



The School District of Osceola County, Florida

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

SCHOOL BOARD MEMBERS

CLARENCE THACKER

KELVIN SOTO
BOARD CHAIR

TERRY CASTILLO

TIM WEISHEYER
VICE CHAIR

RICKY BOOTH

DR. DEBRA P. PACE
SUPERINTENDENT

SARAH E. GRABER, CPA, CGFO
CHIEF FINANCE OFFICER

YULING LIU, CPA, CFE
DIRECTOR OF FINANCE



OUR MISSION: INSPIRING ALL LEARNERS TO REACH THEIR
HIGHEST POTENTIAL AS RESPONSIBLE, PRODUCTIVE CITIZENS.

The School District of Osceola County, Florida
817 Bill Beck Boulevard
Kissimmee, Florida 34744
<http://www.osceola.k12.fl.us/>



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2020

Prepared By:
Business & Fiscal Services

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

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THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

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THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

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INTRODUCTORY SECTION



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THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

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

SCHOOL BOARD MEMBERS

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



Superintendent of Schools
Dr. Debra P. Pace

December 15, 2020

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

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

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States of America, and audited in accordance with auditing standards generally accepted in the United States of America by a licensed certified public accountant. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of The School District of Osceola County, Florida (District) for the fiscal year ended June 30, 2020.

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

MSL, P.A. has audited the District’s financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion that the District’s basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP.

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

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

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

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

PROFILE OF THE GOVERNMENT

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

The geographic boundaries of the District are those of Osceola County. During fiscal year 2019-20, the District operated 78 schools. Of this number, 48 were traditional K-12 schools including 24 elementary schools, 9 middle schools, 11 high schools, and 4 multilevel schools. In addition, the District sponsored 26 charter schools, 2 alternative schools and 2 adult centers. The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between districts within the State. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school. In fiscal year 2019-20, the District provided general, special, vocational, and other educational programs to 69,378 unweighted full-time equivalent students. The initial projected enrollment for fiscal year 2020-21 was 71,315 unweighted full-time equivalent students. The average age of the schools within the District is approximately 29 years. The District opened two new school in fiscal year 2020-21.

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

ECONOMIC CONDITION AND OUTLOOK

Osceola County is part of the Orlando Metropolitan Statistical Area (MSA) along with Orange, Seminole and Lake Counties. According to the Metro Orlando Economic Development Commission (the Commission), Metro Orlando is one of the fastest growing MSA in Florida with a population of 2.6 million people. The Commission promotes Osceola County's government and business leaders as visionaries who are paving the way for the diversification of the county's economy with cutting-edge commercial development and the next generation of advanced manufacturing technology.

According to the United States Census Bureau, the population of Osceola County increased 39.8 percent from 2010 to 2019, as compared to the state of Florida, which increased 14.2 percent. There were an estimated 375,751 people and 162,661 households residing in the County. The racial makeup of the County was 79.1 percent white, 14.1 percent black and 6.8 percent from other races. Hispanics make up 55.8 percent of the total population.

Of Osceola County's population, 24.1 percent are 17 and younger, and 13.5 percent are 65 and older. The average household size is 3. The median age in the County is 36.7 years. The median income for a household was \$50,063. The per capita income for the County was \$21,331. Of the 25 and older population, 86.8 percent are high school graduates.

The District recognizes that the continued enhancement of the local economy is of mutual benefit to both the District and the County and that an excellent system of public education is a significant factor in attracting new business and industry to the County. The District remains Osceola County's largest employer, employing 8,368 full and part-time employees, including 4,206 classroom teachers.

MAJOR INITIATIVES

Class Size Reduction Amendment

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

The Florida Legislature enacted Senate Bill-30A implementing the reduction of the average number of students in each classroom by at least two students per year, beginning in fiscal year 2003-04 until the maximum number of students per classroom does not exceed the fiscal year 2010-11 maximum. If a district's class size does not meet the constitutional maximum, then the district must reduce the average number of students in each of the three grade groupings by two students until the constitutional maximums are reached. The District complied with this requirement for the 2019-20 fiscal year.

Capital Outlay Program

The District appropriated \$247.3 million for construction projects as part of its capital outlay program during the 2020 fiscal year. A few of the major construction projects in process included a kitchen remodeling project at one middle school, two elementary schools, and one alternative school, as well as comprehensive renovations at one K8 school and two middle schools.

Accomplishments

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

On March 17, 2020, Commissioner of Education Richard Corcoran announced the suspension of K-12 school grades for the 2019-20 school year as one of the measures the Department of Education would take to contain the spread of COVID-19 and to ensure Florida citizens are kept safe. As such, the school grades reported for the 2018-19 school year remain the most current data available.

FINANCIAL INFORMATION

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

Budgetary Controls. The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of all governmental fund types are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund-function level.

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

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

Long-Term Financial Planning. Over the last few years, revenues from non-recurring sources, such as the American Recovery and Reinvestment Act of 2009 (ARRA), the Education Jobs Fund, and funds from an optional critical needs ad valorem tax levy, have expired. However, during that same period, the District was able to accumulate a suitable fund balance reserve to offset future operating deficits. As a result, the District ended the 2019-20 fiscal year with another increase to its operating fund balance.

