000)	(18,952)	1,048
<b>Total Other Financing Sources</b>	<u>7,277,390</u>	<u>10,027,903</u>	<u>9,281,891</u>	<u>(746,012)</u>
<b>Net Change in Fund Balance</b>	<u>(36,696,659)</u>	<u>(34,292,556)</u>	<u>19,305,943</u>	<u>53,598,499</u>
<b>Fund Balance - Beginning</b>	<u>70,702,769</u>	<u>70,702,769</u>	<u>70,702,590</u>	<u>(179)</u>
<b>Fund Balance - Ending</b>	<u>\$ 34,006,110</u>	<u>\$ 36,410,213</u>	<u>\$ 90,008,533</u>	<u>\$ 53,598,320</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Other Federal Programs Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
<b>Federal Direct</b>				
Pell Grants	\$ 1,500,000	\$ 1,600,000	\$ 1,141,507	\$ (458,493)
Education Stabilization Funds - K12	5,466	63,150	-	(63,150)
Total Federal Direct	<u>1,505,466</u>	<u>1,663,150</u>	<u>1,141,507</u>	<u>(521,643)</u>
<b>Federal Through State and Local</b>				
Career and Technical Education	719,330	769,330	639,884	(129,446)
Individuals with Disabilities Education Act (IDEA)	15,150,424	15,159,943	12,870,887	(2,289,056)
Adult General Education	593,009	626,751	571,658	(55,093)
English Literacy and Civics Education	71,768	152,768	113,823	(38,945)
Elementary and Secondary Education Act	19,682,154	23,246,553	18,223,024	(5,023,529)
Teacher and Principal Training and Recruiting	3,431,672	3,912,905	1,557,491	(2,355,414)
Language Instruction	443,618	443,273	363,985	(79,288)
Twenty-First Century Schools	353,806	981,623	321,078	(660,545)
National School Lunch Act	-	4,857	1,775	(3,082)
Miscellaneous Federal Through State	1,936,188	5,100,304	1,345,921	(3,754,383)
Federal Through Local	488,298	491,122	106,491	(384,631)
Total Federal Through State and Local	<u>42,870,267</u>	<u>50,889,429</u>	<u>36,116,017</u>	<u>(14,773,412)</u>
<b>State</b>				
Miscellaneous State	541,463	1,469,771	1,223,889	(245,882)
<b>Local</b>				
Local Adult General Education Course Fees	-	30,182	30,182	-
<b>Total Revenues</b>	<u>44,917,196</u>	<u>54,052,532</u>	<u>38,511,595</u>	<u>(15,540,937)</u>
<b>Expenditures</b>				
Current Education:				
Instruction:				
Salaries	11,434,215	13,334,365	10,182,947	3,151,418
Employee Benefits	5,240,422	5,926,260	4,544,825	1,381,435
Purchased Services	1,826,523	2,192,248	1,587,196	605,052
Energy Services	11,043	11,043	801	10,242
Materials and Supplies	1,816,988	2,951,837	1,403,551	1,548,286
Capital Outlay	640,448	2,258,133	1,644,141	613,992
Other	61,195	179,448	114,611	64,837
Total Instruction	<u>21,030,834</u>	<u>26,853,334</u>	<u>19,478,072</u>	<u>7,375,262</u>
Student Personnel Services:				
Salaries	4,482,991	4,632,256	4,013,673	618,583
Employee Benefits	1,665,035	1,710,486	1,386,629	323,857
Purchased Services	198,025	782,719	100,847	681,872
Energy Services	5,838	838	528	310
Materials and Supplies	325,702	439,247	212,112	227,135
Capital Outlay	99,987	99,656	72,399	27,257
Total Student Personnel Services	<u>6,777,578</u>	<u>7,665,202</u>	<u>5,786,188</u>	<u>1,879,014</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
MAJOR SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Other Federal Programs Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Expenditures (concluded)</b>				
Current Education (concluded):				
Instructional Media Services:				
Purchased Services	\$ -	\$ 220,000	\$ 200,709	\$ 19,291
Capital Outlay	19,108	25,908	20,023	5,885
Total Instructional Media Services	19,108	245,908	220,732	25,176
Instruction and Curriculum Development:				
Salaries	1,777,097	2,246,269	1,808,661	437,608
Employee Benefits	649,597	815,741	648,647	167,094
Purchased Services	174,572	278,810	77,611	201,199
Materials and Supplies	32,360	58,206	49,695	8,511
Capital Outlay	5,983	5,983	4,748	1,235
Other	99,048	86,337	26,997	59,340
Total Instruction and Curriculum Development	2,738,657	3,491,346	2,616,359	874,987
Instructional Staff Training Services:				
Salaries	4,937,673	5,130,332	4,248,989	881,343
Employee Benefits	1,879,887	2,054,439	1,520,539	533,900
Purchased Services	633,692	863,917	331,777	532,140
Materials and Supplies	196,947	227,313	60,880	166,433
Capital Outlay	-	53,418	7,321	46,097
Other	1,603,436	1,902,534	468,971	1,433,563
Total Instructional Staff Training Services	9,251,635	10,231,953	6,638,477	3,593,476
Instruction Related Technology				
Purchased Services	1,300	3,375	575	2,800
Total Instruction Related Technology	1,300	3,375	575	2,800
General Administration:				
Other	1,969,703	1,942,906	1,618,203	324,703
Total General Administration	1,969,703	1,942,906	1,618,203	324,703
School Administration:				
Salaries	35,000	35,000	15,000	20,000
Employee Benefits	6,384	6,476	1,321	5,155
Materials and Supplies	458	458	415	43
Other	32,283	32,191	31,897	294
Total School Administration	74,125	74,125	48,633	25,492
Facility Services				
Purchased Services	12,613	12,898	12,897	1
Total Facility Services	12,613	12,898	12,897	1
Central Services:				
Employee Benefits	4,752	7,229	1,554	5,675
Purchased Services	-	96	96	-
Materials and Supplies	-	1,000	1,000	-
Other	52,960	71,536	18,788	52,748
Total Central Services	57,712	79,861	21,438	58,423
Student Transportation Services:				
Salaries	37,497	80,551	15,825	64,726
Employee Benefits	8,016	16,718	3,937	12,781
Purchased Services	7,581	4,600	444	4,156
Energy Services	45,658	166,735	16,799	149,936
Materials and Supplies	500	500	-	500
Other	500	500	-	500
Total Student Transportation Services	99,752	269,604	37,005	232,599

**MARION COUNTY DISTRICT SCHOOL BOARD  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
MAJOR SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Other Federal Programs Fund</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Community Services:				
Other	\$ 1,500,000	\$ 1,500,000	\$ 1,079,570	\$ 420,430
Capital Outlay:				
Remodeling and Renovations	499,862	499,577	271,506	228,071
Other Capital Outlay	884,317	1,182,443	681,940	500,503
<b>Total Expenditures</b>	<b>44,917,196</b>	<b>54,052,532</b>	<b>38,511,595</b>	<b>15,540,937</b>
<b>Net Change in Fund Balance</b>	-	-	-	-
<b>Fund Balance - Beginning</b>	-	-	-	-
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Federal Education Stabilization Fund</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>				
Federal Direct	\$ 759,221	\$ 749,615	\$ 746,959	\$ (2,656)
Federal Through State				
Education Stabilization Funds - K12	142,776,778	158,059,456	54,958,804	(103,100,652)
Federal Through Local	-	45,105	12,486	(32,619)
<b>Total Revenues</b>	<b>143,535,999</b>	<b>158,854,176</b>	<b>55,718,249</b>	<b>(103,135,927)</b>
<b>Expenditures</b>				
Current Education:				
Instruction:				
Salaries	17,722,597	22,679,762	10,013,259	12,666,503
Employee Benefits	5,097,914	8,389,811	3,184,594	5,205,217
Purchased Services	6,274,338	6,756,391	2,541,172	4,215,219
Materials and Supplies	9,139,564	10,836,861	8,820,020	2,016,841
Capital Outlay	2,566,820	4,917,582	4,702,019	215,563
Other	832,508	10,830,575	4,796,950	6,033,625
Total Instruction	41,633,741	64,410,982	34,058,014	30,352,968
Student Personnel Services:				
Salaries	7,494,864	10,506,775	3,657,389	6,849,386
Employee Benefits	2,091,136	4,274,332	1,726,496	2,547,836
Purchased Services	6,723,319	6,988,833	1,007,356	5,981,477
Materials and Supplies	579,869	227,723	13,672	214,051
Capital Outlay	56,860	56,984	56,789	195
Other	12,974	12,974	-	12,974
Total Student Personnel Services	16,959,022	22,067,621	6,461,702	15,605,919
Media Services:				
Salaries	170,580	-	-	-
Employee Benefits	14,978	-	-	-
Capital Outlay	3,949	3,949	-	3,949
Total Media Services	189,507	3,949	-	3,949
Intruction and Curriculum Development:				
Salaries	23,826,268	13,200,955	1,974,745	11,226,210
Employee Benefits	4,971,840	3,072,173	523,967	2,548,206
Purchased Services	-	16,015	257	15,758
Materials and Supplies	-	199,980	-	199,980
Total Instruction and Curriculum Development	28,798,108	16,489,123	2,498,969	13,990,154
Instructional Staff Training Services:				
Salaries	4,518,530	116,884	33,543	83,341
Employee Benefits	397,175	382,546	55,315	327,231
Purchased Services	1,582,461	1,992,905	1,383,774	609,131
Other	182,200	3,533,776	511,663	3,022,113
Total Instructional Staff Training Services	6,680,366	6,026,111	1,984,295	4,041,816
Intruction-Related Technology:				
Salaries	99,504	191,923	52,773	139,150
Employee Benefits	8,738	40,088	10,960	29,128
Purchased Services	16,092,988	3,094,049	1,419,762	1,674,287
Materials and Supplies	-	17,261	-	17,261
Capital Outlay	-	803,617	64,753	738,864
Total Instruction-Related Technology	16,201,230	4,146,938	1,548,248	2,598,690
Board Services:				
Salaries	11,374	-	-	-
Total Board Services	11,374	-	-	-
General Administration:				
Salaries	50,946	-	-	-
Other	4,850,637	5,762,506	1,906,227	3,856,279
Total General Administration	4,901,583	5,762,506	1,906,227	3,856,279
School Administration:				
Salaries	915,640	433,281	75,846	357,435
Employee Benefits	112,310	102,502	21,180	81,322
Purchased Services	109,543	109,543	-	109,543
Total School Administration	1,137,493	645,326	97,026	548,300

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<b>Federal Education Stabilization Fund</b>				
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Expenditures (Concluded)</b>				
Current Education (Concluded):				
Facility Services:				
Salaries	\$ 22,746	\$ -	\$ -	\$ -
Employee Benefits	1,998	-	-	-
Purchased Services	300,000	100,000	-	100,000
Capital Outlay	2,342,793	618,750	254,323	364,427
<b>Total Facility Services</b>	<b>2,667,537</b>	<b>718,750</b>	<b>254,323</b>	<b>464,427</b>
Fiscal Services:				
Salaries	92,398	241,956	19,188	222,768
Employee Benefits	8,114	90,738	3,976	86,762
Materials and Supplies	20,000	869	868	1
Capital Outlay	40,000	18,018	18,018	-
<b>Total Fiscal Services</b>	<b>160,512</b>	<b>351,581</b>	<b>42,050</b>	<b>309,531</b>
Central Services:				
Salaries	174,848	204,069	5,861	198,208
Employee Benefits	20,783	91,902	3,659	88,243
Purchased Services	90,720	507,840	169,797	338,043
Materials and Supplies	6,000	6,000	-	6,000
Capital Outlay	14,960	14,960	9,845	5,115
Other	1,065,700	1,548,548	36,100	1,512,448
<b>Total Central Services</b>	<b>1,373,011</b>	<b>2,373,319</b>	<b>225,262</b>	<b>2,148,057</b>
Student Transportation Services:				
Salaries	2,605,233	2,034,415	970,430	1,063,985
Employee Benefits	589,745	671,950	372,430	299,520
Purchased Services	26,785	63,868	3,305	60,563
Energy Services	285,217	398,084	181,549	216,535
Materials and Supplies	204,455	104,455	25,903	78,552
Other	-	2,000	-	2,000
<b>Total Student Transportation Services</b>	<b>3,711,435</b>	<b>3,274,772</b>	<b>1,553,617</b>	<b>1,721,155</b>
Operation of Plant:				
Salaries	1,688,410	1,607,538	493,139	1,114,399
Employee Benefits	148,859	325,735	100,525	225,210
Purchased Services	126,240	130,005	20,151	109,854
Materials and Supplies	2,333,051	1,479,022	296,503	1,182,519
Capital Outlay	138,000	243,428	243,187	241
<b>Total Operation of Plant</b>	<b>4,434,560</b>	<b>3,785,728</b>	<b>1,153,505</b>	<b>2,632,223</b>
Maintenance of Plant				
Salaries	335,466	-	-	-
Employee Benefits	29,456	-	-	-
<b>Total Maintenance of Plant</b>	<b>364,922</b>	<b>-</b>	<b>-</b>	<b>-</b>
Administration Technology Services:				
Salaries	68,232	169,179	39,230	129,949
Employee Benefits	5,992	63,446	12,893	50,553
<b>Total Administration Technology Services</b>	<b>74,224</b>	<b>232,625</b>	<b>52,123</b>	<b>180,502</b>
Community Services:				
Salaries	309,069	223,169	114,317	108,852
Employee Benefits	84,783	81,332	33,409	47,923
Purchased Services	65,000	65,000	13,196	51,804
Other	52,282	52,282	51,932	350
<b>Total Community Services</b>	<b>511,134</b>	<b>421,783</b>	<b>212,854</b>	<b>208,929</b>



**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Federal Education Stabilization Fund</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
Capital Outlay:				
Improvements Other Than Buildings	\$ -	\$ 943,275	\$ 116,665	\$ 826,610
Remodeling and Renovations	6,800,000	9,595,000	1,133,665	8,461,335
Vehicles	1,457,001	1,457,001	-	1,457,001
Other Capital Outlay	5,469,239	15,498,564	1,774,092	13,724,472
<b>Total Expenditures</b>	<b>143,535,999</b>	<b>158,204,954</b>	<b>55,072,637</b>	<b>103,132,317</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>649,222</b>	<b>645,612</b>	<b>(3,610)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	(645,612)	(645,612)	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(645,612)</b>	<b>(645,612)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>3,610</b>	<b>-</b>	<b>(3,610)</b>
<b>Fund Balance - Beginning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ 3,610</b>	<b>\$ -</b>	<b>\$ (3,610)</b>

**Schedule of Proportionate Share of Net Pension Liability  
Florida Retirement System Pension Plan (1)**

<b>Fiscal Year Ending June 30</b>	<b>District's Proportion of FRS Net Pension Liability</b>	<b>District's Proportionate Share of the FRS Net Pension Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the FRS Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2013	0.536352569%	\$ 92,330,148	\$ 202,248,189	45.65%	88.54%
2014	0.524521642%	32,003,534	203,238,439	15.75%	96.09%
2015	0.521988161%	67,421,772	208,929,545	32.27%	92.00%
2016	0.507447693%	128,130,941	223,856,707	57.24%	84.88%
2017	0.504575470%	149,250,038	229,899,245	64.92%	83.89%
2018	0.500254558%	150,679,266	237,064,100	63.56%	87.43%
2019	0.494246229%	170,211,520	238,892,291	71.25%	82.61%
2020	0.478667616%	207,461,599	242,094,532	85.69%	78.85%
2021	0.523306955%	39,529,893	247,669,118	15.96%	96.40%
2022	0.541300681%	201,407,353	285,476,493	70.55%	82.89%

(1) The amounts presented for each fiscal year were determined as of June 30.