ACKNOWLEDGEMENTS

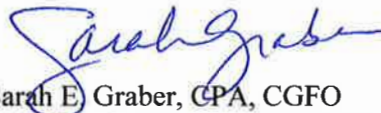
The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



Dr. Debra P. Pace
Superintendent



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

**OSCEOLA SCHOOL DISTRICT OFFICIALS
JUNE 30, 2020**

SCHOOL BOARD MEMBERS

Clarence Thacker
District 4

Kelvin Soto, Chair
District 2

Ricky Booth
District 5

Teresa “Terry” Castillo
District 1

Tim Weisheyer, Vice Chair
District 3

SUPERINTENDENT

Dr. Debra P. Pace

CHIEF OF STAFF FOR TEACHING, LEADING & LEARNING

Michael S. Flowers

DEPUTY SUPERINTENDENT FOR HUMAN SERVICES

Thomas A. Phelps

ASSISTANT SUPERINTENDENTS

ELEMENTARY CURRICULUM & INSTRUCTION
Dr. Jane Respass

MIDDLE SCHOOL CURRICULUM & INSTRUCTION
Michael Allen

HIGH SCHOOL CURRICULUM & INSTRUCTION
Dr. Laura Rhinehart

SCHOOL SUPPORT SERVICES
Randolph Shuttera

CHIEFS

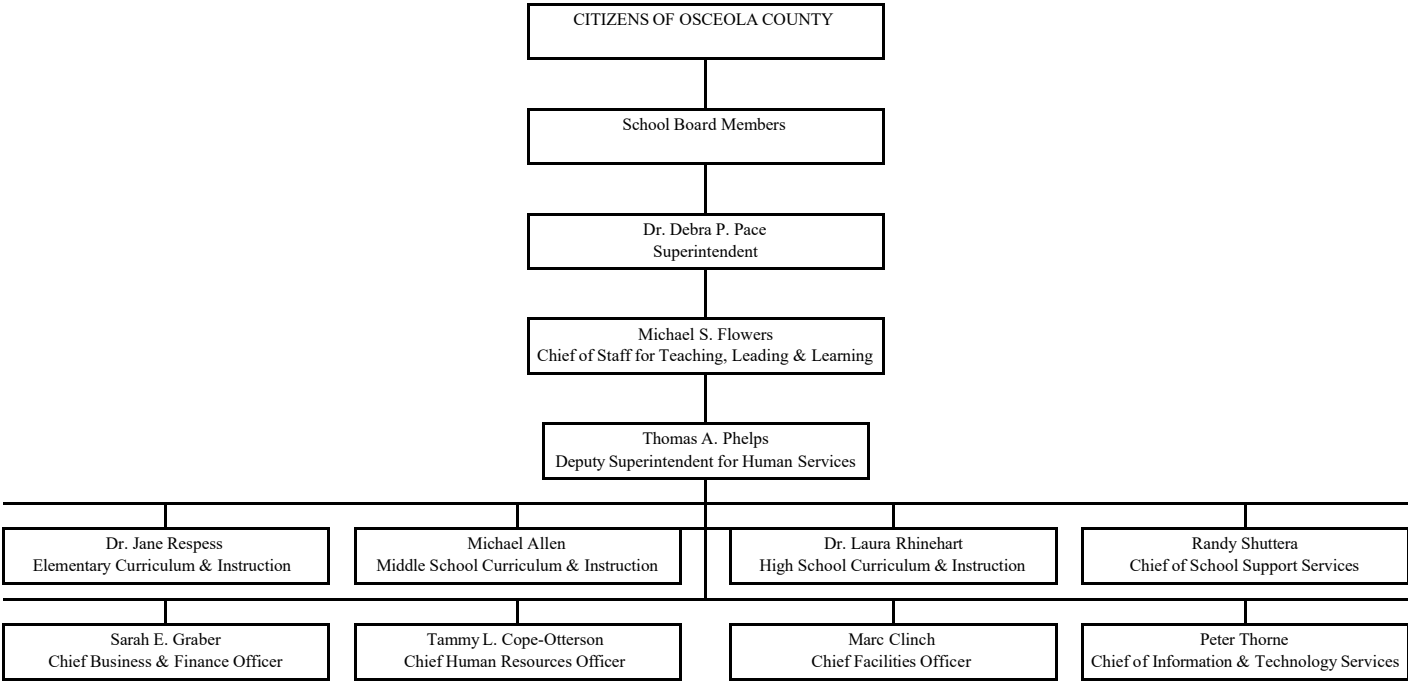
BUSINESS & FINANCE OFFICER
Sarah E. Graber

FACILITIES OFFICER
Marc Clinch

INFORMATION & TECHNOLOGY OFFICER
Peter Thorne

HUMAN RESOURCES OFFICER
Tammy L. Cope-Otterson

The School District of Osceola County, Florida
DISTRICT ADMINISTRATIVE ORGANIZATIONAL
CHART 2019-20





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District of Osceola County
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

The School District of Osceola County, FL

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink that reads 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director

FINANCIAL SECTION



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Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Osceola County, Florida (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the District's agency funds, which represent 13% of the assets and 57% of the liabilities of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, as described in Note 1 to the financial statements, which comprise 100% of the transactions and account balances of the aggregate discretely presented component units of the District. Those financial statements were audited by other auditors, whose reports have been furnished to us and, our opinion, insofar as it relates to the amounts included for the agency funds and aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the general fund and major special revenue funds for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

INDEPENDENT AUDITOR'S REPORT
(Concluded)

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Osceola County District School Board, Florida (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the District's basic financial statements found on pages 20 - 63 of this report.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-20 fiscal year are as follows:

- Total assets and deferred outflows of resources of the District exceed total liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$757,899,191.
- At June 30, 2020, the District's combined governmental fund balances totaled \$375,290,069, an increase of \$45,249,158, or 13.71 percent, in comparison with the prior fiscal year.
- The unassigned fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totals \$49,808,926 at June 30, 2020, or 9.19 percent of total General Fund expenditures.
- The District's total bonded debt (Bonds Payable and Certificates of Participation, excluding premiums and discounts) decreased by \$21,471,000, or 8.11 percent during the current fiscal year. The key factor in this was the payment of principal.
- The District's net capital assets increased by \$42,409,334, or 4.92 percent from the 2018-19 fiscal year.