**Schedule of District Contributions  
Florida Retirement System Pension Plan (1)**

<b>Fiscal Year Ending June 30</b>	<b>FRS Contribution</b>	<b>Contribution</b>	<b>Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contribution as a Percentage of Covered Payroll</b>
2014	\$ 11,489,250	\$ (11,489,250)	\$ -	\$ 203,238,439	5.65%
2015	12,726,515	(12,726,515)	-	208,929,545	6.09%
2016	12,450,461	(12,450,461)	-	223,856,707	5.56%
2017	13,201,646	(13,201,646)	-	229,899,245	5.74%
2018	14,269,459	(14,269,459)	-	237,064,100	6.02%
2019	15,325,199	(15,325,199)	-	238,892,291	6.42%
2020	16,106,008	(16,106,008)	-	242,094,532	6.65%
2021	20,107,233	(20,107,233)	-	247,669,118	8.12%
2022	23,098,285	(23,098,285)	-	285,476,493	8.09%
2023	25,331,436	(25,331,436)	-	286,869,984	8.83%

(1) The amounts presented for each fiscal year were determined as of June 30.

**Schedule of Proportionate Share of Net Pension Liability  
Health Insurance Subsidy Pension Plan (1)**

<b>Fiscal Year Ending June 30</b>	<b>District's Proportion of the HIS Net Pension Liability</b>	<b>District's Proportionate Share of the HIS Net Pension Liability</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of HIS Net Pension Liability as a Percentage of its Covered Payroll</b>	<b>HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
2013	0.696145303%	\$ 60,608,602	\$ 202,248,189	29.97%	1.78%
2014	0.683926637%	63,945,809	203,238,439	31.46%	0.99%
2015	0.690189062%	70,388,427	208,929,545	33.69%	0.00%
2016	0.725308478%	84,531,698	223,856,707	37.76%	0.97%
2017	0.720509302%	77,040,179	229,899,245	33.51%	1.64%
2018	0.714200727%	75,591,807	237,064,100	31.89%	2.15%
2019	0.714222759%	79,914,379	238,892,291	33.45%	2.63%
2020	0.697511916%	85,165,069	242,094,532	35.18%	0.30%
2021	0.699610333%	85,817,726	247,669,118	34.65%	3.56%
2022	0.720705581%	76,334,232	285,476,493	26.74%	4.81%

(1) The amounts presented for each fiscal year were determined as of June 30.

**Schedule of District Contributions  
Health Insurance Subsidy Pension Plan (1)**

<b>Fiscal Year Ending June 30</b>	<b>FRS Contribution</b>	<b>Contribution</b>	<b>Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contribution as a Percentage of Covered Payroll</b>
2014	\$ 2,342,903	\$ (2,342,903)	-	\$ 203,238,439	1.15%
2015	2,638,332	(2,638,332)	-	208,929,545	1.26%
2016	3,716,021	(3,716,021)	-	223,854,707	1.66%
2017	3,816,327	(3,816,327)	-	229,899,245	1.66%
2018	3,877,158	(3,877,158)	-	237,064,100	1.64%
2019	3,966,010	(3,966,010)	-	238,892,291	1.66%
2020	4,018,755	(4,018,755)	-	242,094,532	1.66%
2021	4,111,805	(4,111,805)	-	247,669,118	1.66%
2022	4,360,876	(4,360,876)	-	285,476,493	1.53%
2023	4,760,691	(4,760,691)	-	286,869,984	1.66%

(1) The amounts presented for each fiscal year were determined as of June 30.

**Marion County District School Board  
Required Supplementary Information  
Schedule of Change in Other Postemployment Benefit (OPEB) Plan Liability and Related Ratios  
Last 10 Fiscal Years\***

	2022	2021	2020	2019	2018	2017
Service Cost	\$ 1,107,358	\$ 1,017,847	\$ 914,478	\$ 1,240,787	\$ 1,261,070	\$ 1,371,357
Interest on the Total OPEB Plan Liability	418,996	530,073	629,336	1,018,392	982,553	840,553
Difference between expected and actual experience	-	(654,598)	-	(731,300)	-	-
Changes of Assumptions	(3,783,873)	398,539	1,148,531	(7,801,466)	(162,826)	(1,766,608)
Benefit Payments	(1,147,430)	(1,241,147)	(1,292,245)	(1,559,524)	(1,496,366)	(1,546,160)
Net Change in Total OPEB Plan Liability	(3,404,949)	50,714	1,400,100	(7,833,111)	584,431	(1,100,858)
Total OPEB Plan Liability, Beginning	21,289,053	21,238,339	19,838,239	27,671,350	27,086,919	28,187,777
Total OPEB Plan Liability, Ending	\$ 17,884,104	\$ 21,289,053	\$ 21,238,339	\$ 19,838,239	\$ 27,671,350	\$ 27,086,919
Total OPEB Plan Liability	\$ 17,884,104	\$ 21,289,053	\$ 21,238,339	\$ 19,838,239	\$ 27,671,350	\$ 27,086,919
Covered- Employee Payroll	\$ 274,229,015	\$ 225,982,443	\$ 211,342,507	\$ 203,546,197	\$ 208,920,616	\$ 201,855,668
Total OPEB Plan Liability as a Percentage of Covered-Employee Payroll	6.52%	9.42%	10.05%	9.75%	13.24%	13.42%

\*The amounts presented for each fiscal year were determined as of June 30. The District implemented GASB Statement No. 75 for the fiscal year ended June 30, 2018. As a result, this schedule will present 10 years information as available.

**MARION COUNTY DISTRICT SCHOOL BOARD  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2023**

**Budgetary Compliance and Accountability**

The Board follows procedures established by Florida Statutes and SBE 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 SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any School Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds. Except that no budget appropriation is made for leases in the year of inception.
- 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.

**Schedule of Proportionate Share of Net Pension Liability and Schedule of Contributions**

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. 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 experience study for the FRS Pension Plan was completed for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The following changes in actuarial assumptions occurred in 2023:

- FRS: The long-term expected rate of return decreased from 6.8 percent to 6.7 percent.
- HIS: The municipal bond rate used to determine total pension liability increased from 2.16 percent to 3.54 percent and the election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.

**Schedule of Change in Other Postemployment Benefit (OPEB) Plan Liability and Related Ratios**

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

Changes in assumptions and other inputs include the change in the discount rate from 1.92 percent as of the beginning of the measurement period to 3.69 percent as of the end of the measurement period. This change is reflected in the Schedule of Changes in Total OPEB Plan Liability.

OTHER SUPPLEMENTARY INFORMATION  
COMBINING STATEMENTS AND SCHEDULES

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**MAJOR CAPITAL PROJECTS FUND - LOCAL CAPITAL IMPROVEMENT FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Local Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Local:				
District Local Capital Improvement Tax	\$ 42,816,901	\$ 42,669,564	\$ 42,756,089	\$ 86,525
Tax Redemptions	-	-	166,385	166,385
Investment Income	-	-	898,002	898,002
Net Increase in Fair Value of Investments	-	-	17,468	17,468
<b>Total Revenues</b>	<u>42,816,901</u>	<u>42,669,564</u>	<u>43,837,944</u>	<u>1,168,380</u>
<b>Expenditures</b>				
Current Education:				
Facilities Services:				
Capital Outlay	2,202,913	2,202,913	2,202,913	-
Capital Outlay:				
Facilities, Acquisition and Construction:				
Buildings and Fixed Equipment	7,450,086	7,431,894	4,585,428	2,846,466
Improvements Other Than Buildings	795,804	770,939	459,687	311,252
Remodeling and Renovations	35,710,008	36,306,981	15,375,050	20,931,931
Other Capital Outlay:				
Vehicles	1,915,536	1,819,093	1,027,188	791,905
Furniture, Fixtures and Equipment	107,397	107,397	107,396	1
<b>Total Expenditures</b>	<u>48,181,744</u>	<u>48,639,217</u>	<u>23,757,662</u>	<u>24,881,555</u>
<b>Excess of Revenues Over Expenditures</b>	<u>(5,364,843)</u>	<u>(5,969,653)</u>	<u>20,080,282</u>	<u>26,049,935</u>
<b>Other Financing Uses</b>				
Insurance Loss Recoveries	-	-	3,650	3,650
Transfers Out	(20,419,276)	(19,814,466)	(19,813,349)	1,117
<b>Net Change in Fund Balance</b>	(25,784,119)	(25,784,119)	270,583	26,054,702
<b>Fund Balance - Beginning</b>	<u>25,784,119</u>	<u>25,784,119</u>	<u>25,784,122</u>	<u>3</u>
<b>Fund Balance - Ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,054,705</u>	<u>\$ 26,054,705</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
COMBINING BALANCE SHEET  
NONMAJOR FUNDS  
JUNE 30, 2023**

	Special Revenue		Debt Service
	Food Service Fund	Miscellaneous Special Revenue Fund	State Board of Education COBI Bonds Fund
<b>Assets</b>			
Cash	\$ 11,059,045	\$ 3,206,072	\$ -
Investments	1,086,935	-	5,143
Accounts Receivable	7,163	94,879	-
Due from Other Agencies	478,215	-	-
Due from Other Funds	3,354,375	-	-
Inventories	1,515,696	-	-
Prepaid Items	3,141	-	-
<b>Total Assets</b>	<u>\$ 17,504,570</u>	<u>\$ 3,300,951</u>	<u>\$ 5,143</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Salaries and Benefits Payable	\$ 73,078	\$ 3,191	\$ -
Payroll Deductions and Withholdings Payable	73,001	5,843	-
Accounts Payable	188,153	1,821	-
Deposits Payable	169,463	-	-
Construction Contracts Payable	-	-	-
Construction Contracts Payable - Retainage	-	-	-
Due to Other Agencies	9,250	324	-
Due to Other Funds	-	40,275	-
Unearned Revenue	-	43,425	-
<b>Total Liabilities</b>	<u>512,945</u>	<u>94,879</u>	<u>-</u>
<b>Fund Balances</b>			
Nonspendable:			
Inventories	1,515,696	-	-
Prepaid Items	3,141	-	-
Total Nonspendable Fund Balance	<u>1,518,837</u>	<u>-</u>	<u>-</u>
Restricted for:			
Debt Service	-	-	5,143
Capital Projects	-	-	-
Food Service	15,472,788	-	-
Internal Accounts	-	3,206,072	-
Total Restricted Fund Balance	<u>15,472,788</u>	<u>3,206,072</u>	<u>5,143</u>
<b>Total Fund Balances</b>	<u>16,991,625</u>	<u>3,206,072</u>	<u>5,143</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 17,504,570</u>	<u>\$ 3,300,951</u>	<u>\$ 5,143</u>



Debt Service		Capital Projects			Total
Other Debt Service Fund	Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Other Capital Projects Fund		
\$ 690,437	\$ 100	\$ 1,876,565	\$ 420,603	\$ 17,252,822	
388	-	315	4,223,457	5,316,238	
-	-	-	-	102,042	
-	-	2,992	9,796	491,003	
-	-	-	-	3,354,375	
-	-	-	-	1,515,696	
-	-	-	-	3,141	
<u>\$ 690,825</u>	<u>\$ 100</u>	<u>\$ 1,879,872</u>	<u>\$ 4,653,856</u>	<u>\$ 28,035,317</u>	
\$ -	\$ -	\$ -	\$ -	76,269	
-	-	-	-	78,844	
-	-	-	-	189,974	
-	-	-	-	169,463	
-	-	44,779	-	44,779	
-	-	102,555	-	102,555	
-	-	-	-	9,574	
-	-	-	-	40,275	
-	-	-	-	43,425	
-	-	147,334	-	755,158	
-	-	-	-	1,515,696	
-	-	-	-	3,141	
-	-	-	-	1,518,837	
690,825	-	-	-	695,968	
-	100	1,732,538	4,653,856	6,386,494	
-	-	-	-	15,472,788	
-	-	-	-	3,206,072	
<u>690,825</u>	<u>100</u>	<u>1,732,538</u>	<u>4,653,856</u>	<u>25,761,322</u>	
<u>690,825</u>	<u>100</u>	<u>1,732,538</u>	<u>4,653,856</u>	<u>27,280,159</u>	
<u>\$ 690,825</u>	<u>\$ 100</u>	<u>\$ 1,879,872</u>	<u>\$ 4,653,856</u>	<u>\$ 28,035,317</u>	

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Special Revenue		Debt Service
	Food Service Fund	Miscellaneous Special Revenue Fund	State Board of Education COBI Bonds Fund
<b>Revenues</b>			
Intergovernmental:			
Federal Through State and Local	\$ 39,563,771	\$ -	\$ -
State	381,954	-	259,111
Local:			
Other	1,161,535	4,589,786	-
<b>Total Revenues</b>	41,107,260	4,589,786	259,111
<b>Expenditures</b>			
Instruction	-	189,935	-
Student Personnel Services	-	553	-
Instruction and Curriculum Development	-	333,914	-
Instructional Staff Training Services	-	7,370	-
Food Services	33,790,189	-	-
Student Transportation Services	-	150	-
Community Services	-	3,670,780	-
Capital Outlay:			
Facilities Acquisition and Construction	-	58,946	-
Other Capital Outlay	132,126	-	-
Debt Service:			
Retirement of Principal	-	-	245,000
Interest and Fiscal Charges	-	-	17,985
<b>Total Expenditures</b>	33,922,315	4,261,648	262,985
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	7,184,945	328,138	(3,874)
<b>Other Financing Sources (Uses)</b>			
Transfers In	18,952	-	-
Transfers Out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	18,952	-	-
<b>Net Change in Fund Balances</b>	7,203,897	328,138	(3,874)
<b>Fund Balances - Beginning</b>	9,787,728	2,877,934	9,017
<b>Fund Balances - Ending</b>	\$ 16,991,625	\$ 3,206,072	\$ 5,143