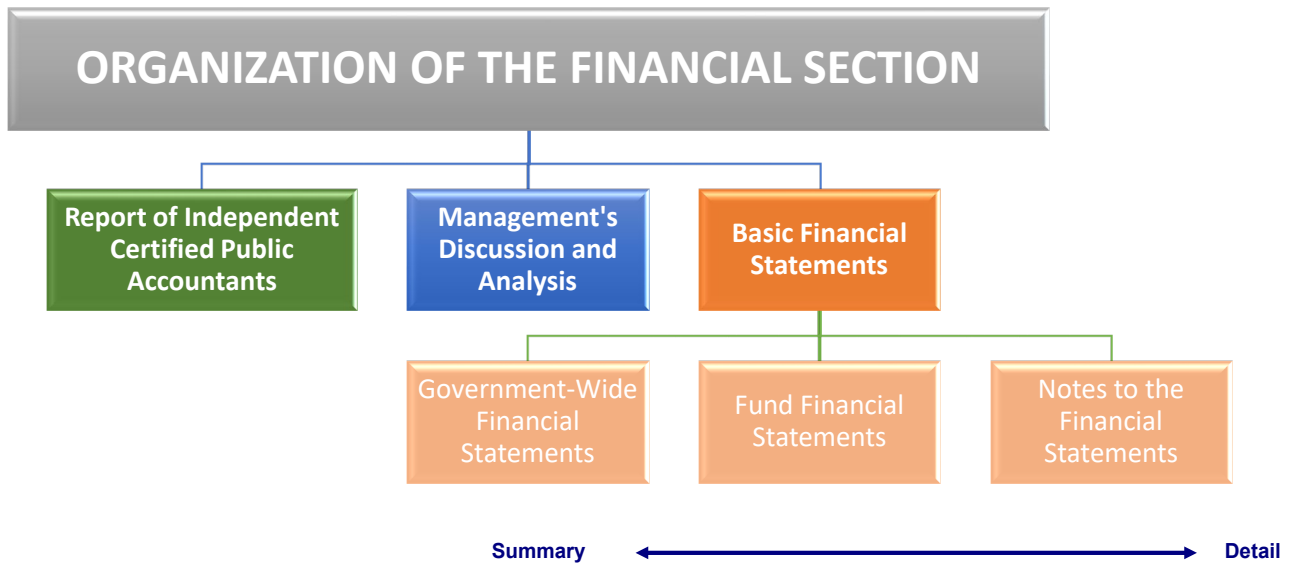
OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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



Government-Wide Financial Statements

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

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

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

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

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

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

Fund Financial Statements

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

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

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

The District maintains 9 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the major funds. The District's major funds are the: (1) General Fund, (2) Special Revenue – Other Federal Programs Fund, (3) Capital Projects – Nonvoted Capital Improvement Fund and (4) Capital Projects – Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its General Fund and Special Revenue – Other Federal Programs Fund. Budgetary comparison schedules have been provided on pages 66-67 of this report to demonstrate compliance with the budget.

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

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

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

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

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

Fiduciary Funds. Fiduciary funds are used to account for resources held in a trustee or fiduciary capacity for the benefit of parties outside the government. The District only has agency funds that are classified as fiduciary funds. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

The District uses agency funds to account for (1) resources held for student activities and groups and (2) for the activities of Bellalago Charter Academy.

The Statement of Assets and Liabilities – Fiduciary Funds can be found on page 29.

Notes to the Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 30-63 of this report.

Other Supplemental Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented on pages 78-94 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceed liabilities and deferred inflows by \$757,899,191 at June 30, 2020. The following is a summary of the District's net position as of June 30, 2020, compared to net position as of June 30, 2019:

	Net Position, End of Year	
	Governmental Activities	
	6/30/2020	6/30/2019
Current and Other Non-Capital Assets	\$ 407,099,015	\$ 376,031,450
Capital Assets	904,343,667	861,934,333
Total Assets	1,311,442,682	1,237,965,783
Deferred Outflow of Resources	106,547,129	108,015,388
Total Deferred Outflow of Resources	106,547,129	108,015,388
Current Liabilities	23,003,444	36,379,789
Long-Term Liabilities	606,907,408	604,250,618
Total Liabilities	629,910,852	640,630,407
Deferred Inflow of Resources	30,179,768	32,757,821
Total Deferred Inflow of Resources	30,179,768	32,757,821
Net Position:		
Net Investment in Capital Assets	642,091,911	594,521,122
Restricted	308,631,681	240,578,560
Unrestricted	(192,824,401)	(162,506,739)
Total Net Position	\$ 757,899,191	\$ 672,592,943

By far, the largest portion of the District's net position, \$642,091,911 or 84.72 percent, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to educate the students of Osceola County, Florida; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, \$308,631,681 or 40.72 percent, represents resources that are subject to external restrictions on how they may be used. There was an increase of \$68,053,121 in restricted net position reported in connection with the District's governmental activities. This increase is primarily due to the increase in the District's reserve for capital projects primarily resulting from the comprehensive renovation at two middle schools and one K-8 school as well as the addition of a wing at one high school. The remaining net position represents resources that are not subject to external restrictions on how they may be used. The balance of unrestricted net position of (\$192,824,401) is primarily the result of the implementation of *Governmental Accounting Standards Board Statement No. 68 – Accounting and Financial Reporting for Pensions* beginning with the 2014-2015 fiscal year. More information on the adoption of this standard and its effect on the financial statements can be found in Note 11 to the financial statements.

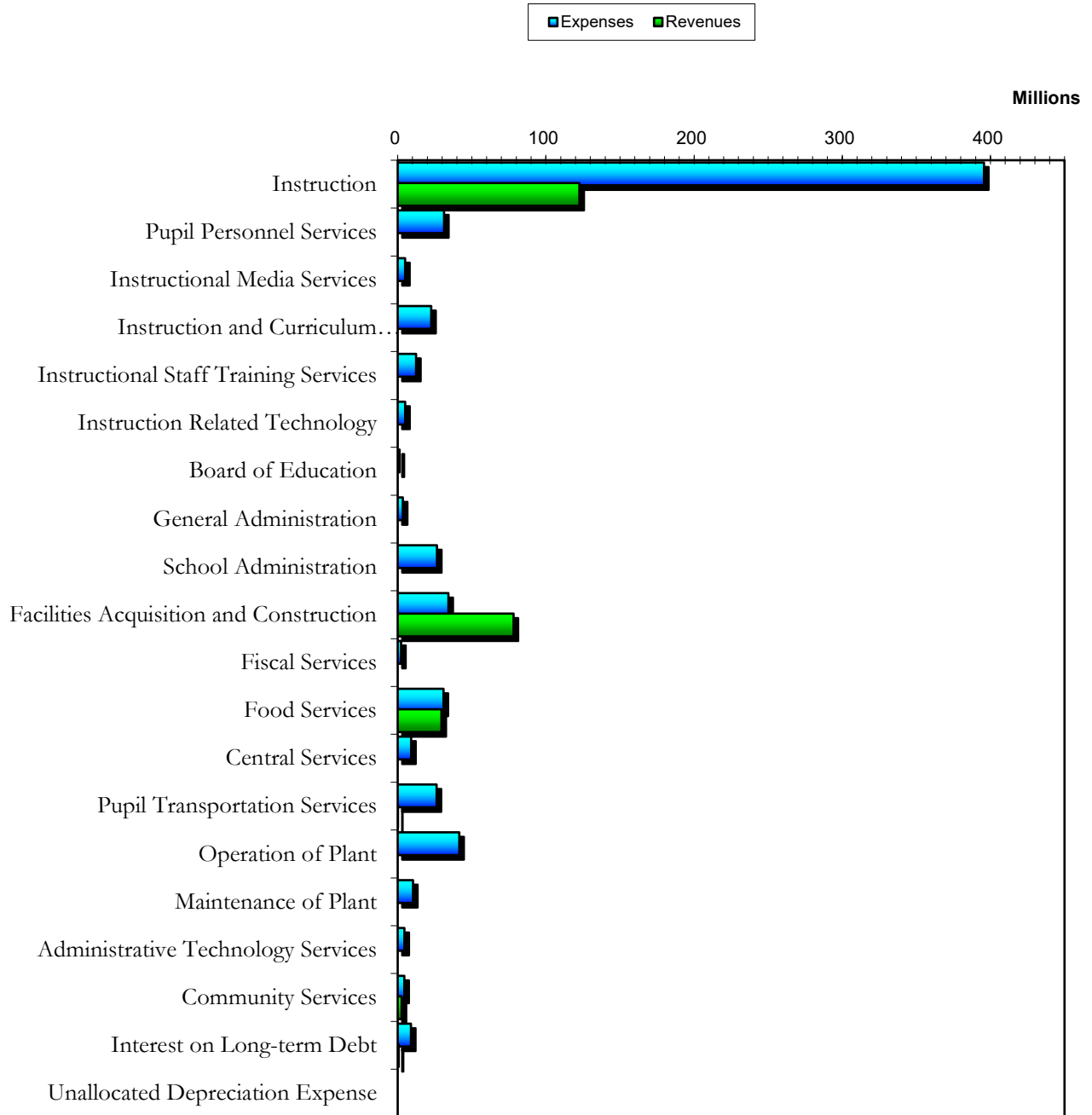
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The key elements of the changes in the District's net position for the fiscal years ended June 30, 2020, and June 30, 2019, are as follows:

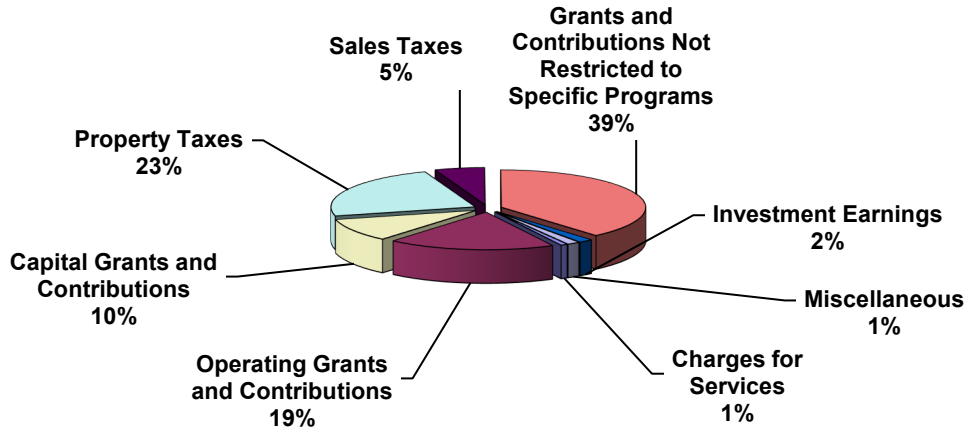
	Operating Results for the Year	
	Governmental	
	Activities	
	6/30/2020	6/30/2019
Revenues:		
Program Revenues:		
Charges for Services	\$ 6,004,172	\$ 7,743,649
Operating Grants and Contributions	148,848,052	155,817,226
Capital Grants and Contributions	78,875,950	79,675,583
General Revenues:		
Property Taxes	185,147,696	170,247,090
Local Sales Taxes	44,396,966	47,849,163
Grants and Contributions not Restricted to Specific Programs	308,037,023	304,090,750
Investment Earnings	12,624,596	10,499,198
Miscellaneous	11,318,616	14,410,036
Total Revenues	<u>795,253,071</u>	<u>790,332,695</u>
Functions/Program Expenses:		
Instruction	395,651,095	386,512,557
Pupil Personnel Services	31,286,985	30,655,797
Instructional Media Services	4,997,342	5,370,748
Instruction and Curriculum Development Services	22,621,624	21,941,930
Instructional Staff Training Services	12,407,615	12,595,631
Instruction Related Technology	5,036,599	4,924,091
Board of Education	1,243,539	1,211,308
General Administration	3,462,702	3,260,521
School Administration	26,491,620	26,538,432
Facilities Acquisition and Construction	34,209,654	21,289,873
Fiscal Services	2,292,148	2,391,647
Food Services	30,929,431	33,576,252
Central Services	9,071,627	8,836,176
Pupil Transportation Services	26,247,815	27,235,730
Operation of Plant	41,569,779	36,421,063
Maintenance of Plant	10,338,335	10,641,145
Administrative Technology Services	4,523,927	5,755,107
Community Services	4,467,594	4,924,520
Interest on Long-Term Debt	8,945,531	9,495,189
Unallocated Depreciation Expense	34,151,861	34,896,561
Total Expenses	<u>709,946,823</u>	<u>688,474,278</u>
Increase in Net Position	85,306,248	101,858,417
Net Position, Beginning	672,592,943	570,734,526
Net Position, Ending	<u>\$ 757,899,191</u>	<u>\$ 672,592,943</u>