Debt Service		Capital Projects			Total
Other Debt Service Fund	Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Other Capital Projects Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	39,563,771
223,250	282,302	1,536,628	551,187		3,234,432
28,656	100	60,262	148,141		5,988,480
<u>251,906</u>	<u>282,402</u>	<u>1,596,890</u>	<u>699,328</u>		<u>48,786,683</u>
-	-	-	-		189,935
-	-	-	-		553
-	-	-	-		333,914
-	-	-	-		7,370
-	-	-	-		33,790,189
-	-	-	-		150
-	-	-	-		3,670,780
-	-	2,257,685	577,371		2,894,002
-	-	-	-		132,126
12,134,496	-	-	-		12,379,496
1,627,964	-	2,171	-		1,648,120
<u>13,762,460</u>	<u>-</u>	<u>2,259,856</u>	<u>577,371</u>		<u>55,046,635</u>
(13,510,554)	282,402	(662,966)	121,957		(6,259,952)
13,562,013	-	-	-		13,580,965
-	(282,302)	-	(42,791)		(325,093)
<u>13,562,013</u>	<u>(282,302)</u>	<u>-</u>	<u>(42,791)</u>		<u>13,255,872</u>
51,459	100	(662,966)	79,166		6,995,920
639,366	-	2,395,504	4,574,690		20,284,239
<u>\$ 690,825</u>	<u>\$ 100</u>	<u>\$ 1,732,538</u>	<u>\$ 4,653,856</u>	<u>\$</u>	<u>\$ 27,280,159</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUND - FOOD SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Food Service Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
Federal Through State:			
National School Lunch Act	\$ 31,883,119	\$ 31,601,620	\$ (281,499)
School Breakfast Program	7,371,265	7,962,151	590,886
Total Federal Through State	<u>39,254,384</u>	<u>39,563,771</u>	<u>309,387</u>
State:			
Breakfast Supplement	185,293	185,367	74
School Lunch Supplement	196,487	196,587	100
Total State	<u>381,780</u>	<u>381,954</u>	<u>174</u>
Local:			
Investment Income	20,552	474,072	453,520
Net Increase in Fair Value of Investments	-	2,318	2,318
Gifts, Grants, and Bequests	2,000	2,000	-
Charges for Services - Food Service	1,023,500	654,179	(369,321)
Sale of Junk	-	4,836	4,836
Other	30,000	24,130	(5,870)
Total Local	<u>1,076,052</u>	<u>1,161,535</u>	<u>85,483</u>
<b>Total Revenues</b>	<u>40,712,216</u>	<u>41,107,260</u>	<u>395,044</u>
<b>Expenditures</b>			
Current Education:			
Food Services:			
Salaries	10,858,287	9,329,290	1,528,997
Employee Benefits	5,517,831	4,394,296	1,123,535
Purchased Services	728,392	660,226	68,166
Energy Services	689,401	686,527	2,874
Materials and Supplies	21,081,270	17,848,240	3,233,030
Capital Outlay	40,476	39,792	684
Other	1,045,000	831,818	213,182
Total Food Services	<u>39,960,657</u>	<u>33,790,189</u>	<u>6,170,468</u>
Capital Outlay:			
Remodeling and Renovations	-	-	-
Other Capital Outlay	287,595	132,126	155,469
Total Capital Outlay	<u>287,595</u>	<u>132,126</u>	<u>155,469</u>
<b>Total Expenditures</b>	<u>40,248,252</u>	<u>33,922,315</u>	<u>6,325,937</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>463,964</u>	<u>7,184,945</u>	<u>6,720,981</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	20,000	18,952	(1,048)
<b>Net Change in Fund Balance</b>	483,964	7,203,897	6,719,933
<b>Fund Balance - Beginning</b>	<u>9,502,478</u>	<u>9,787,728</u>	<u>285,250</u>
<b>Fund Balance - Ending</b>	<u>\$ 9,986,442</u>	<u>\$ 16,991,625</u>	<u>\$ 7,005,183</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NONMAJOR SPECIAL REVENUE FUND - MISCELLANEOUS SPECIAL REVENUE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Miscellaneous Special Revenue Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
Local:			
Gifts, Grants, and Bequests	\$ 1,181,531	\$ 590,851	\$ (590,680)
Other	3,998,935	3,998,935	-
<b>Total Revenues</b>	<u>5,180,466</u>	<u>4,589,786</u>	<u>(590,680)</u>
<b>Expenditures</b>			
Current Education:			
Instruction:			
Salaries	55,996	-	55,996
Employee Benefits	4	3	1
Purchased Services	65,499	51,583	13,916
Materials and Supplies	196,093	130,252	65,841
Capital Outlay	1,986	1,103	883
Other	13,755	6,994	6,761
Total Instruction	<u>333,333</u>	<u>189,935</u>	<u>143,398</u>
Student Personnel Services:			
Purchased Services	1,053	-	1,053
Materials and Supplies	4,137	553	3,584
Total Student Personnel Services	<u>5,190</u>	<u>553</u>	<u>4,637</u>
Instruction and Curriculum Development:			
Salaries	464,521	233,134	231,387
Employee Benefits	198,547	78,140	120,407
Purchased Services	14,708	7,742	6,966
Materials and Supplies	72,122	14,448	57,674
Capital Outlay	315	-	315
Other	4,049	450	3,599
Total Instruction and Curriculum Development:	<u>754,262</u>	<u>333,914</u>	<u>420,348</u>
Instructional Staff Training Services:			
Employee Benefits	63	48	15
Purchased Services	12,276	6,338	5,938
Other	14,210	984	13,226
Total Instruction Staff Training Services	<u>26,549</u>	<u>7,370</u>	<u>19,179</u>
Student Transportation Services			
Salaries	1,589	83	1,506
Employee Benefits	326	17	309
Energy Services	1,335	50	1,285
Total Student Transportation Services	<u>3,250</u>	<u>150</u>	<u>3,100</u>
Community Services:			
Materials and Supplies	3,670,780	3,670,780	-
Total Community Services	<u>3,670,780</u>	<u>3,670,780</u>	<u>-</u>
Capital Outlay:			
Buildings and Fixed Equipment	14,214	4,639	9,575
Remodeling and Renovations	57,750	54,307	3,443
Other Capital Outlay	1	-	1
<b>Total Expenditures</b>	<u>4,865,329</u>	<u>4,261,648</u>	<u>603,681</u>
<b>Net Change in Fund Balance</b>	315,137	328,138	13,001
<b>Fund Balance - Beginning</b>	<u>2,877,917</u>	<u>2,877,934</u>	<u>17</u>
<b>Fund Balance - Ending</b>	<u>\$ 3,193,054</u>	<u>\$ 3,206,072</u>	<u>\$ 13,018</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NONMAJOR DEBT SERVICE FUND - STATE BOARD OF EDUCATION COBI BONDS FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>State Board of Education COBI Bonds Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
State:			
Debt Service for State Board of Education/COBI Bonds	\$ 262,900	\$ 258,308	\$ (4,592)
State Board of Education/COBI Bond Interest	804	803	(1)
<b>Total Revenues</b>	<u>263,704</u>	<u>259,111</u>	<u>(4,593)</u>
<b>Expenditures</b>			
Debt Service:			
Retirement of Principal	245,000	245,000	-
Interest and Fiscal Charges	17,986	17,985	1
<b>Total Expenditures</b>	<u>262,986</u>	<u>262,985</u>	<u>1</u>
<b>Net Change in Fund Balance</b>	718	(3,874)	(4,592)
<b>Fund Balance - Beginning</b>	<u>15,196</u>	<u>9,017</u>	<u>(6,179)</u>
<b>Fund Balance - Ending</b>	<u>\$ 15,914</u>	<u>\$ 5,143</u>	<u>\$ (10,771)</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NONMAJOR DEBT SERVICE FUND - OTHER DEBT SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Other Debt Service Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
State:			
Racing Commission Funds	\$ 223,250	\$ 223,250	\$ -
Local:			
Investment Income	1,312	28,656	27,344
<b>Total Revenues</b>	<u>224,562</u>	<u>251,906</u>	<u>27,344</u>
<b>Expenditures</b>			
Debt Service:			
Retirement of Principal	12,134,496	12,134,496	-
Interest and Fiscal Charges	1,628,834	1,627,964	870
<b>Total Expenditures</b>	<u>13,763,330</u>	<u>13,762,460</u>	<u>870</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(13,538,768)</u>	<u>(13,510,554)</u>	<u>28,214</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	13,563,132	13,562,013	(1,119)
<b>Net Change in Fund Balance</b>	24,364	51,459	27,095
<b>Fund Balance - Beginning</b>	588,714	639,366	50,652
<b>Fund Balance - Ending</b>	<u>\$ 613,078</u>	<u>\$ 690,825</u>	<u>\$ 77,747</u>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NONMAJOR CAPITAL PROJECTS FUND - PUBLIC EDUCATION CAPITAL OUTLAY FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Public Education Capital Outlay Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
State:			
Charter School Capital Outlay Funding	\$ 282,302	\$ 282,302	\$ -
Investment Income	-	100	100
<b>Total Revenues</b>	<u>282,302</u>	<u>282,402</u>	<u>100</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(282,302)	(282,302)	-
<b>Net Change in Fund Balance</b>	-	100	100
<b>Fund Balance - Beginning</b>	-	-	-
<b>Fund Balance - Ending</b>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>



**MARION COUNTY DISTRICT SCHOOL BOARD**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**NONMAJOR CAPITAL PROJECTS FUND - CAPITAL OUTLAY AND DEBT SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Capital Outlay and Debt Service Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
State:			
Capital Outlay/Debt Service Distributed	\$ 1,505,943	\$ 1,505,943	\$ -
Interest on Undistributed Capital Outlay and Debt Service	30,685	30,685	-
Total State	<u>1,536,628</u>	<u>1,536,628</u>	<u>-</u>
Local:			
Investment Income	60,263	60,262	(1)
<b>Total Revenues</b>	<u>1,596,891</u>	<u>1,596,890</u>	<u>(1)</u>
<b>Expenditures</b>			
Capital Outlay:			
Facilities Acquisition and Construction:			
Remodeling and Renovations	3,820,759	2,257,685	1,563,074
Debt Service:			
Interest and Fiscal Charges	2,171	2,171	-
<b>Total Expenditures</b>	<u>3,822,930</u>	<u>2,259,856</u>	<u>1,563,074</u>
<b>Net Change in Fund Balance</b>	(2,226,039)	(662,966)	1,563,073
<b>Fund Balance - Beginning</b>	<u>2,395,506</u>	<u>2,395,504</u>	<u>(2)</u>
<b>Fund Balance - Ending</b>	<u>\$ 169,467</u>	<u>\$ 1,732,538</u>	<u>\$ 1,563,071</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
NONMAJOR CAPITAL PROJECTS FUND - OTHER CAPITAL PROJECTS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<b>Other Capital Projects Fund</b>		
	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>
<b>Revenues</b>			
Miscellaneous State Revenue	\$ 630,208	\$ 551,187	\$ (79,021)
Local:			
Investment Income	-	148,141	148,141
<b>Total Revenues</b>	<u>630,208</u>	<u>699,328</u>	<u>69,120</u>
<b>Expenditures</b>			
Capital Outlay:			
Facilities Acquisition and Construction:			
Improvements Other Than Buildings	590,882	577,371	13,511
<b>Total Expenditures</b>	<u>590,882</u>	<u>577,371</u>	<u>13,511</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>39,326</u>	<u>121,957</u>	<u>82,631</u>
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(80,609)	(42,791)	37,818
<b>Net Change in Fund Balance</b>	(41,283)	79,166	120,449
<b>Fund Balance - Beginning</b>	<u>4,574,690</u>	<u>4,574,690</u>	<u>-</u>
<b>Fund Balance - Ending</b>	<u>\$ 4,533,407</u>	<u>\$ 4,653,856</u>	<u>\$ 120,449</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
June 30, 2023**

	<b>Internal Service Funds</b>		
	<b>Property/Casualty and Workers' Compensation Program</b>	<b>Self-Funded Employee Health Insurance</b>	<b>Total Internal Service Funds</b>
<b>Assets</b>			
Current Assets:			
Cash	\$ 677,588	\$ 6,292,306	\$ 6,969,894
Investments	10,937,130	5,115,792	16,052,922
Accounts Receivable	35,203	558,174	593,377
Deposits Receivable	140,000	-	140,000
Due From Other Funds	2,634,149	17,499,664	20,133,813
Prepaid Items	6,524	-	6,524
<b>Total Assets</b>	<u>14,430,594</u>	<u>29,465,936</u>	<u>43,896,530</u>
<b>Liabilities</b>			
Current Liabilities:			
Salaries and Benefits Payable	3,279	2,376	5,655
Payroll Deductions and Withholdings Payable	2,510	1,114	3,624
Accounts Payable	31,345	8,603,655	8,635,000
Estimated Insurance Claims Payable	<u>3,397,561</u>	<u>-</u>	<u>3,397,561</u>
Total Current Liabilities	3,434,695	8,607,145	12,041,840
Noncurrent Liabilities:			
Estimated Insurance Claims Payable	<u>5,916,370</u>	<u>2,117,000</u>	<u>8,033,370</u>
Total Liabilities	<u>9,351,065</u>	<u>10,724,145</u>	<u>20,075,210</u>
<b>Net Position</b>			
Unrestricted	<u>\$ 5,079,529</u>	<u>\$ 18,741,791</u>	<u>\$ 23,821,320</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Internal Service Funds		
	Property/Casualty and Workers' Compensation Program	Self-Funded Employee Health Insurance	Total Internal Service Funds
<b>Operating Revenues</b>			
Charges for Services	\$ 4,912,237	\$ 53,778,641	\$ 58,690,878
<b>Total Operating Revenues</b>	<u>4,912,237</u>	<u>53,778,641</u>	<u>58,690,878</u>
<b>Operating Expenses</b>			
Salaries	128,220	64,750	192,970
Employee Benefits	45,983	30,449	76,432
Purchased Services	2,709,607	5,417,468	8,127,075
Claim Expense	1,418,051	44,419,285	45,837,336
<b>Total Operating Expenses</b>	<u>4,301,861</u>	<u>49,931,952</u>	<u>54,233,813</u>
<b>Operating Income</b>	<u>610,376</u>	<u>3,846,689</u>	<u>4,457,065</u>
<b>Nonoperating Revenues</b>			
Investment Income	328,777	132,098	460,875
Increase in Fair Value of Investments	14,764	3,489	18,253
Other Miscellaneous Local Sources	-	2,356,142	2,356,142
<b>Total Nonoperating Revenues</b>	<u>343,541</u>	<u>2,491,729</u>	<u>2,835,270</u>
<b>Change in Net Position</b>	953,917	6,338,418	7,292,335
<b>Net Position - Beginning</b>	<u>4,125,612</u>	<u>12,403,373</u>	<u>16,528,985</u>
<b>Net Position - Ending</b>	<u>\$ 5,079,529</u>	<u>\$ 18,741,791</u>	<u>\$ 23,821,320</u>

**MARION COUNTY DISTRICT SCHOOL BOARD  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Internal Service Funds		
	Property/Casualty and Workers' Compensation Program	Self-Funded Employee Health Insurance	Total Internal Service Funds
<b>Cash Flows From Operating Activities</b>			
Cash Received from Interfund Services	\$ 4,912,237	\$ 53,778,641	\$ 58,690,878
Cash Payments to Vendors for Goods and Services	(2,754,249)	(3,608,041)	(6,362,290)
Cash Payments to Employees for Services	(172,560)	(94,648)	(267,208)
Cash Payments for Insurance Claims	(2,383,110)	(45,366,615)	(47,749,725)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(397,682)</u>	<u>4,709,337</u>	<u>4,311,655</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Cash Payments for Temporary Loans to Other Funds	(2,634,149)	(17,499,664)	(20,133,813)
Cash Received from Health Insurance Carrier	-	2,356,142	2,356,142
<b>Net Cash Used for Noncapital Financing Activities</b>	<u>(2,634,149)</u>	<u>(15,143,522)</u>	<u>(17,777,671)</u>
<b>Cash Flows From Investing Activities</b>			
Purchase of Investments	(238,552)	(132,098)	(370,650)
Interest Income	328,777	132,098	460,875
<b>Net Cash Provided by Investing Activities</b>	<u>90,225</u>	<u>-</u>	<u>90,225</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	<u>(2,941,606)</u>	<u>(10,434,185)</u>	<u>(13,375,791)</u>
<b>Cash and Cash Equivalents, Beginning</b>	<u>3,619,194</u>	<u>16,726,491</u>	<u>20,345,685</u>
<b>Cash and Cash Equivalents, Ending</b>	<u><u>677,588</u></u>	<u><u>6,292,306</u></u>	<u><u>6,969,894</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:</b>			
<b>Operating Income (Loss)</b>	610,376	3,846,689	4,457,065
Adjustments to Reconcile Operating Income (Loss) to Net Cash Used by Operating Activities:			
Depreciation Expense	-	-	-
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	(14,347)	(516,330)	(530,677)
(Increase) Decrease in Prepaid Expenses	(81)	-	(81)
Increase (Decrease) in Salaries and Benefits Payable	2,388	1,665	4,053
Increase (Decrease) in Accounts Payable	(44,561)	1,808,313	1,763,752
Increase (Decrease) in Due to Other Agencies	(745)	-	(745)
Increase (Decrease) in Estimated Insurance Claims Payable	(950,712)	(431,000)	(1,381,712)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u><u>\$ (397,682)</u></u>	<u><u>\$ 4,709,337</u></u>	<u><u>\$ 4,311,655</u></u>

## **NONMAJOR COMPONENT UNITS**

### **Foundation**

Public Education Foundation of Marion County, Inc.

### **Charter Schools**

Marion Charter School, Inc.

McIntosh Area Charter, Incorporated

Clear Choice Academics, Inc. d/b/a Ocali

Charter Middle School

Ina A. Colen Academy

**MARION COUNTY DISTRICT SCHOOL BOARD  
NONMAJOR COMPONENT UNITS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023**

	Public Education Foundation of Marion County, Inc.	Marion Charter School, Inc.	McIntosh Area School, Incorporated	Ocali Charter Middle School, Inc.	Ina A. Colen Academy	Total
<b>Assets</b>						
Current Assets:						
Cash	\$ 597,124	\$ 671,858	\$ 134,791	\$ 18,249	\$ 267,802	\$ 1,689,824
Accounts Receivable	52,801	76,327	18,548	42,275	-	189,951
Due From Other Governments	-	-	-	-	22,482	22,482
Deposits Receivable	-	1,600	-	14,306	-	15,906
Inventories	332,417	-	-	-	-	332,417
Prepaid Items	6,200	2,744	200	14,475	3,546	27,165
<b>Total Current Assets</b>	<b>988,542</b>	<b>752,529</b>	<b>153,539</b>	<b>89,305</b>	<b>293,830</b>	<b>2,277,745</b>
Noncurrent Assets:						
Assets Held By Other	2,339,180	-	-	-	-	2,339,180
Investments	891,489	-	-	-	-	891,489
Capital Assets Not Being Depreciated	-	248,319	116,514	-	-	364,833
Capital Assets Being Depreciated, Net	3,056	115,839	219,284	483,361	1,684,455	2,505,995
<b>Total Noncurrent Assets</b>	<b>3,233,725</b>	<b>364,158</b>	<b>335,798</b>	<b>483,361</b>	<b>1,684,455</b>	<b>6,101,497</b>
<b>Total Assets</b>	<b>4,222,267</b>	<b>1,116,687</b>	<b>489,337</b>	<b>572,666</b>	<b>1,978,285</b>	<b>8,379,242</b>
<b>Deferred Outflows of Resources</b>						
Deferred Amount on Pension Liability	-	413,231	-	-	-	413,231
<b>Liabilities</b>						
Current Liabilities:						
Salaries and Benefits Payable	-	-	-	20,109	-	20,109
Accounts Payable	36,649	1,100	9,591	-	17,014	64,354
Accrued Expenses	-	-	-	-	75,560	75,560
Due to Other Agencies	14,749	-	-	-	-	14,749
Long-term Liabilities Due Within One Year	-	7,594	20,102	146,980	244,823	419,499
<b>Total Current Liabilities</b>	<b>51,398</b>	<b>8,694</b>	<b>29,693</b>	<b>167,089</b>	<b>337,397</b>	<b>594,271</b>
Noncurrent Liabilities:						
Due After One Year	-	1,081,286	492,004	286,094	3,108,707	4,968,091
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>1,081,286</b>	<b>492,004</b>	<b>286,094</b>	<b>3,108,707</b>	<b>4,968,091</b>
<b>Total Liabilities</b>	<b>51,398</b>	<b>1,089,980</b>	<b>521,697</b>	<b>453,183</b>	<b>3,446,104</b>	<b>5,562,362</b>
<b>Deferred Inflows of Resources</b>						
Deferred Amount on Pension Liability	-	81,150	-	-	-	81,150
<b>Net Position</b>						
Investment in Capital Assets	3,056	364,158	(176,308)	50,287	45,842	287,035
Restricted for:						
Capital Projects	-	508,521	40,636	-	-	549,157
Other Purposes	2,890,325	-	-	-	-	2,890,325
Permanent Endowments:						
Nonexpendable	160,318	-	-	-	-	160,318
Unrestricted	1,117,170	(513,891)	103,312	69,196	(1,513,661)	(737,874)
<b>Total Net Position</b>	<b>\$ 4,170,869</b>	<b>\$ 358,788</b>	<b>\$ (32,360)</b>	<b>\$ 119,483</b>	<b>\$ (1,467,819)</b>	<b>\$ 3,148,961</b>

**MARION COUNTY DISTRICT SCHOOL BOARD  
NONMAJOR COMPONENT UNITS  
COMBINING STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Public Education Foundation of Marion County, Inc.	Marion Charter School, Inc.	McIntosh Area School, Incorporated	Ocali Charter Middle School, Inc.	Ina A. Colen Academy	Total
<b>Expenses:</b>						
Instruction	\$ -	\$ 1,405,329	\$ 451,416	\$ 920,068	\$ 1,506,397	\$ 4,283,210
Student Support Services	-	98,093	-	-	-	98,093
General Administration	397,717	565,760	243,044	864,660	1,009,146	3,080,327
Maintenance of Plant	-	-	96,245	5,118	791,012	892,375
Community Services	1,574,681	21,931	2,188	17,099	159,081	1,774,980
Unallocated Long-term Debt	-	-	38	-	25,408	25,446
<b>Total Expenses</b>	<u>1,972,398</u>	<u>2,091,113</u>	<u>792,931</u>	<u>1,806,945</u>	<u>3,491,044</u>	<u>10,154,431</u>
<b>Program Revenues:</b>						
Charges for Services	-	96,348	13,572	-	214,099	324,019
Capital Grants and Contributions	-	149,159	-	133,143	-	282,302
<b>Total Program Revenues</b>	<u>-</u>	<u>245,507</u>	<u>13,572</u>	<u>133,143</u>	<u>214,099</u>	<u>606,321</u>
<b>General Revenues:</b>						
Grants and Contributions Not Restricted	2,381,516	1,682,687	527,070	1,602,089	1,755,746	7,949,108
Unrestricted Investment Earnings	68,278	18	-	13	-	68,309
<b>Total General Revenues</b>	<u>2,449,794</u>	<u>1,682,705</u>	<u>527,070</u>	<u>1,602,102</u>	<u>1,755,746</u>	<u>8,017,417</u>
<b>Change in Net Position</b>	477,396	(162,901)	(252,289)	(71,700)	(1,521,199)	(1,530,693)
Net Position - Beginning	3,693,473	521,689	219,929	191,183	-	4,626,274
Adjustment to Beginning Net Position	-	-	-	-	53,380	53,380
Net Position - Beginning as restated	<u>3,693,473</u>	<u>521,689</u>	<u>219,929</u>	<u>191,183</u>	<u>53,380</u>	<u>4,679,654</u>
Net Position - Ending	<u>\$ 4,170,869</u>	<u>\$ 358,788</u>	<u>\$ (32,360)</u>	<u>\$ 119,483</u>	<u>\$ (1,467,819)</u>	<u>\$ 3,148,961</u>





STATISTICAL

# STATISTICAL SECTION

This part of the Marion County District School Board's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and other supplementary information says about the School Board's overall financial health.

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#### **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.

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#### **Revenue Capacity**

These schedules present information to help the reader assess the District's most significant local revenue sources, which is property taxes.

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#### **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.

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#### **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.

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#### **Operating Information**

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

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Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**NET POSITION BY COMPONENT - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
*(Accrual Basis of Accounting)*  
(UNAUDITED)

**Table 1**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 421,531,025	\$ 424,703,252	\$ 427,231,115	\$ 430,615,015	\$ 437,935,375	\$ 423,039,762	\$ 436,909,134	\$ 447,024,967	\$ 460,097,901	\$ 476,030,963
Restricted	38,543,429	34,531,596	40,344,387	46,589,540	44,613,635	63,844,205	53,561,332	55,197,063	67,661,690	92,180,004
Unrestricted (Deficit)	<u>(38,717,427)</u>	<u>(167,579,756)</u>	<u>(157,210,634)</u>	<u>(167,835,774)</u>	<u>(168,255,295)</u>	<u>(175,135,529)</u>	<u>(197,990,662)</u>	<u>(207,141,399)</u>	<u>(179,187,675)</u>	<u>(169,943,445)</u>
<b>Total Governmental Net Position</b>	<u>\$ 421,357,027</u>	<u>\$ 291,655,092</u>	<u>\$ 310,364,868</u>	<u>\$ 309,368,781</u>	<u>\$ 314,293,715</u>	<u>\$ 311,748,438</u>	<u>\$ 292,479,804</u>	<u>\$ 295,080,631</u>	<u>\$ 348,571,916</u>	<u>\$ 398,267,522</u>

Note: Significant decrease was experienced in the 2015 fiscal year as a result of implementing GASB No. 68. Significant increase was experienced in the 2018 fiscal year as a result of implementing GASB No. 75.

Source: Marion County District School Board, Finance Department Records

**MARION COUNTY DISTRICT SCHOOL BOARD  
CHANGES IN NET POSITION - GOVERNMENT-WIDE  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting  
(UNAUDITED))**

*Table 2*

	<b>Fiscal Year Ending June 30:</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Governmental Activities</b>										
<b>Functions/Program Expenses:</b>										
Instruction	\$ 204,444,783	\$ 218,354,709	\$ 222,627,462	\$ 240,181,428	\$ 246,324,171	\$ 258,092,892	\$ 268,339,463	\$ 274,724,517	\$ 262,397,977	\$ 301,698,333
Student Personnel Services	23,289,985	23,950,509	26,921,637	28,752,565	30,277,096	32,571,703	32,023,172	33,080,645	34,407,437	39,090,657
Instructional Media Services	3,729,590	3,911,410	4,950,533	5,185,913	4,423,914	4,440,743	4,983,809	4,719,476	4,049,279	4,380,185
Instruction and Curriculum Development	5,645,058	5,829,576	5,614,973	5,917,941	6,221,103	7,224,920	7,766,711	7,986,796	11,326,002	9,898,185
Instructional Staff Training Services	7,194,947	8,055,859	9,031,233	9,123,124	7,665,780	11,091,720	10,953,527	10,579,815	10,400,778	11,641,423
Instruction Related Technology	2,229,226	2,500,438	2,669,681	2,742,411	2,858,681	2,553,752	2,696,383	2,686,068	3,439,180	4,015,351
Board of Education	634,052	590,682	693,524	683,341	764,160	851,172	1,116,072	819,394	905,727	1,157,534
General Administration	2,316,446	2,789,387	2,847,397	3,331,174	3,090,996	3,301,361	3,454,028	3,667,305	4,799,515	5,732,853
School Administration	17,249,608	18,929,426	18,132,771	20,596,270	21,672,130	21,449,659	23,974,881	23,977,751	21,598,064	23,154,660
Facility Services	3,848,722	1,138,582	1,602,808	1,042,232	2,971,111	2,687,241	4,474,895	874,759	4,806,312	7,001,511
Fiscal Services	2,464,671	3,236,667	2,752,024	2,997,915	3,303,830	3,152,753	3,447,126	3,883,438	3,662,380	3,996,339
Food Services	23,066,934	25,092,655	27,389,859	28,409,893	29,176,087	29,537,513	27,592,616	26,381,209	26,483,331	34,219,904
Central Services	3,987,410	5,973,248	4,001,834	4,504,301	4,770,172	5,332,555	5,606,928	5,695,528	6,141,045	6,761,608
Student Transportation Services	21,274,194	20,088,339	20,774,721	22,290,992	22,828,958	22,651,212	22,628,422	21,926,717	23,065,800	27,939,648
Operation of Plant	23,861,211	24,035,990	23,055,086	23,452,974	24,668,869	25,018,755	29,457,066	31,045,173	31,715,419	38,316,430
Maintenance of Plant	8,846,764	9,740,872	9,133,472	9,877,571	10,075,905	10,068,853	11,241,356	10,726,118	10,109,387	11,447,511
Administrative Technology Services	4,157,489	5,275,929	5,049,540	5,480,488	5,517,045	5,055,202	5,171,426	5,381,432	4,963,826	4,845,798
Community Services	4,416,678	4,643,795	4,629,729	4,665,597	5,069,742	5,655,715	5,569,166	8,014,579	9,177,576	10,023,756
Unallocated Interest on Long-term Debt	5,679,051	4,432,956	3,989,079	3,415,034	3,004,016	2,762,058	2,674,342	2,286,926	1,900,016	1,438,066
Loss on Disposal of Capital Assets	18,286	193,054	387,768	-	117,594	69,053	-	-	-	-
<b>Total Functions/Program Expenditures</b>	<b>368,355,105</b>	<b>388,764,083</b>	<b>396,255,131</b>	<b>422,651,164</b>	<b>434,801,360</b>	<b>453,568,832</b>	<b>473,171,389</b>	<b>478,457,646</b>	<b>475,349,051</b>	<b>546,759,752</b>
<b>Program Revenues:</b>										
Charges for Services:										
Instruction	6,448,549	7,241,668	7,257,853	7,955,731	7,213,358	7,480,881	6,349,546	6,177,738	7,949,725	9,124,849
Food Services	3,226,221	2,646,279	2,583,097	2,353,988	2,009,270	2,069,602	1,615,654	992,963	583,736	654,179
Student Transportation Services	127,208	190,060	159,872	195,592	156,337	184,525	114,296	60,046	97,801	108,823
Operating Grants and Contributions:										
Food Services	20,831,097	23,120,564	25,323,451	25,895,664	25,693,570	26,435,943	22,108,361	23,950,096	30,182,932	39,945,725
Capital Grants and Contributions:										
Facility Services	539,517	727,911	1,273,724	1,365,151	1,232,080	1,540,670	1,703,302	1,586,698	1,710,963	1,817,563
Maintenance of Plant	-	824,100	917,392	1,378,965	914,171	895,910	-	-	-	-
Unallocated Interest on Long-term Debt	1,266,075	898,176	481,012	445,954	440,816	340,510	279,155	261,687	262,645	259,111
<b>Total Program Revenues</b>	<b>32,438,667</b>	<b>35,648,758</b>	<b>37,996,401</b>	<b>39,591,045</b>	<b>37,659,602</b>	<b>38,948,041</b>	<b>32,170,314</b>	<b>33,029,228</b>	<b>40,787,802</b>	<b>51,910,250</b>
<b>Net Expense</b>	<b>335,916,438</b>	<b>353,115,325</b>	<b>358,258,730</b>	<b>383,060,119</b>	<b>397,141,758</b>	<b>414,620,791</b>	<b>441,001,075</b>	<b>445,428,418</b>	<b>434,561,249</b>	<b>494,849,502</b>
<b>General Revenues:</b>										
Property Taxes Levied for:										
Operational Purposes	86,908,625	89,283,913	106,567,311	107,214,742	107,111,618	110,053,950	114,954,917	120,297,916	128,630,512	143,290,957
Capital Projects	22,325,029	23,097,597	23,979,076	25,125,064	26,507,997	28,361,978	30,332,362	32,691,158	35,699,539	42,922,474
Grants and Contributions Not										
Restricted to Specific Programs	222,724,894	232,050,823	239,340,767	243,054,631	254,121,661	262,511,580	267,735,554	285,889,161	316,914,783	341,959,398
Unrestricted Investment Earnings	322,748	254,671	403,219	678,134	998,125	3,233,404	2,800,887	332,416	(716,941)	5,294,884
Miscellaneous	5,402,788	6,127,797	6,678,133	5,991,461	6,329,627	7,914,602	5,978,721	5,987,298	7,524,641	11,076,944
<b>Total Revenues</b>	<b>337,684,084</b>	<b>350,814,801</b>	<b>376,968,506</b>	<b>382,064,032</b>	<b>395,069,028</b>	<b>412,075,514</b>	<b>421,802,441</b>	<b>445,197,949</b>	<b>488,052,534</b>	<b>544,544,657</b>
<b>Change in Net Position</b>	<b>\$ 1,767,646</b>	<b>\$ (2,300,524)</b>	<b>\$ 18,709,776</b>	<b>\$ (996,087)</b>	<b>\$ (2,072,730)</b>	<b>\$ (2,545,277)</b>	<b>\$ (19,198,634)</b>	<b>\$ (230,469)</b>	<b>\$ 53,491,285</b>	<b>\$ 49,695,155</b>

Source: Marion County District School Board, Finance Department Records

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**CHANGES IN FUND BALANCES, ALL GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
**(UNAUDITED)**