The government-wide net position increased by \$85,306,248 during the current fiscal year. The increase represents the excess of revenues over expenses in the current year.

Expenses and Program Revenues - Governmental Activities



Revenues by Source - Governmental Activities



Governmental Activities.

Governmental activities increased the District's net position by \$85,306,248, accounting for the total increase in the net position of the District. This increase is primarily due to program revenues held in reserve for future construction projects.

The largest revenue sources are the State of Florida and local sources. Combined, these two revenue sources account for 90.09 percent of total revenues. Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data and is designed to maintain equity in funding across all Florida school districts, taking into consideration the District's funding ability based on the local property tax base. Total state sources increased by \$9,908,333 or 2.67 percent primarily due to the increase in FEFP funding. Revenues from local sources consist primarily of ad valorem taxes and impact fees. Property tax revenues increased by \$14,900,606 or 8.75 percent, primarily due to the increase in the local property tax base.

Instructional expenses represent 55.73 percent of total governmental expenses in the 2019-20 fiscal year. Instructional expenses increased by \$9,138,538 or 2.36 percent, from the previous fiscal year as a result of the need for additional instructional staff and materials to accommodate the growth in unweighted full-time equivalent students and to continue to meet the district-wide class size requirements.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

As of the end of the current fiscal year, the District's governmental funds report combined ending fund balances of \$375,290,069, an increase of \$45,249,158, in comparison with the 2018-19 fiscal year. Unassigned fund balance of \$49,808,926 represents 13.27 percent of the ending fund balances and is available to meet the District's short-term spending needs. Remaining fund balances are non-spendable, restricted, or assigned, to indicate that they are not available for new spending. Inventory balances of \$4,725,810 are considered non-spendable. Fund balances totaling \$315,858,840 are restricted for state required carryover programs, debt service, capital projects, grants and programs, and food service. Fund balances totaling \$4,896,493 are assigned to cover contract commitments and carryover appropriations.

Major Governmental Funds

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, the assigned plus unassigned fund balance of the General Fund was \$54,705,419, while total fund balance reached \$77,945,343. As a measure of the General Fund's liquidity, it may be useful to compare both assigned plus unassigned fund balance and total fund balance to total expenditures. Assigned plus unassigned fund balance represents 10.09 percent of total General Fund expenditures, while total fund balance represents 14.38 percent of that same amount.

During the current fiscal year, the fund balance of the General Fund increased by \$8,994,154. This increase was the result of controlled expenditures to balance the operating budget and allow the District to begin to rebuild its reserves to meet future needs.

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

The fund balances for the Capital Projects – Nonvoted Capital Improvement Fund decreased by \$3,128,658. This was a planned reduction to fund ongoing construction projects throughout the District.

The fund balances for the Capital Projects – Other Fund increased by \$44,198,899. This was a planned increase to provide for future construction projects.

The fund balance for non-major funds – reported as Other Governmental Funds – decreased by \$4,815,237 to \$42,561,167. This is primarily due to a planned spend-down of reserves in the School Nutrition Services fund.

Proprietary Funds

The District’s proprietary funds provide the same type of information found in the government-wide financial statements. The District’s proprietary fund includes two internal service funds that are used to account for its self-insurance programs. Net position decreased by \$982,321 due to insurance claims and other expenses exceeding premiums.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the 2019-20 fiscal year, the District amended its General Fund budget, which resulted in a decrease in total budgeted revenues of approximately \$10,304,695, or 1.92 percent. At the same time, final appropriations were less than the original budgeted amounts by approximately \$9,186,875, or 1.60 percent. Budget revisions occurred primarily from changes in estimated funding levels as a result of the State’s distribution of funding to private schools for McKay and Family Empowerment scholarships. Planned expenditures were adjusted to meet the District’s needs while maintaining an adequate fund balance.

Actual revenues are \$2,168,325 greater than final budget amounts while actual expenditures are \$22,870,798, or 4.05 percent, less than final budget amounts. The positive variance was primarily due to continued cost containment measures implemented by the District.

During the current fiscal year, assigned plus unassigned fund balance in the General Fund increased by \$3,608,040 from the prior year (\$51,097,379 to \$54,705,419). This is a result of controlled expenditures to balance the operating budget and allow the District to begin to rebuild its reserves to meet future needs.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District’s investment in capital assets for the governmental activities as of June 30, 2020, amounts to \$904,343,667 (net of accumulated depreciation). This investment in capital assets includes land; land improvements; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; investments in the educational facilities benefit district; and audio visual materials and computer software. The total increase in the District’s investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$42,409,334, or a 4.92 percent increase from the 2018-19 fiscal year.