**Table 3**

	<b>Fiscal Year Ending June 30:</b>									
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Revenues</b>										
Federal Direct	\$ 1,942,361	\$ 1,728,450	\$ 1,619,918	\$ 1,695,939	\$ 1,935,630	\$ 2,192,109	\$ 1,977,481	\$ 1,570,053	\$ 1,585,325	\$ 2,510,521
Federal Through State and Local	51,211,480	58,177,326	60,105,303	59,417,244	62,274,217	66,136,254	57,892,957	70,676,402	113,580,952	132,817,163
State	192,098,173	197,617,736	205,444,106	210,760,097	217,584,733	222,914,151	231,137,702	235,415,500	228,517,148	245,187,984
Local	124,723,947	128,796,860	147,665,723	149,667,704	150,743,259	158,341,735	162,576,956	171,123,939	184,447,719	214,180,881
<b>Total Revenues</b>	<b>369,975,961</b>	<b>386,320,372</b>	<b>414,835,050</b>	<b>421,540,984</b>	<b>432,537,839</b>	<b>449,584,249</b>	<b>453,585,096</b>	<b>478,785,894</b>	<b>528,131,144</b>	<b>594,696,549</b>
<b>Expenditures</b>										
<b>Current - Education:</b>										
Instruction	188,985,303	200,451,377	211,215,617	218,901,901	224,983,150	235,667,732	234,953,000	247,222,571	259,652,339	286,091,631
Student Personnel Services	23,014,906	23,516,829	27,396,622	27,983,666	29,544,224	31,707,586	29,938,885	31,609,183	36,353,916	39,240,817
Instructional Media Services	3,641,443	3,783,824	5,044,413	4,938,520	4,162,027	4,156,326	4,370,134	4,228,784	4,244,788	4,369,129
Instruction and Curriculum Development	5,570,332	5,693,019	5,731,587	5,694,710	5,992,125	6,970,744	7,167,168	7,547,580	11,966,656	9,929,542
Instructional Staff Training Services	7,135,820	7,906,553	9,160,984	8,894,799	7,441,654	10,826,576	10,346,383	10,155,433	10,983,251	11,699,157
Instruction Related Technology	2,141,157	2,484,038	2,684,933	2,609,382	2,727,366	2,411,458	2,374,452	2,445,293	3,619,633	4,025,495
Board of Education	627,489	583,585	695,662	680,803	766,962	850,932	1,111,752	826,502	955,216	1,161,810
General Administration	2,291,020	2,714,189	2,909,358	3,221,316	2,979,108	3,175,321	3,157,950	3,510,352	5,071,532	5,759,396
School Administration	16,935,587	17,196,999	18,847,423	19,373,799	20,294,615	19,967,731	20,513,753	21,181,367	22,807,458	23,238,808
Facility Services	2,597,831	792,509	725,667	984,702	766,708	809,658	1,143,669	339,535	2,118,900	3,685,539
Fiscal Services	2,423,416	2,603,285	2,810,974	2,886,882	3,190,641	3,025,322	3,103,714	3,664,077	3,868,351	4,001,724
Food Services	22,381,865	24,787,895	26,928,146	27,304,381	28,176,095	28,400,316	25,922,994	25,157,971	27,289,383	33,790,189
Central Services	3,919,053	4,363,118	4,105,026	4,266,224	4,514,340	5,057,046	4,925,847	5,394,116	6,465,503	6,761,241
Student Transportation Services	19,526,977	19,701,949	19,463,264	20,275,772	20,866,047	20,907,665	19,334,622	18,739,294	22,201,494	26,011,566
Operation of Plant	23,531,438	23,679,291	23,277,751	22,915,330	24,201,971	24,434,515	28,124,776	30,166,983	33,333,963	38,293,655
Maintenance of Plant	8,684,861	9,340,531	9,333,033	9,394,718	9,569,186	9,519,233	10,069,095	9,768,266	10,636,197	11,475,792
Administrative Technology Services	3,971,669	5,132,497	4,897,878	4,854,618	4,822,408	4,334,060	4,242,234	4,627,318	4,979,395	4,602,338
Community Services	4,384,158	4,608,861	4,644,010	4,648,267	5,088,335	5,653,608	5,547,053	8,083,470	9,471,169	10,081,135
<b>Capital Outlay:</b>										
Facilities Acquisition and										
Construction	4,554,498	5,635,924	6,596,918	6,593,742	6,740,055	7,455,087	9,245,963	15,118,881	18,744,908	26,415,267
Other Capital Outlay	2,483,145	7,688,250	5,384,987	4,977,042	8,528,084	2,641,099	18,956,778	5,212,908	4,482,627	5,188,299
<b>Debt Service:</b>										
Principal	10,479,000	11,065,000	11,915,500	12,228,000	12,531,000	10,576,000	12,288,917	11,605,224	11,989,298	12,734,528
Interest and Fiscal Charges	5,567,168	4,300,873	3,505,439	3,544,310	3,137,518	2,716,343	2,765,131	2,416,839	2,044,615	1,649,497
Dues, Fees and Issuance Costs	215,027	134,022	424,808	19,271	16,824	51,636	36,817	14,302	-	-
<b>Total Expenditures</b>	<b>365,063,163</b>	<b>388,164,418</b>	<b>407,700,000</b>	<b>417,192,155</b>	<b>431,040,443</b>	<b>441,315,994</b>	<b>459,641,087</b>	<b>469,036,249</b>	<b>513,280,592</b>	<b>570,206,555</b>
<b>Excess (Deficiency) of Revenues</b>										
<b>Over Expenditures</b>	<b>4,912,798</b>	<b>(1,844,046)</b>	<b>7,135,050</b>	<b>4,348,829</b>	<b>1,497,396</b>	<b>8,268,255</b>	<b>(6,055,991)</b>	<b>9,749,645</b>	<b>14,850,552</b>	<b>24,489,994</b>

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**CHANGES IN FUND BALANCES, ALL GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
(UNAUDITED)

**Table 3**

	Fiscal Year Ending June 30:									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Other Financing Sources (Uses)</b>										
Certificates of Participation Issued	\$ 37,380,000	\$ -	\$ 32,860,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Incurred	-	4,946,000	-	-	-	15,839,901	-	-	-	-
Bonds Issued	3,620,500	7,371,000	-	-	-	-	-	-	-	-
Premium on Debt	137,879	35,955	4,327,462	-	-	-	-	-	-	-
Issuance of Refunding Bonds							24,000	-	-	-
Premium on Refunding Bonds							1,293	-	-	-
Payments to Refunded Debt Escrow Agent	(39,919,642)	(8,349,299)	(36,775,929)	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	158,718	-	-	-	-
Insurance Loss Recoveries	108,571	74,416	81,895	50,296	131,221	82,797	150,065	98,637	48,902	2,082,452
Transfers In	21,603,700	20,860,316	20,654,704	20,988,281	20,713,572	18,658,764	20,277,720	19,897,605	19,982,397	20,803,006
Transfers Out	(21,603,700)	(20,860,316)	(20,654,704)	(20,988,281)	(20,713,572)	(18,658,764)	(20,277,720)	(21,787,617)	(24,082,397)	(20,803,006)
<b>Total Other Financing Sources (Uses)</b>	<u>1,327,308</u>	<u>4,078,072</u>	<u>493,428</u>	<u>50,296</u>	<u>131,221</u>	<u>16,081,416</u>	<u>175,358</u>	<u>(1,791,375)</u>	<u>(4,051,098)</u>	<u>2,082,452</u>
<b>Net Change in Fund Balances</b>	<u>6,240,106</u>	<u>2,234,026</u>	<u>7,628,478</u>	<u>4,399,125</u>	<u>1,628,617</u>	<u>24,349,671</u>	<u>(5,880,633)</u>	<u>7,958,270</u>	<u>10,799,454</u>	<u>26,572,446</u>
<b>Fund Balances - Beginning As Restated (1)</b>	<u>54,652,541</u>	<u>60,892,647</u>	<u>63,126,673</u>	<u>70,755,151</u>	<u>75,154,276</u>	<u>76,782,893</u>	<u>101,132,564</u>	<u>98,013,227</u>	<u>105,971,497</u>	<u>116,770,951</u>
<b>Fund Balances - Ending</b>	<u>\$ 60,892,647</u>	<u>\$ 63,126,673</u>	<u>\$ 70,755,151</u>	<u>\$ 75,154,276</u>	<u>\$ 76,782,893</u>	<u>\$ 101,132,564</u>	<u>\$ 95,251,931</u>	<u>\$ 105,971,497</u>	<u>\$ 116,770,951</u>	<u>\$ 143,343,397</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	4.48%	4.10%	3.90%	3.89%	3.77%	3.08%	3.49%	3.13%	2.85%	2.66%

**MARION COUNTY DISTRICT SCHOOL BOARD  
FUND BALANCES, ALL GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)  
(UNAUDITED)**

**Table 4**

	Fiscal Year Ending June 30:									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Nonspendable	\$ 2,644,114	\$ 2,423,202	\$ 3,158,561	\$ 2,297,751	\$ 4,209,538	\$ 2,582,526	\$ 2,963,328	\$ 4,072,208	\$ 3,236,121	\$ 3,109,331
Spendable:										
Restricted	4,422,676	3,745,725	8,423,116	12,015,801	15,044,294	12,385,071	13,297,631	11,962,709	19,690,878	32,560,020
Assigned	7,547,747	5,977,547	11,347,442	11,880,177	13,122,249	14,077,840	10,943,402	21,902,351	25,818,067	20,694,699
Committed Fund Balance										7,463,092
Unassigned	11,469,003	17,996,211	15,425,636	15,956,637	15,755,436	20,565,133	29,752,838	27,669,648	21,957,524	26,181,391
<b>Total General Fund</b>	<u>\$ 26,083,540</u>	<u>\$ 30,142,685</u>	<u>\$ 38,354,755</u>	<u>\$ 42,150,366</u>	<u>\$ 48,131,517</u>	<u>\$ 49,610,570</u>	<u>\$ 56,957,199</u>	<u>\$ 65,606,916</u>	<u>\$ 70,702,590</u>	<u>\$ 90,008,533</u>
<b>All Other Government Funds</b>										
Nonspendable	\$ 1,439,665	\$ 828,337	\$ 895,462	\$ 1,046,420	\$ 710,755	\$ 753,345	\$ 1,638,419	\$ 1,011,979	\$ 1,608,533	\$ 1,518,837
Spendable:										
Restricted	33,384,745	32,155,651	31,519,483	31,957,490	27,943,836	50,773,974	36,701,818	39,370,790	44,466,128	51,816,027
Unassigned (a)	(15,303)	-	(14,549)	-	(3,215)	(5,325)	(45,505)	(18,188)	(6,300)	-
<b>Total All Other Governmental Funds</b>	<u>\$ 34,809,107</u>	<u>\$ 32,983,988</u>	<u>\$ 32,400,396</u>	<u>\$ 33,003,910</u>	<u>\$ 28,651,376</u>	<u>\$ 51,521,994</u>	<u>\$ 38,294,732</u>	<u>\$ 40,364,581</u>	<u>\$ 46,068,361</u>	<u>\$ 53,334,864</u>
<b>Combined Governmental Funds</b>	<u>\$ 60,892,647</u>	<u>\$ 63,126,673</u>	<u>\$ 70,755,151</u>	<u>\$ 75,154,276</u>	<u>\$ 76,782,893</u>	<u>\$ 101,132,564</u>	<u>\$ 95,251,931</u>	<u>\$ 105,971,497</u>	<u>\$ 116,770,951</u>	<u>\$ 143,343,397</u>

(a) The District reported a negative unassigned fund balance for All Other Governmental Funds as a result of prepaid items exceeding the ending fund balances in the Special Revenue - Other Federal Programs Fund.

Source: Marion County District School Board, Finance Department Records

**MARION COUNTY DISTRICT SCHOOL BOARD**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCES**  
**LAST TEN FISCAL YEARS**  
*(Modified Accrual Basis of Accounting)*  
(UNAUDITED)

**Table 5**

<b>Fiscal Year</b> <b>Ending</b> <b>June 30,</b>	<b>Property Taxes</b>		<b>Impact</b> <b>Fees</b>	<b>Total</b>
	<b>Operational</b> <b>Purposes</b>	<b>Capital</b> <b>Projects</b>		
2014	\$ 86,908,625	\$ 22,325,029	\$ 26,953	\$ 109,260,607
2015	89,283,913	23,097,598	20,790	112,402,301
2016	106,567,312	23,979,076	3,967	130,550,355
2017	107,214,742	25,125,064	14,417	132,354,223
2018	107,111,618	26,507,997	7,934	133,627,549
2019	110,053,950	28,361,978	-	138,415,928
2020	114,954,919	30,332,362	-	145,287,281
2021	120,297,915	32,691,158	3,967	152,993,040
2022	128,630,512	35,699,539	-	164,330,051
2023	143,290,957	42,922,474	-	186,213,431

Source: Marion County District School Board, Finance Department Records



**MARION COUNTY DISTRICT SCHOOL BOARD  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

*Table 6*

<b>Fiscal Year Ending June 30,</b>	<b>Real Property</b>	<b>Tangible Property</b>	<b>Railroad Property</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value (a)</b>	<b>Total Direct Tax Rate</b>
2014	\$ 21,662,690,013	\$ 1,365,147,480	\$ 19,153,005	\$ 7,689,024,236	\$ 15,357,966,262	7.339
2015	22,545,666,860	1,421,016,339	20,017,720	8,095,173,721	15,891,527,198	7.298
2016	22,946,649,486	1,515,661,515	20,342,991	7,952,550,884	16,530,103,108	8.172
2017	24,484,911,443	1,516,452,408	21,820,066	8,770,140,613	17,253,043,304	7.902
2018	25,621,844,589	1,619,744,735	22,705,975	9,030,530,606	18,233,764,693	7.560
2019	27,451,399,920	1,767,960,000	24,223,011	9,717,810,402	19,525,772,529	7.319
2020	29,642,255,792	1,855,737,335	22,087,858	10,582,883,701	20,937,197,284	7.184
2021	31,780,005,607	2,014,416,546	25,891,069	11,261,723,187	22,558,590,035	7.018
2022	35,441,540,110	2,106,489,927	28,519,034	12,988,658,801	24,587,890,270	6.903
2023	45,463,261,815	2,288,819,597	30,489,378	18,150,928,764	29,631,642,026	6.505

(a) Assessed values are as of January 1.

Source: Marion County Property Appraiser - <http://www.pa.marion.fl.us/>

**MARION COUNTY DISTRICT SCHOOL BOARD  
PROPERTY TAX RATES (a) OF  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 7**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Direct</b>										
<b>Marion County District School Board</b>										
General Fund (Required Local Effort)	5.0910	5.0500	4.9240	4.6540	4.3120	4.0710	3.9360	3.7700	3.6550	3.2570
General Fund (Discretionary)	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
Capital Projects Fund	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Additional Voted Millage	-	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
<b>Total School Board</b>	<u>7.3390</u>	<u>7.2980</u>	<u>8.1720</u>	<u>7.9020</u>	<u>7.5600</u>	<u>7.3190</u>	<u>7.1840</u>	<u>7.0180</u>	<u>6.9030</u>	<u>6.5050</u>
<b>Overlapping</b>										
<b>Board of County Commissioners</b>										
General Fund	3.1900	3.1900	3.1900	3.1900	3.3300	3.3300	3.4500	3.4500	3.4500	3.3500
Fine and Forfeiture Fund	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.8500	0.8500	0.8500	0.8300
Parks and Land Acquisition Debt Service Fund	0.0600	0.0600	0.0600	0.0500	0.0400	-	-	-	-	-
Marion County Health Department Fund	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1100
<b>Total General County</b>	<u>3.9000</u>	<u>3.9000</u>	<u>3.9000</u>	<u>3.8900</u>	<u>4.0200</u>	<u>3.9800</u>	<u>4.4200</u>	<u>4.4200</u>	<u>4.4200</u>	<u>4.2900</u>
<b>Total County-Wide</b>	<u>11.2390</u>	<u>11.1980</u>	<u>12.0720</u>	<u>11.7920</u>	<u>11.5800</u>	<u>11.2990</u>	<u>11.6040</u>	<u>11.4380</u>	<u>11.3230</u>	<u>10.7950</u>
<b>Special Districts</b>										
Rainbow Lakes Estates MSD (b)	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500
Rainbow Lakes Estates MSTU (c)	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700
Marion Oaks MSTU For Fire Protection (c)	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200
MSTU for Law Enforcement (c)	3.2100	3.4700	3.4700	3.4700	3.4700	3.7200	3.7200	3.7200	3.7200	3.7200
MSTU for EMS (c)	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700	1.1100	1.1100	1.1100	1.1100
Silver Springs Shores Special Tax District	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Hills of Ocala MSTU for Recreation (c)	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800
<b>Southwest Florida Water Management District</b>	0.3818	0.3658	0.3488	0.3317	0.3131	0.2955	0.2801	0.2669	0.2535	0.2260
<b>St. Johns River Water Management District</b>	0.3283	0.3164	0.3023	0.2885	0.2724	0.2562	0.2414	0.2287	0.2189	0.1974
<b>Municipalities</b>										
Ocala	6.2502	6.1638	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177	6.6177
Ocala (Downtown Development District "A")	1.5967	1.4966	1.4966	1.7185	1.7185	1.7185	1.7185	1.7185	1.7185	1.7185
Ocala (Downtown Development District "B")	1.7013	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332
Ocala (Downtown Development District "C")	1.2810	1.2825	1.2825	1.5091	1.5091	1.5091	1.4699	1.4699	1.4699	1.4699
Belleview	3.9912	3.9912	4.5000	4.5000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000
Dunnellon	7.1408	7.5000	7.5000	7.5000	6.5000	6.5000	6.5000	6.5000	6.5000	6.3000
McIntosh	2.5198	2.4087	2.3175	2.2078	2.2078	2.2078	2.2078	2.1107	2.5000	2.2903

(a) Rates are stated per \$1,000 of assessed value. Rates were adopted after June 30 for all years presented. Collections on the related tax levy occur in the succeeding fiscal year.

(b) MSD is an abbreviation for municipal service district.

(c) MSTU is an abbreviation for municipal service taxing unit.

**MARION COUNTY DISTRICT SCHOOL BOARD  
DIRECT AND OVERLAPPING SALES TAX RATES  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 8**

<b>Fiscal Year Ending June 30,</b>	<b>Overlapping</b>	
	<b>Marion County Board of County Commissioner Tax(a)</b>	<b>State of Florida Sales Tax (b)</b>
2014		6.0%
2015		6.0%
2016		6.0%
2017	1.0%	6.0%
2018	1.0%	6.0%
2019	1.0%	6.0%
2020	1.0%	6.0%
2021	1.0%	6.0%
2022	1.0%	6.0%
2023	1.0%	6.0%

(a) The Marion County Board of County Commissioner tax commenced January 1, 2017 and expires December 31, 2024.

(b) The State of Florida sales tax rate is set as mandated by Florida State Statute to be six cents per one dollar.

Source: Florida Department of Revenue - <http://dor.myflorida.com/dor/taxes/discretionary.html>

**MARION COUNTY DISTRICT SCHOOL BOARD  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

**Table 9**

<u><b>Taxpayer</b></u>	<u><b>2023</b></u>			<u><b>2014</b></u>		
	<u><b>Taxable Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total County Taxable Assessed Value</b></u>	<u><b>Taxable Assessed Value</b></u>	<u><b>Rank</b></u>	<u><b>Percentage of Total County Taxable Assessed Value</b></u>
Duke Energy (Progress Energy)	\$ 245,450,398	1	0.83%	\$ 151,059,366	1	0.98%
Sumter Electric Cooperative, Inc.	150,276,729	2	0.51%	112,058,342	2	0.73%
Sabal Trail Transmission, LLC	136,668,833	3	0.46%			
FedEx Ground Package System Inc	117,001,879	4	0.39%	46,090,857	6	0.30%
Marion Community Hospital	91,082,386	5	0.31%			
Wal Mart	82,329,793	6	0.28%	61,379,934	4	0.40%
Cardinal LG Company	78,042,690	7	0.26%			
On Top of the World Communities, LLC	78,012,815	8	0.26%	35,597,967	9	0.23%
TL IP Ocala Industrial Owner, LLC	60,475,802	9	0.20%			
Equestrian Operations, LLC	57,360,108	10	0.19%			
Paddock Mall, LLC				38,555,606	7	0.25%
Embarq ( formerly Sprint-FLorida, Inc.)				72,822,419	3	0.47%
Closetmaid Corporation				35,799,372	8	0.23%
Clay Electric Cooperative, Inc.				32,098,531	10	0.21%
K-Mart				53,218,185	5	0.35%
<b>Total Principal Taxpayers</b>	<u>1,096,701,433</u>		<u>3.70%</u>	<u>638,680,579</u>		<u>4.15%</u>
<b>All Other Taxpayers</b>	<u>28,534,940,593</u>		<u>96.30%</u>	<u>14,719,285,683</u>		<u>95.85%</u>
<b>Total Taxable Valuation</b>	<u>\$ 29,631,642,026</u>		<u>100.00%</u>	<u>\$ 15,357,966,262</u>		<u>100.00%</u>

Source: Marion County Property Appraiser Office and website - <http://www.pa.marion.fl.us>

**MARION COUNTY DISTRICT SCHOOL BOARD  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 10**

<b>Fiscal Year Ending June 30,</b>	<b>Taxes Levied for the Fiscal Year (a)</b>	<b>Collected Within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Years</b>	<b>Total Collections to Date</b>	
		<b>Amount (b)</b>	<b>Percentage of Levy</b>		<b>Amount (a)</b>	<b>Percentage of Levy</b>
2014	\$ 112,712,184	\$ 108,509,196	96.27%	\$ 724,458	\$ 109,233,654	96.91%
2015	115,976,561	111,543,948	96.18%	646,105	112,190,053	96.74%
2016	135,084,154	129,816,507	96.10%	729,881	130,546,388	96.64%
2017	136,333,724	131,319,706	96.32%	1,020,100	132,339,806	97.07%
2018	137,847,456	132,792,498	96.33%	827,117	133,619,615	96.93%
2019	142,909,361	137,709,971	96.36%	705,957	138,415,928	96.86%
2020	150,412,993	144,841,201	96.30%	446,080	145,287,281	96.59%
2021	158,316,448	152,266,646	96.18%	722,427	152,989,073	96.63%
2022	169,730,471	163,549,412	96.36%	780,639	164,330,051	96.82%
2023	192,754,062	185,418,804	96.19%	794,627	186,213,431	96.61%

(a) Total taxable value as extended on the final certified tax roll.

(b) Net of allowable discounts. Florida law allows a 4 percent discount starting November and reducing 1 percent each month until February.

Sources: Marion County Property Appraiser  
Marion County School Board Superintendent's Annual Financial Report

**MARION COUNTY DISTRICT SCHOOL BOARD  
RATIO OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 11**

<b>Fiscal Year Ending June 30,</b>	<b>Bonds Payable</b>	<b>Certificates of Participation</b>	<b>Notes Payable</b>	<b>Leases Payable</b>	<b>Deferred Amounts</b>	<b>Total</b>	<b>Total Debt Per Capita (a)</b>	<b>Total Debt as a Percentage of Personal Income (b)</b>
2014	\$ 6,966,500	\$ 115,075,000	\$ -	\$ -	\$ 196,175	\$ 122,237,675	\$ 362	1.03%
2015	5,057,500	105,135,000	4,946,000	-	1,784,586	116,923,086	343	1.01%
2016	4,584,000	93,700,000	3,949,000	-	4,290,577	106,523,577	308	0.96%
2017	4,116,000	82,905,000	2,984,000	-	3,877,967	93,882,967	269	0.81%
2018	3,634,000	71,835,000	2,005,000	-	3,465,357	80,939,357	229	0.67%
2019	3,228,000	62,660,000	16,849,901	-	3,052,747	85,790,648	239	0.68%
2020	2,867,000	53,175,000	14,430,984	-	2,634,570	73,107,554	201	0.55%
2021	2,504,000	43,365,000	12,998,760	-	2,231,374	61,099,134	163	0.44%
2022	2,127,000	33,225,000	11,526,460	-	1,828,178	48,706,638	152	0.38%
2023	1,741,000	22,745,000	10,012,964	650,937	1,455,022	36,604,923	93	0.21%

(a) See Table 12 for Population.

(b) See Table 16 for Personal Income.

Source: Marion County District School Board, Finance Department Records  
United States Department of Commerce, Bureau of Economic Analysis

**MARION COUNTY DISTRICT SCHOOL BOARD  
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED  
VALUE OF NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 12**

<b>Fiscal Year Ending June 30,</b>	<b>Population (a)</b>	<b>Assessed Value (b)</b>	<b>Bonds Payable</b>	<b>Certificates of Participation</b>	<b>Deferred Amounts</b>	<b>Gross Bonded Debt</b>	<b>Less Debt Service Funds</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Value</b>	<b>Net Bonded Debt per Capita</b>	<b>Net Bonded Debt as a Percentage of Personal Income (c)</b>
2014	337,455	\$ 15,357,966,262	\$ 6,966,500	\$ 115,075,000	\$ 196,175	\$ 122,237,675	\$ 1,116,930	\$ 121,120,745	0.79%	\$ 358.92	1.02%
2015	341,205	15,891,527,198	5,057,500	105,135,000	1,784,586	111,977,086	131,035	111,846,051	0.70%	327.80	0.96%
2016	345,749	16,530,103,108	4,584,000	93,700,000	4,290,577	102,574,577	202,753	102,371,824	0.62%	296.09	0.93%
2017	349,267	17,253,043,304	4,116,000	82,905,000	3,877,967	90,898,967	243,089	90,655,878	0.53%	259.56	0.78%
2018	353,898	18,233,764,693	3,634,000	71,835,000	3,465,357	78,934,357	307,891	78,626,466	0.43%	222.17	0.65%
2019	358,821	19,525,772,529	3,228,000	62,660,000	3,052,747	68,940,747	232,445	68,708,302	0.35%	191.48	0.54%
2020	363,726	20,937,197,284	2,867,000	53,175,000	2,634,570	58,676,570	296,651	58,379,919	0.28%	160.51	0.44%
2021	374,628	22,558,590,035	2,504,000	43,365,000	2,231,374	48,100,374	358,377	47,741,997	0.21%	127.44	0.34%
2022	386,497	24,587,890,270	2,127,000	33,225,000	1,828,178	37,180,178	423,768	36,756,410	0.15%	95.10	0.24%
2023	392,085	29,631,642,026	1,741,000	22,745,000	1,424,982	25,910,982	520,083	25,390,899	0.09%	64.76	0.15%

(a) Population is as of December 31 of the previous calendar year.

(b) Assessed values are as of January 1 for all years presented. Collections on the related tax levies occur in the succeeding fiscal year.

(c) See Table 16 for Personal Income.

Sources: Florida Office of Economic and Demographic Research, Demographic Estimating Conference, <http://edr.state.fl.us/Content/population-demographics/data/index-floridaproducts.cfm>

Marion County Property Appraiser - <http://www.pa.marion.fl.us/>  
Marion County District School Board, Finance Department Records

**MARION COUNTY DISTRICT SCHOOL BOARD  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 13**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Assessed Value (a)</b>	\$ 15,357,966,262	\$ 15,891,527,198	\$ 16,530,103,108	\$ 17,253,043,304	\$ 18,233,764,693	\$ 19,525,772,529	\$ 20,937,197,284	\$ 22,558,590,035	\$ 24,587,890,270	\$ 29,631,642,026
<b>Debt Limit on Assessed Value (b)</b>	\$ 15,357,966,262	\$ 15,891,527,198	\$ 16,530,103,108	\$ 17,253,043,304	\$ 18,233,764,693	\$ 19,525,772,529	\$ 20,937,197,284	\$ 22,558,590,035	\$ 24,587,890,270	\$ 29,631,642,026
<b>Amount of Debt Applicable to Debt Limit:</b>										
Bonds Payable (c)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Amount Available for Debt Service	-	-	-	-	-	-	-	-	-	-
Total Debt Applicable to the Debt Limit	-	-	-	-	-	-	-	-	-	-
<b>Legal Debt Margin</b>	\$ 15,357,966,262	\$ 15,891,527,198	\$ 16,530,103,108	\$ 17,253,043,304	\$ 18,233,764,693	\$ 19,525,772,529	\$ 20,937,197,284	\$ 22,558,590,035	\$ 24,587,890,270	\$ 29,631,642,026
<b>Total Net Debt Applicable to the Limit as a Percentage of Debt Limit</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(a) Assessed value is as of January 1.

(b) The State of Florida does not have a limit on the amount of voter approved (general obligation) debt.

(c) Includes General Obligation Bonds only.

Source: Marion County Property Appraiser - <http://www.pa.marion.fl.us/>



**MARION COUNTY DISTRICT SCHOOL BOARD  
 ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY  
 REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)**

**Table 14**

<b>Fiscal Year Ending June 30,</b>	<b>Taxable Assessed Value (a)</b>	<b>Annual Lease Payment</b>	<b>Millage Levy Required (b)</b>
2014	\$ 15,357,966	\$ 14,424,705	0.98
2015	15,891,527	14,251,527	0.93
2016	16,530,103	12,526,916	0.79
2017	17,253,043	14,092,738	0.85
2018	18,233,765	13,997,052	0.80
2019	19,525,773	11,718,593	0.63
2020	20,937,197	11,721,857	0.58
2021	22,558,590	11,728,626	0.54
2022	24,587,890	11,728,394	0.50
2023	29,631,642	11,725,778	0.41

(a) In thousands as of January 1.

(b) Millage rate calculated using 96% of the taxable assessed valuation.

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

Sources: Marion County Property Appraiser - <http://www.pa.marion.fl.us/>  
 Marion County District School Board, Finance Department Records

**MARION COUNTY DISTRICT SCHOOL BOARD  
PLEGGED REVENUE COVERAGE  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 15**

<b>Fiscal Year Ending June 30,</b>	<b>District Revenue Bonds</b>					
	<b>Pari-Mutuel Revenues</b>	<b>Miscellaneous Revenue</b>	<b>Debt Service</b>		<b>Other Dues &amp; Fees</b>	<b>Coverage</b>
			<b>Principal</b>	<b>Interest</b>		
2014 (a)	\$ 223,250	\$ 776	\$ 94,000	\$ 104,207	\$ 350	1.13
2015	223,250	1,417	109,000	93,748	350	1.11
2016	223,250	1,073	108,500	90,251	350	1.13
2017	223,250	1,075	113,000	86,285	350	1.12
2018	223,250	964	117,000	82,076	350	1.12
2019	223,250	7,186	121,000	77,720	385	1.16
2020	223,250	5,363	125,000	73,218	385	1.15
2021	223,250	114	134,000	68,479	385	1.10
2022	223,250	442	137,000	63,519	385	1.11
2023	223,250	28,026	141,000	58,431	385	1.26

(a) These bonds were refunded in 2014. Only the applicable debt service for the 2014 fiscal year is shown.

Source: Marion County School District Finance Department - Funds 2900 and 2910, District Revenue Bonds.

**MARION COUNTY DISTRICT SCHOOL BOARD  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 16**

Fiscal Year Ending June 30,	Population (a)	Personal Income (b) <i>(in thousands)</i>	Per Capita Personal Income	Unemployment Rate (c)		
				Marion County	Florida	United States
2014	337,455	\$ 11,920,530	\$ 35,325	7.8%	6.7%	6.1%
2015	341,205	11,617,618	34,049	6.6%	5.6%	5.3%
2016	345,749	11,047,141	31,951	5.8%	4.7%	4.9%
2017	349,267	11,601,952	33,218	4.8%	4.1%	4.4%
2018	353,898	12,133,659	34,286	4.5%	3.7%	4.1%
2019	358,821	12,708,667	35,418	4.1%	3.5%	4.0%
2020	363,726	13,318,148	36,616	8.5%	10.7%	11.2%
2021	374,628	13,999,019	37,368	5.5%	5.1%	5.7%
2022	386,497	15,520,495	40,157	3.5%	2.8%	3.8%
2023	392,085	17,424,672	44,441	3.8%	3.1%	3.8%

(a) Population is as of December 31 of the previous calendar year.

(b) The personal income and per capita is as of 2018 (the most recent year available) with projections for 2019.

(c) The unemployment rates are as of July.