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

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

Following is a summary of the District's capital assets as of June 30, 2020, compared to June 30, 2019.

Schedule of Capital Assets (net of accumulated depreciation)			
	Governmental Activities		
	June 30, 2020	June 30, 2019	
Land and Land Improvements	\$ 51,442,846	\$ 51,192,846	
Construction in Progress	107,811,682	100,782,799	
Improvements Other Than Buildings	10,828,078	9,979,968	
Buildings and Fixed Equipment	685,504,105	656,062,673	
Furniture, Fixtures, and Equipment	18,847,054	16,616,869	
Motor Vehicles	19,294,452	16,347,763	
Investment In EFBD	10,514,008	10,781,206	
Audio Visual Materials and Computer Software	101,442	170,209	
Total	\$ 904,343,667	\$ 861,934,333	

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

Long-Term Debt

At the end of the current fiscal year, the District's long-term debt principal, excluding premiums and discounts, totals \$251,494,204. Of this amount, \$243,240,000 is outstanding bonded debt and \$8,254,204 is other long-term debt. Bonded debt constituted the largest portion of long-term debt at the end of the fiscal year and was comprised of \$2,359,000 of bonds issued on behalf of and by the State Board of Education (SBE) and backed by the full faith and credit of the State of Florida; \$108,111,000 outstanding in District Revenue Bonds; and \$132,770,000 in certificates of participation.

Following is a summary of the District’s long-term debt as of June 30, 2020, compared to June 30, 2019.

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

	Governmental Activities	
	June 30, 2020	June 30, 2019
State School (SBE) Bonds	\$ 2,359,000	\$ 2,924,000
District Revenue Bonds	108,111,000	118,817,000
Certificates of Participation	132,770,000	142,970,000
Other Long-Term Debt	8,254,204	8,649,566
Total Outstanding Long-Term Debt	\$ 251,494,204	\$ 273,360,566

The District’s total debt decreased by \$21,866,362 or 8 percent, during the current fiscal year.

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

OTHER MATTERS OF SIGNIFICANCE

As of July 2020, the Florida Department of Economic Opportunity reports the unemployment rate for Osceola County, Florida, at 20.2 percent. This is a significant increase from the rate of 3.1 percent a year ago and is higher than the State’s average unemployment rate of 11.3 percent. The economy in Central Florida is heavily reliant on tourists and has been dramatically affected by the coronavirus outbreak. Since the bulk of theme park workers live in Osceola County, it has experienced some of the worst joblessness in the State. Generally, consumers who lose their jobs restrict spending in response to the loss of income, while others who remain employed may spend less in anticipation of future job losses.

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

REQUESTS FOR INFORMATION

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

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BASIC FINANCIAL STATEMENTS



DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF NET POSITION
June 30, 2020

	Governmental	Component
ASSETS	Activities	Units
Cash and Cash Equivalents	\$ 138,469,713	\$ 25,166,731
Investments	241,042,764	7,078,456
Accounts Receivable	1,977,209	1,327,771
Deposits	-	474,647
Due from Other Agencies	18,999,511	5,638,015
Inventories	4,725,811	-
Prepaid Items	1,870,150	272,389
Restricted Assets:		
Cash with Fiscal Agent	13,858	-
Beneficial Interest in Assets Held by Others	-	731,590
Capital Assets:		
Land	49,735,514	1,524,020
Land Improvements, Nondepreciable	1,707,332	157,676
Construction in Progress	107,811,682	426,793
Improvements Other Than Buildings, Net	10,828,079	1,629,096
Buildings and Fixed Equipment, Net	685,504,105	85,941,249
Furniture, Fixtures and Equipment, Net	18,847,054	4,820,062
Capital Lease Asset, Net	-	11,376,417
Motor Vehicles, Net	19,294,452	163,746
Investment in Educational Facilities Benefit District, Net	10,514,007	-
Audio Visual Materials and Computer Software, Net	101,442	374,124
Total Assets	1,311,442,682	147,102,782
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amount on Debt Refunding	989,265	69,458
Pension	104,510,765	2,086,164
Other Postemployment Benefits	1,047,099	-
Total Deferred Outflows of Resources	106,547,129	2,155,622
LIABILITIES		
Salaries and Benefits Payable	941,206	2,724,181
Payroll Deductions and Withholdings	524,089	-
Accounts Payable	2,261,918	3,104,141
Accrued Expenses	-	326,943
Construction Contracts Payable	7,426,732	-
Construction Contracts Payable-Retainage	2,352,176	-
Due to Other Agencies	1,473,840	2,211,501
Sales Tax Payable	203	-
Unearned Revenue	153,984	259,818
Accrued Interest Payable	1,839,799	553,783
Other Liabilities	-	796,242
Estimated Insurance Claims Payable	6,029,497	-
Long-Term Liabilities:		
Portion Due Within One Year:		
Bonds Payable	11,571,445	1,771,132
Notes Payable	-	2,747,476
Loan Payable	-	1,040,500
Obligations Under Capital Lease	-	1,101,194
Lease-Purchases Payable	11,064,782	-
Compensated Absences Payable	2,728,383	133,535
Other Postemployment Benefits Payable	1,047,099	-
Net Pension Liability	1,661,961	-
Educational Facilities Benefit District Agreement Payable	433,211	-
Portion Due After One Year:		
Bonds Payable	99,169,516	50,450,613
Notes Payable	-	18,632,172
Loan Payable	-	369,850
Obligations Under Capital Lease	-	48,137,080
Lease-Purchases Payable	124,143,477	-
Compensated Absences Payable	36,458,801	44,511
Other Postemployment Benefits Payable	14,640,623	-
Net Pension Liability	296,153,641	6,935,661
Impact Fee Credit Vouchers	13,475	-
Educational Facilities Benefit District Agreement Payable	7,820,994	-
Total Liabilities	629,910,852	141,340,333
DEFERRED INFLOWS OF RESOURCES		
Deferred Amount on Debt Refunding	2,719,841	754,900
Pension	23,503,160	448,859
Other Postemployment Benefits	3,956,767	-
Total Deferred Inflows of Resources	30,179,768	1,203,759
NET POSITION		
Net Investment in Capital Assets	642,091,911	(5,507,153)
Restricted For:		
State Required Carryover Programs	12,139,409	-
Food Service	12,782,172	-
Debt Service	22,758,989	2,430,254
Capital Projects	260,951,111	312,384
Other Purposes	-	1,995,394
Unrestricted	(192,824,401)	10,529,216
Total Net Position	\$ 757,899,191	\$ 9,760,095