Sources: Florida Research and Economic Information Database - <http://fred.labormarketinfo.com> and [freida.labormarketinfo.com](http://freida.labormarketinfo.com)  
National Conference of State Legislatures  
Florida Demographic Estimating Conference, [http://www.edr.state.fl.us/content/population-demographics/data/county population  
Statistics Program](http://www.edr.state.fl.us/content/population-demographics/data/county%20population%20statistics), in cooperation with the U.S. Department of Labor, Bureau of Economic Analysis

**MARION COUNTY DISTRICT SCHOOL BOARD  
PRINCIPAL EMPLOYERS, TEN LARGEST EMPLOYERS  
CURRENT YEAR AND TEN YEARS AGO  
(UNAUDITED)**

**Table 17**

<b>Employer</b>	<b>2023</b>			<b>2014</b>		
	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Marion County Public Schools	6,123	1	4.37%	5,604	1	4.58%
HCA Florida Hospitals	2,712	2	1.94%	2,020	5	1.65%
AdventHealth Ocala (Former Munroe Regional Medical Center)	2,648	3	1.89%	2,648	2	2.16%
State of Florida (all departments)	2,600	4	1.86%	2,600	3	2.12%
Wal-Mart (Combined)	2,583	5	1.84%	2,370	4	1.94%
Lockheed Martin	1,600	6	1.14%	981	10	0.80%
FedEx Ground	1,500	7	1.07%			
Publix Supermarkets (Combined)	1,488	8	1.06%	1,488	6	1.22%
Marion County Board of Commissioners	1,368	9	0.98%	1,462	7	1.19%
Emergency One, Inc.	1,200	10	0.86%			
City of Ocala (all departments)				994	9	0.81%
AT&T				1,000	8	0.82%
<b>Totals</b>	<b>23,822</b>		<b>17.01%</b>	<b>21,167</b>		<b>17.29%</b>
All Others	116,332		82.99%	101,258		82.71%
<b>Total Employment</b>	<b>140,154</b>		<b>100.00%</b>	<b>122,425</b>		<b>100%</b>

Sources: Florida Research and Economic Database - <http://fred.labormarketinfor.com>  
Marion County Chamber and Economic Partnership - <http://www.ocalacep.com>

**MARION COUNTY DISTRICT SCHOOL BOARD  
NUMBER OF FULL TIME EMPLOYEES  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 18**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Instructors	2,734	2,749	2,947	2,903	2,894	2,856	2,927	2,882	2,832	2,891
Administrators	169	173	188	200	206	210	206	204	209	217
Non-Instructional	1,028	1,099	1,131	1,128	1,120	1,118	1,135	1,261	1,038	1,174
Educational Support	1,673	1,690	1,794	1,816	1,794	1,710	1,812	1,604	1,789	1,841
<b>Total Full Time Employees</b>	<b>5,604</b>	<b>5,711</b>	<b>6,060</b>	<b>6,047</b>	<b>6,014</b>	<b>5,894</b>	<b>6,080</b>	<b>5,951</b>	<b>5,868</b>	<b>6,123</b>

**Source:** Marion County District School Board, Payroll Department records

**MARION COUNTY DISTRICT SCHOOL BOARD  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 19**

<b>Fiscal Year Ending June 30,</b>	<b>Number of Schools</b>	<b>Expenditures (a)</b>	<b>Student Membership (b)</b>	<b>Cost Per Student</b>	<b>Percentage Change</b>	<b>Total All Employees</b>	<b>Teaching Staff</b>	<b>Student/ Teacher Ratio</b>	<b>Student Attendance Percentage (c)</b>	<b>Unweighted FTE (d)</b>	<b>Ratio of FTE to Instructors</b>	<b>Ratio of FTE to All Employees</b>
2014	49	\$ 313,829,453	41,632	\$ 7,538	1.54%	5,604	2,734	15.2	92.99%	41,407	15.15	7.39
2015	49	329,666,943	42,194	7,813	3.65%	5,711	2,749	15.3	93.33%	41,756	15.19	7.31
2016	49	352,048,821	42,474	8,289	6.09%	6,060	2,947	14.4	93.62%	42,192	14.32	6.96
2017	49	361,711,365	42,893	8,433	1.74%	6,047	2,903	14.8	93.34%	42,260	14.56	6.99
2018	49	368,310,853	42,881	8,589	1.85%	6,014	2,894	14.8	92.90%	42,808	14.79	7.12
2019	49	382,533,849	42,818	8,934	4.01%	5,894	2,856	15.0	92.92%	42,957	15.04	7.29
2020	49	385,206,101	43,008	8,957	0.25%	6,080	2,927	14.7	94.07%	43,208	14.76	7.11
2021	49	391,242,176	41,324	9,468	5.71%	5,951	2,882	14.3	90.17%	41,993	14.57	7.06
2022	49	399,377,107	42,863	9,318	-1.59%	5,868	2,832	15.1	90.44%	44,504	15.71	7.58
2023	49	431,740,342	45,462	9,497	1.92%	6,123	2,891	15.7	91.32%	46,465	16.07	7.59

(a) Expenditures are General Fund and Special Revenue Food Service Fund expenditures and transfers to other funds.

(b) Student membership is based on the 180 day count except for 2021 that is based on 170 day count due to COVID.

(c) Attendance is a calculation based on the average daily attendance.

(d) FTE is an abbreviation for full-time equivalent student.

Source: Marion County District School Board, Finance Department, Payroll Department, Student Records Department records

**MARION COUNTY DISTRICT SCHOOL BOARD  
FOOD SERVICE OPERATING DATA  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 20**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Days Meals Were Served	180	180	180	180	180	180	180	180	180	180
Average Number of Free and Reduced Meals Served Daily	37,858	40,633	42,957	43,336	42,748	43,456	34,378	31,239	42,457	45,772
Number of Free and Reduced Meals Served	6,814,409	7,314,008	7,732,274	7,800,545	7,694,557	7,822,153	6,188,102	5,623,059	7,642,188	8,238,896
Average Daily Subsidy	\$ 107,516	\$ 119,137	\$ 128,714	\$ 134,018	\$ 132,461	\$ 136,443	\$ 114,048	\$ 124,334	\$ 157,755	\$ 221,391
Total Subsidy Received	\$ 19,352,795	\$ 21,444,731	\$ 23,168,602	\$ 24,123,199	\$ 23,842,990	\$ 24,559,824	\$ 20,528,596	\$ 22,380,147	\$ 28,395,956	\$ 39,850,454
Average Number of Meals Served Daily	49,658	50,407	46,282	46,968	45,522	47,197	37,265	32,228	42,457	46,677
Number of Meals Served	8,938,373	9,073,235	8,330,782	8,454,244	8,194,017	8,495,466	6,707,759	5,801,003	7,642,188	8,401,831
Percentage of Free and Reduced Meals Served to Total Meals Served	76%	81%	93%	92%	94%	92%	92%	97%	100%	98%
Average Daily Sales	\$ 133,740	\$ 143,356	\$ 155,188	\$ 157,171	\$ 154,298	\$ 159,349	\$ 132,386	\$ 138,616	\$ 170,825	\$ 228,374
Total Revenue	\$ 24,073,189	\$ 25,804,156	\$ 27,933,893	\$ 28,290,738	\$ 27,773,703	\$ 28,682,875	\$ 23,829,423	24,950,939	\$ 30,748,554	\$ 41,107,263
Average Daily Costs	\$ 135,218	\$ 148,114	\$ 154,023	\$ 154,894	\$ 161,523	\$ 161,349	\$ 145,128	\$ 139,829	\$ 155,563	\$ 188,457
Total Costs	\$ 24,339,287	\$ 26,660,543	\$ 27,724,111	\$ 27,880,978	\$ 29,074,135	\$ 29,042,817	\$ 26,123,008	\$ 25,169,148	\$ 28,001,415	\$ 33,922,318

Source: Marion County District School Board, Finance Department records

**MARION COUNTY DISTRICT SCHOOL BOARD  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 21**

	Year Acquired (a)	Square Footage (b)	Student Membership (c) Fiscal Year Ending June 30,									
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Elementary Schools</b>												
Anthony	1925	57,628	340	343	394	385	377	436	434	388	417	334
Belleview	1963	67,530	728	661	656	711	688	712	634	604	661	742
Belleview-Santos	1953	112,560	548	535	559	556	544	513	535	520	600	657
College Park	1993	124,473	761	776	826	852	832	821	695	781	828	856
Dr. NH Jones	1959	107,211	648	648	643	649	662	682	699	731	750	781
Dunnellon	1993	103,758	718	706	600	573	594	554	589	586	581	608
East Marion	1974	84,726	687	695	669	700	699	694	674	596	602	585
Eighth Street	1914	35,591	342	334	398	416	416	407	395	382	401	416
Emerald Shores	1988	89,976	653	647	592	524	602	663	679	630	654	712
Evergreen	1988	111,305	580	573	544	551	600	405	402	256	-	46
Fessenden	1953	65,757	490	503	491	474	465	427	425	382	422	422
Fort McCoy School (d)	1986	177,679	530	514	533	521	490	551	537	483	528	615
Greenway	1995	122,462	720	726	756	742	724	711	683	677	719	728
Hammett Bowen, Jr.	2004	95,679	776	746	792	853	845	822	845	775	851	908
Harbour View	1991	115,704	755	816	800	862	841	848	805	776	815	895
Horizon Academy at Marion Oaks (d)	1988	190,765	141	112	158	157	134	212	156	166	205	186
Legacy	2011	103,987	593	703	727	712	791	828	805	746	759	722
Madison Street	1949	56,624	417	397	432	448	448	444	451	451	432	451
Maplewood	1990	130,536	712	738	783	781	797	761	803	796	818	839
Marion Oaks	2010	129,446	784	844	888	887	898	895	909	867	942	961
Oakcrest	1952	113,941	753	784	777	673	614	532	518	480	425	456
Ocala Springs	1985	92,444	599	648	616	611	638	675	680	624	692	702
Reddick-Collier	1935	107,162	349	334	298	354	382	399	426	383	356	364
Romeo	1991	112,182	756	726	708	731	763	763	718	688	715	719
Saddlewood	1998	129,949	835	897	871	822	896	919	969	898	966	976
Shady Hill	1985	103,723	611	658	665	721	657	678	629	571	632	659
South Ocala	1955	102,767	668	711	664	681	665	714	718	697	744	724
Sparr	1964	53,327	359	357	348	377	347	408	372	340	435	450
Stanton-Weirsdale	1955	74,253	494	533	595	594	575	518	548	496	503	627
Sunrise	1987	114,540	742	822	888	808	846	881	830	834	918	1,152
Ward-Highlands	1959	104,006	772	855	851	865	880	853	841	798	975	963
Wyomina Park	1948	71,395	662	685	649	721	602	560	536	583	612	622
<b>Total Elementary Schools</b>			<b>19,523</b>	<b>20,027</b>	<b>20,171</b>	<b>20,312</b>	<b>20,312</b>	<b>20,286</b>	<b>19,940</b>	<b>18,985</b>	<b>19,958</b>	<b>20,878</b>
<b>Middle Schools</b>												
Belleview	1992	188,723	1,015	944	1,047	1,135	1,262	1,303	1,401	1,401	1,468	1,643
Dunnellon	1936	117,731	619	653	611	638	613	633	641	612	638	687
Fort King	1962	124,328	1,083	1,032	1,058	1,072	1,087	1,062	1,056	1,082	1,117	1,057
Fort McCoy School (d)	1986	177,679	493	483	471	500	516	511	477	474	412	470
Horizon Academy at Marion Oaks (d)	1988	190,765	675	662	617	680	656	631	738	722	841	881
Howard	1954	165,397	1,211	1,181	1,096	1,050	1,050	1,040	1,059	1,011	971	929
Lake Weir	1953	163,567	1,311	1,297	1,213	1,085	1,094	1,073	1,137	1,127	1,175	1,253
Liberty	2005	195,448	1,083	1,132	1,127	1,164	1,278	1,296	1,339	1,315	1,338	1,382
North Marion	1973	160,380	816	784	812	810	846	792	845	741	752	733
Osceola	1924	91,248	938	909	893	938	936	958	998	960	978	977
<b>Total Middle Schools</b>			<b>9,244</b>	<b>9,077</b>	<b>8,945</b>	<b>9,072</b>	<b>9,338</b>	<b>9,299</b>	<b>9,691</b>	<b>9,445</b>	<b>9,690</b>	<b>10,012</b>



**MARION COUNTY DISTRICT SCHOOL BOARD  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

**Table 21**

	Year Acquired (a)	Square Footage (b)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>High Schools</b>												
Bellevue	1992	235,758	1,425	1,448	1,486	1,535	1,516	1,552	1,592	1,616	1,648	1,815
Dunnellon	1980	145,849	1,005	975	1,052	1,076	1,136	1,145	1,179	1,105	1,125	1,299
Forest	2001	302,822	1,964	1,984	2,066	2,057	2,110	2,133	2,167	2,178	2,164	2,241
Lake Weir	1974	236,533	1,557	1,562	1,474	1,482	1,455	1,401	1,452	1,286	1,315	1,461
Marion Technical Institute	1955	183,174	286	277	239	217	24	73	166	33	-	74
North Marion	1963	200,970	1,192	1,245	1,279	1,274	1,230	1,262	1,345	1,290	1,259	1,237
Vanguard	1969	201,774	1,616	1,571	1,607	1,627	1,644	1,589	1,596	1,530	1,531	1,566
West Port	1999	401,724	2,397	2,472	2,502	2,511	2,648	2,578	2,651	2,661	2,763	2,817
<b>Total High Schools</b>			<b>11,442</b>	<b>11,534</b>	<b>11,705</b>	<b>11,779</b>	<b>11,763</b>	<b>11,733</b>	<b>12,148</b>	<b>11,699</b>	<b>11,805</b>	<b>12,510</b>
<b>Charter Schools</b>												
Francis Marion Military Academy	n/a	n/a	134	94	104	175	156	161	-	-	-	-
Ina A. Cohen Academy			-	-	-	-	-	-	-	41	112	214
Marion Technical Institute			-	-	-	-	-	-	-	-	-	33
Ocali Charter (Francis Marion)	n/a	n/a	-	76	112	103	138	141	160	158	191	183
McIntosh Charter	n/a	n/a	86	83	78	79	77	67	63	56	52	44
Marion Charter	n/a	n/a	187	185	202	204	213	210	208	202	217	216
<b>Total Charter Schools</b>			<b>407</b>	<b>438</b>	<b>496</b>	<b>561</b>	<b>584</b>	<b>579</b>	<b>431</b>	<b>457</b>	<b>572</b>	<b>690</b>
<b>Special Programs</b>												
ARC (Age 3) PK	n/a	n/a	40	36	37	32	25	21	-	-	-	-
Drop Back In Academy	n/a	n/a	102	128	144	147	-	-	-	-	-	-
Hillcrest School	1971	50,214	176	168	170	177	186	191	176	154	144	175
New Leaf (Kingsbury Academy)	n/a	n/a	165	185	159	138	169	179	164	138	165	258
Marion County Jail	n/a	n/a	15	25	21	21	19	-	-	-	-	-
Ocala Center for Success (M.Y.D.C.)	n/a	n/a	36	42	39	42	45	60	51	35	59	72
MJDC	n/a	n/a	14	20	11	29	34	27	-	30	35	48
Pace Center for Girls	n/a	n/a	56	67	64	73	71	60	52	51	32	42
ELC PK ESE (Pre-K Program ESE)	n/a	n/a	103	101	99	88	40	27	34	29	24	45
Silver River Marine Institute	1995	17,363	267	304	309	314	249	294	285	247	348	399
Student Services (Homebound)	n/a	n/a	21	27	83	83	29	-	-	-	-	-
Teen Parent/Comm. Ed	n/a	n/a	5	4	7	-	11	-	-	3	-	-
Marion Acceleration Academy	n/a	n/a	-	-	-	-	-	43	-	30	5	308
Marion Youth Academy			-	-	-	-	-	4	14	17	21	-
MCSO Adults			-	-	-	-	-	-	14	17	21	18
Teen Parent PK	n/a	n/a	16	11	14	25	6	15	22	4	5	7
<b>Total Special Programs</b>			<b>1,016</b>	<b>1,118</b>	<b>1,157</b>	<b>1,169</b>	<b>884</b>	<b>921</b>	<b>798</b>	<b>738</b>	<b>838</b>	<b>1,372</b>
<b>Total District</b>			<b>41,632</b>	<b>42,194</b>	<b>42,474</b>	<b>42,893</b>	<b>42,881</b>	<b>42,818</b>	<b>43,008</b>	<b>41,324</b>	<b>42,863</b>	<b>45,462</b>

(a) Year acquired is generally the land acquisition year.

(b) The square footage is for permanent buildings only and does not include relocatable units.

(c) Student membership is based on the 180 day count.

(d) Fort McCoy and Horizon Academy at Marion Oaks are both elementary and middle schools. The square footage is presented on both lines. The student enrollment is presented at each school individually.

Sources: Marion County District School Board FISH (Florida Inventory of School Houses) Report  
Marion County District School Board, Management Information Services Department Records



OTHER

**ADDITIONAL ELEMENTS OF REPORT PREPARED IN ACCORDANCE WITH THE *GOVERNMENT  
AUDITING STANDARDS* AND THE PROVISIONS OF THE UNIFORM GUIDANCE**

**DISTRICT SCHOOL BOARD OF MARION COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

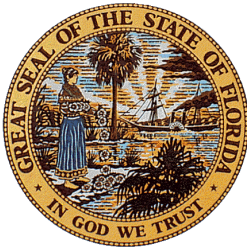
Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
<b>Clustered</b>				
<b>Child Nutrition Cluster</b>				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	23002	\$ -	\$ 7,962,149
National School Lunch Program	10.555	23001,23003	-	27,109,890
COVID-19 National School Lunch Program	COVID-19,10.555	23020	-	2,102,290
Total National School Lunch Program	10.555		-	29,212,180
		22006,22007,23006,		
Summer Food Service Program for Children	10.559	23007	-	651,548
Fresh Fruit and Vegetable Program	10.582	23004	-	368,277
<b>Total Child Nutrition Cluster</b>			-	38,194,154
<b>Forest Service Schools and Roads Cluster</b>				
United States Department of Agriculture:				
Florida Department of Financial Services:				
Schools and Roads - Grants to States	10.665	None	-	241,319
<b>Student Financial Assistance Cluster</b>				
United States Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A		19,125
Federal Pell Grant Program	84.063	N/A		1,060,445
<b>Total Student Financial Assistance Cluster</b>			-	1,079,570
<b>Special Education Cluster</b>				
United States Department of Education:				
Florida Department of Education:				
Special Education - Grants to States	84.027	262,263	38,600	12,518,158
COVID-19 Special Education - Grants to States	COVID-19,84.027	263		1,739,277
Total Special Education - Grants to States	84.027		38,600	14,257,435
Florida Department of Education:				
Special Education - Preschool Grants	84.173	267	-	352,729
COVID-19 Special Education - Preschool Grants	COVID-19,84.173	267		128,174
Total Special Education - Preschool Grants	84.173		-	480,903
<b>Total Special Education Cluster</b>			38,600	14,738,338
<b>Child Care and Development Block Grant</b>				
United States Department of Health and Human Services:				
Early Learning Coalition of Marion County:				
Child Care and Development Block Grant	93.575	None	-	118,976
<b>Not Clustered</b>				
<b>United States Department of Agriculture</b>				
Florida Department of Health:				
Child and Adult Care Food Program	10.558	A-4502	-	1,370,611
<b>United States Department of Defense</b>				
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	-	264,685
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	236,367
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	121,004
<b>Total United States Department of Defense</b>			-	622,056
<b>United States Department of Education</b>				
Education Stabilization Fund:	84.425			
Higher Education Emergency Relief Fund Student Aid Portion	COVID-19,84.425E	N/A	-	70,675
Higher Education Emergency Relief Fund Institutional Aid Portion	COVID-19,84.425F	N/A	-	676,284
Florida Department of Education:				
Governor's Emergency Education Relief Fund	COVID-19,84.425C	123		61,937
Elementary and Secondary School Emergency Relief Fund	COVID-19,84.425D	124,128	-	18,498,970
American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	COVID-19,84.425U	121	-	34,259,897
American Rescue Plan - Elementary and Secondary School Emergency Relief Fund - Homeless Children & Youth Fund	COVID-19,84.425W	122	-	161,486
Total Education Stabilization Fund	84.425		-	53,729,249
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191,193	-	685,481
Title I Grants to Local Educational Agencies	84.010	212,223,226	-	18,205,389
Migrant Education-State Grant Program	84.011	217	-	9,140
Career and Technical Education - Basic Grants to States	84.048	161	-	639,884
Education for Homeless Children and Youth	84.196	127	-	123,260
Charter School	84.282	298	-	1,775

**DISTRICT SCHOOL BOARD OF MARION COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Twenty-First Century Community Learning Centers	84.287	244	-	321,078
English Language Acquisition State Grants	84.365	102	-	363,985
Supporting Effective Instruction State Grants	84.367	224	-	1,557,491
School Improvement Grants	84.377	126	-	8,496
Student Support and Academic Enrichment Program	84.424	241	-	1,112,920
Total Florida Department of Education			-	23,028,899
<b>Total United States Department of Education</b>			-	76,758,148
<b>United States Department of Health and Human Services</b>				
University of South Florida				
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP0068	-	109,740
<b>Total Expenditures of Federal Awards</b>			\$	38,600
			\$	133,232,912

The notes below are an integral part of the Schedule:

- (1) Basis of Presentation: The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Marion County District School Board under programs of the Federal government for the fiscal year ended June 30, 2023. 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 Accounting Policies: Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following 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 minimis cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance: The National School Lunch Program includes \$2,810,149 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## **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***

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 Marion County District School Board as of and for the fiscal year ended June 30, 2023, 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 29, 2024, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the school internal funds and the 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.

### **Report on 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material



misstatement of the District'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. 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 or significant deficiencies may exist that were not identified.

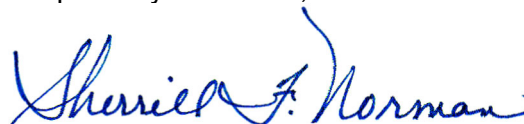
### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, rules, 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*.

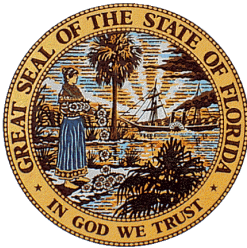
### **Purpose of this Report**

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
January 29, 2024  
Audit Report No. 2024-118



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

The President of the Senate, the Speaker of the  
House of Representatives, and the  
Legislative Auditing Committee

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

### Report on Compliance for Each Major Federal Program

#### *Opinion on Each Major Federal Program*

We have audited the Marion County District School Board's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the fiscal year ended June 30, 2023. The District's major Federal programs are identified in **SECTION I – SUMMARY OF AUDITOR'S RESULTS** of the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the fiscal year ended June 30, 2023.

#### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each



major Federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's Federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major Federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** as Federal Award Finding Nos. 2023-001 and 2023-002. Our opinion on each major Federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**. The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's responses and **CORRECTIVE ACTION PLAN** were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

### **Report on Internal Control Over Compliance**

Our consideration of internal control over compliance was for the limited purpose described in the ***Auditor's Responsibilities for the Audit of Compliance*** section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

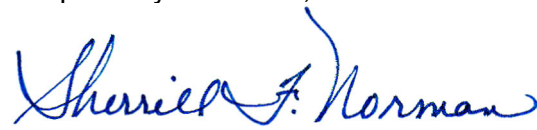
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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. We consider the deficiencies in internal control over compliance described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** as Federal Award Finding Nos. 2023-001 and 2023-002 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**. The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's responses and **CORRECTIVE ACTION PLAN** were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

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.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
January 29, 2024  
Audit Report No. 2024-118

# **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

## **SECTION I – SUMMARY OF AUDITOR’S RESULTS**

### **Financial Statements**

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

### **Federal Awards**

Internal control over major Federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	Yes
Type of auditor’s report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major Federal programs:	
Assistance Listing Numbers:	Name of Federal Program or Cluster:
84.010	Title I Grants to Local Educational Agencies
84.425	Education Stabilization Fund
Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000
Auditee qualified as low risk auditee?	Yes

## **SECTION II – FINANCIAL STATEMENT FINDINGS**

No matters are reported.

# SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

## U.S. DEPARTMENT OF EDUCATION

<b>Finding Number</b>	<b>2023-001</b>
<b>Assistance Listing Number</b>	84.010
<b>Assistance Listing Program Title</b>	<b>Title I Grants to Local Educational Agencies</b>
<b>Compliance Requirement</b>	Special Tests and Provisions – High School Graduation Rate
<b>Pass-Through Entity</b>	Florida Department of Education (FDOE)
<b>Federal Grant/Contract Number and Grant Year</b>	S010A220009 – 2023
<b>Statistically Valid Sample</b>	Not Applicable
<b>Finding Type</b>	Noncompliance and Significant Deficiency
<b>Questioned Costs</b>	None
<b>Prior Year Finding</b>	Not Applicable
<b>Finding</b>	The District did not always maintain required documentation to support the adjustments to the high school cohort graduation rate.
<b>Criteria</b>	<p>Title 20, Section 7801(25), United States Code, requires that the District maintain appropriate documentation to support the removal of a student’s count from the 4-year cohort (defined as a group of students on the same schedule to graduate) used to calculate the high school graduation rate. To remove a student’s count from the cohort, the District must confirm, in writing, that the student transferred from the District, emigrated to another country, transferred to a prison or juvenile facility, or is deceased.</p> <p>Additionally, a student who is retained in the same grade, enrolls in a General Educational Development (GED) Program, or leaves school for any other reason may not be counted as having transferred from the District for the purpose of calculating the graduation rate and must remain in the cohort. To confirm that a student transferred out, official documentation must be obtained from the receiving school or program that the student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma.</p>
<b>Condition</b>	To determine whether the District maintained appropriate documentation to support the removal of the 2,781 students from the 2022-23 fiscal year cohort graduation rate, we requested District records to support 30 selected students who were removed from the cohort. Our review disclosed that District records did not comply with the Federal documentation requirements for the removal of 5 students from the cohort. Specifically, the District provided withdrawal forms for 5 students that typically indicated the students’ intentions at the time of withdrawal; however, although we requested, documentation was not provided to evidence that the students eventually enrolled in another school or program.
<b>Cause</b>	District personnel indicated that school personnel misunderstood some of the requirements to remove students from the cohort and did not adequately document student withdrawals. In addition, monitoring procedures were not performed to ensure that appropriate records were maintained and that all

students removed from the cohort graduation rate were removed for reasons allowed by Federal regulations.

<b>Effect</b>	While the noncompliance was the result of a significant deficiency, the noncompliance does not have a direct impact on funding. Notwithstanding, without appropriate documentation supporting adjustments to the 4-year cohort and related graduation rate calculation, the District cannot demonstrate that the calculation was accurate, limiting the usefulness of the graduation rate as an academic indicator.
<b>Recommendation</b>	The District should enhance procedures to ensure that documentation supporting adjustments to the 4-year cohort and related graduation rate calculation is obtained before adjustments are made. Such enhancements should include appropriate training and monitoring to ensure that the required documentation is maintained and supports that all students removed from the cohort graduation rate were removed for the reasons allowed by Federal regulations.
<b>District Response</b>	The District will develop procedures to ensure that the proper withdraw codes are utilized and that proper documentation is maintained.

## **U.S. DEPARTMENT OF EDUCATION**

<b>Finding Number</b>	<b>2023-002</b>
<b>Assistance Listing Number</b>	84.425D and 84.425U
<b>Program Title</b>	<b>Education Stabilization (ES) Fund: Elementary and Secondary School Emergency Relief (ESSER) Fund and American Rescue Plan ESSER Fund</b>
<b>Compliance Requirement</b>	Special Tests and Provisions
<b>Pass-Through Entity</b>	Florida Department of Education (FDOE)
<b>Federal Grant/Contract Number and Grant Year</b>	S425D210052 – 2023, S425U210052 – 2023
<b>Statistically Valid Sample</b>	Not Applicable
<b>Finding Type</b>	Noncompliance and Significant Deficiency
<b>Questioned Costs</b>	\$433,295
<b>Prior Year Finding</b>	Not Applicable
<b>Finding</b>	District controls did not always ensure compliance with the Davis-Bacon Act for Federally funded construction projects exceeding \$2,000, resulting in questioned costs totaling \$433,295.
<b>Criteria</b>	The ES Fund provides Federal funds for school facility repairs and improvements. Title 29, Section 5.5, Code of Federal Regulations (Davis-Bacon Act), requires the District to include prevailing wage rate clauses in any construction contract exceeding \$2,000 that is financed either wholly or in part by Federal funds and ensure that contractors pay workers the prevailing wage rates established by the United States Department of Labor. This includes a requirement for the contractor to submit to the District weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls). The United States Department of Labor established “prevailing wages” by geographic area and interprets the Davis-Bacon Act to apply to construction, alteration, or repair of public buildings or public work.

<b>Condition</b>	<p>During the 2022-23 fiscal year, the District expended \$53,729,249 from the ES Fund. The expenditures included \$438,019 for projects related to seven construction contracts totaling \$961,711 for heating, ventilation, and air-conditioning renovation, playground installation, and playground fence installation. While the contracts included a general requirement to comply with the Davis-Bacon Act provisions, the contracts did not explicitly require, and the contractors did not submit, weekly certified payrolls to the District demonstrating prevailing wage rates were paid.</p> <p>Subsequent to our inquiry, District personnel obtained certified payrolls for two contracts for playground fence installation totaling \$4,724, demonstrating that prevailing wage rates were paid for these projects.</p>
<b>Cause</b>	<p>Construction contracts did not specifically require contractors to submit to the District weekly payrolls and District personnel relied upon contractors to ensure wage rates paid by contractors were in compliance with Davis-Bacon Act.</p>
<b>Effect</b>	<p>Absent specific contract clauses and weekly certified payrolls, there is an increased risk that construction contractors paid with Federal moneys will not pay workers the prevailing wage rates established by the United States Department of Labor. Although we requested, the District did not provide from certain contractors certified payrolls demonstrating that the prevailing wage rates were paid. Consequently, the \$433,295 (i.e., \$438,019 expended by the District from the ES Fund minus \$4,724 supported by certified payrolls) are questioned costs.</p>
<b>Recommendation</b>	<p>The District should enhance procedures to ensure compliance with all Davis-Bacon Act requirements. Such procedures should ensure that applicable Federally funded construction contracts require submittal of weekly certified payrolls and that District personnel verify that the payrolls were received and demonstrated that prevailing wage rates were paid. In addition, the District should document to the FDOE the allowability of the questioned costs or contact the FDOE regarding necessary corrective action.</p>
<b>District Response</b>	<p>The District's procedures will be enhanced to ensure compliance with the Davis-Bacon Act prevailing wage requirements. The District is currently working with the contractors to obtain the required documents to be in compliance with the Davis-Bacon Act.</p>

## ***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***

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The District did not have prior audit findings required to be reported under 2 CFR 200.511.



# CORRECTIVE ACTION PLAN

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## CORRECTIVE ACTION PLAN

January 19, 2024

### Marion County School Board Management's Corrective Action Plan For the Fiscal Year Ended June 30, 2023

Federal Award Finding Number: 2023-001

Planned Corrective Action: The district will enhance procedures to address 20 USC 7801 and re-train all applicable staff at the impacted facilities to ensure that the proper withdraw codes are utilized and that supportive/supporting documentation is obtained. Training will include instruction on the selection of the proper withdraw code, identifying acceptable documentation and explaining expected follow-up procedures. The district will provide training to new staff and will provide regular, routine, review of the procedures and documentation. The district will implement periodic monitoring of the withdraw codes to ensure that all enhanced procedures are being adhered to.

Anticipated Completion Date: 09/30/2024

Responsible Contact Persons: Mr. Stephen Ayres, Director of Student Assignments and Records; Dr. Danielle Livengood, Sr. Executive Director of High Schools and Secondary Curriculum; Ms. Vickye Vaughns, Supervisor of Student Information and State Reporting; Jonathan McGowan, Director of Mental Health and Wellness

Dr. Diane Gullett  
Superintendent

Dr. Allison Campbell  
District 1

Lori Conrad  
District 2

Eric Cummings  
District 3

Nancy Thrower  
District 4

Dr. Sarah James  
District 5



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**CORRECTIVE ACTION PLAN**

January 19, 2024  
**Marion County School Board  
 Management’s Corrective Action Plan  
 For the Fiscal Year Ended June 30, 2023**

Federal Award Finding Number: 2023-002

Planned Corrective Action Plan: The District’s is currently working with the parties involved to obtain the supporting documentation for the Davis-Bacon Act wage determination. A procedure has been developed to ensure that funds subject to the Davis-Bacon Act are identified, the requirements communicated to all responsible parties and documentation of compliance obtained. In addition, regular meetings and review of the procedure are planned to ensure proper tracking of all applicable projects.

Anticipated Completion Date: 06/30/2024

Responsible Contact Persons: Robert Knight, Facilities Supervisor; Shaun Duncan, Technical Services Supervisor; Terri Cooke, Director of Finance

Dr. Diane Gullett Superintendent      Dr. Allison Campbell District 1      Lori Conrad District 2      Eric Cummings District 3      Nancy Thrower District 4      Dr. Sarah James District 5



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