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020

FUNCTIONS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units
Governmental Activities:						
Instruction	\$ 395,651,095	\$ 1,948,570	\$ 120,658,558	\$ -	\$ (273,043,967)	\$ 60,520,152
Pupil Personnel Services	31,286,985	-	-	-	(31,286,985)	2,622,406
Instructional Media Services	4,997,342	-	-	-	(4,997,342)	81,247
Instruction and Curriculum Development Services	22,621,624	-	-	-	(22,621,624)	3,041,088
Instructional Staff Training Services	12,407,615	-	-	-	(12,407,615)	215,747
Instruction Related Technology	5,036,599	-	-	-	(5,036,599)	1,313,723
Board of Education	1,243,539	-	-	-	(1,243,539)	752,298
General Administration	3,462,702	-	-	-	(3,462,702)	1,940,776
School Administration	26,491,620	-	-	-	(26,491,620)	12,819,589
Facilities Services	34,209,654	-	-	78,197,965	43,988,311	3,823,965
Fiscal Services	2,292,148	-	-	-	(2,292,148)	4,538,907
Food Services	30,929,431	1,328,966	28,189,494	-	(1,410,971)	299,547
Central Services	9,071,627	-	-	-	(9,071,627)	1,001,486
Pupil Transportation Services	26,247,815	75,447	-	-	(26,172,368)	1,181,664
Operation of Plant	41,569,779	-	-	-	(41,569,779)	19,784,709
Maintenance of Plant	10,338,335	-	-	-	(10,338,335)	2,596,514
Administrative Technology Services	4,523,927	-	-	-	(4,523,927)	224,418
Community Services	4,467,594	2,651,189	-	-	(1,816,405)	3,361,249
Interest on Long-term Debt	8,945,531	-	-	677,985	(8,267,546)	6,305,986
Unallocated Depreciation Expense*	34,151,861	-	-	-	(34,151,861)	272,416
Total Primary Government	\$ 709,946,823	\$ 6,004,172	\$ 148,848,052	\$ 78,875,950	(476,218,649)	126,697,887
Component Units:						
Charter Schools, Foundation and Benefit Districts	\$ 126,697,887	\$ 1,184,840	\$ 8,629,221	\$ 7,860,038		\$ (109,023,788)
General Revenues:						
Taxes:						
Property Taxes, Levied for Operational Purposes					140,658,925	-
Property Taxes, Levied for Capital Projects					44,488,771	-
Local Sales Taxes					44,396,966	-
Grants and Contributions Not Restricted to Specific Programs					308,037,023	109,870,358
Unrestricted Investment Earnings					12,624,596	645,913
Miscellaneous					11,318,616	2,624,246
Total General Revenues					561,524,897	113,140,517
Change in Net Position					85,306,248	4,116,729
Net Position - Beginning					672,592,943	5,643,366
Net Position - Ending					\$ 757,899,191	\$ 9,760,095

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General Fund	Special Revenue - Other Federal Programs Fund	Capital Projects - Nonvoted Capital Improvement Fund	Capital Projects - Other Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 16,218,281	\$ 353,387	\$ 22,230,472	\$ 80,538,302	\$ 4,014,425	\$ 123,354,867
Investments	49,496,325	-	18,466,857	136,794,587	36,272,444	241,030,213
Accounts Receivable	739,023	48,920	-	183,903	1,002,504	1,974,350
Due from Other Funds	9,803,469	-	-	-	-	9,803,469
Due from Other Agencies	2,033,075	10,171,774	15,265	6,373,124	406,273	18,999,511
Inventories	3,175,284	-	-	-	1,550,526	4,725,810
Total Assets	\$ 81,465,457	\$ 10,574,081	\$ 40,712,594	\$ 223,889,916	\$ 43,246,172	\$ 399,888,220
LIABILITIES AND FUND BALANCES						
Liabilities:						
Salaries and Benefits Payable	\$ 528,773	\$ 382,196	\$ -	\$ -	\$ 30,237	\$ 941,206
Payroll Deductions and Withholdings	415,299	103,691	-	-	5,099	524,089
Accounts Payable	1,228,294	162,656	37,390	183,772	310,340	1,922,452
Construction Contracts Payable	-	-	479,409	6,790,896	156,427	7,426,732
Construction Contracts Payable-Retainage	-	-	50,581	2,276,903	24,692	2,352,176
Due to Other Funds	-	9,803,469	-	-	-	9,803,469
Due to Other Agencies	1,316,584	122,069	-	-	35,188	1,473,841
Sales Tax Payable	202	-	-	-	-	202
Unearned Revenue	30,962	-	-	-	123,022	153,984
Total Liabilities	3,520,114	10,574,081	567,380	9,251,571	685,005	24,598,151
Fund Balances:						
Nonspendable	3,175,284	-	-	-	1,550,526	4,725,810
Restricted	20,064,640	-	40,145,214	214,638,345	41,010,641	315,858,840
Assigned	4,896,493	-	-	-	-	4,896,493
Unassigned	49,808,926	-	-	-	-	49,808,926
Total Fund Balances	77,945,343	-	40,145,214	214,638,345	42,561,167	375,290,069
TOTAL LIABILITIES AND FUND BALANCES	\$ 81,465,457	\$ 10,574,081	\$ 40,712,594	\$ 223,889,916	\$ 43,246,172	\$ 399,888,220

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

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2020**

Total Fund Balances - Governmental Funds \$ 375,290,069

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.	904,343,667
Deferred amount on refunding (loss) are not recognized in the fund level statements but are included in the government-wide statements.	989,265
Deferred amount on refunding (gain) are not recognized in the fund level statements but are included in the government-wide statements.	(2,719,841)
Deferred amount for pensions (contributions, assumptions, investments, and proportionate change) are not recognized in the fund level statements but are included in the government-wide statements.	104,510,765
Deferred amount for OPEB benefits paid subsequent to the measurement date are not recognized in the fund level statements but are included in the government-wide statements.	1,047,099
Deferred amount for pensions (experience, investments, and proportionate change) are not recognized in the fund level statements but are included in the government-wide statements.	(23,503,160)
Deferred amount for OPEB assumptions are not recognized in the fund level statements but are included in the government-wide statements.	(3,956,767)
Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due.	(1,839,005)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position net of capital assets reported above.	
Total Assets - Internal Service Funds	\$ 20,307,998
Total Liabilities - Internal Service Funds	(6,368,659)
Less: Depreciable Assets Reported Above	(3,294,833)
	10,644,507

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
Bonds Payable	110,740,961
Certificates of Participation Payable	135,208,259
Compensated Absences Payable	39,187,184
Other Postemployment Benefits Payable	15,687,722
Net Pension Liability	297,815,602
Impact Fee Credit Vouchers	13,475
Educational Facilities Benefit District Agreement Payable	8,254,205
	(606,907,408)

Total Net Position - Governmental Activities \$ 757,899,191

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020

	General Fund	Special Revenue - Other Federal Programs Fund	Capital Projects - Nonvoted Capital Improvement Fund	Capital Projects - Other Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Intergovernmental:						
Federal Direct	\$ 719,480	\$ 3,266,871	\$ -	\$ -	\$ 2,206,885	\$ 6,193,236
Federal Through State	2,262,427	42,451,846	-	-	27,699,636	72,413,909
State	370,256,152	-	-	7,573,129	3,277,506	381,106,787
Local:						
Property Taxes	140,641,979	-	44,505,716	-	-	185,147,695
Local Sales Taxes	-	-	-	44,396,967	-	44,396,967
Impact Fees	-	-	-	74,387,899	-	74,387,899
Charges for Services - Food Service	-	-	-	-	1,239,445	1,239,445
Other Local Revenues	15,257,131	52,984	1,350,537	7,298,472	4,158,853	28,117,977
Total Revenues	529,137,169	45,771,701	45,856,253	133,656,467	38,582,325	793,003,915
EXPENDITURES						
Current-Education:						
Instruction	354,708,041	25,712,909	-	-	-	380,420,950
Pupil Personnel Services	26,954,446	3,240,573	-	-	-	30,195,019
Instructional Media Services	4,604,709	216,844	-	-	-	4,821,553
Instruction and Curriculum Development Services	14,432,644	7,415,243	-	-	-	21,847,887
Instructional Staff Training Services	6,477,313	5,480,041	-	-	-	11,957,354
Instruction Related Technology	4,755,501	106,289	-	-	-	4,861,790
Board of Education	1,189,679	-	-	-	-	1,189,679
General Administration	1,730,113	1,588,588	-	-	-	3,318,701
School Administration	25,577,894	6,319	-	-	-	25,584,213
Facilities Acquisition and Construction	10,678,794	13,020	9,773,728	10,769,722	492,889	31,728,153
Fiscal Services	2,211,899	-	-	-	-	2,211,899
Food Services	266,646	-	-	-	29,522,293	29,788,939
Central Services	8,266,947	463,763	-	-	-	8,730,710
Pupil Transportation Services	22,848,071	212,588	-	-	-	23,060,659
Operation of Plant	38,867,348	9,643	-	-	-	38,876,991
Maintenance of Plant	9,905,839	37,462	-	-	-	9,943,301
Administrative Technology Services	4,326,968	30,272	-	-	-	4,357,240
Community Services	3,506,394	789,349	-	-	-	4,295,743
Fixed Capital Outlay:						
Facilities Acquisition and Construction	30,062	-	3,458,237	53,828,016	9,527,408	66,843,723
Charter School Local Capital Improvement	-	-	404,992	-	-	404,992
Other Capital Outlay	886,848	448,798	4,838,774	3,701,965	2,233,321	12,109,706
Debt Service:						
Principal	-	-	-	-	21,981,361	21,981,361
Interest and Fiscal Charges	-	-	-	-	9,324,431	9,324,431
Dues, Fees and Issuance Costs	-	-	-	-	127,929	127,929
Other Debt Service	-	-	-	-	226,173	226,173
Total Expenditures	542,226,156	45,771,701	18,475,731	68,299,703	73,435,805	748,209,096
Excess (Deficiency) of Revenues Over Expenditures	(13,088,987)	-	27,380,522	65,356,764	(34,853,480)	44,794,819
OTHER FINANCING SOURCES (USES)						
Transfers In	21,964,939	-	-	-	29,714,516	51,679,455
Refunding Bonds Issued	-	-	-	-	215,000	215,000
Premium on Refunding Bonds	-	-	-	-	11,633	11,633
Issuance of Lease-Purchase Agreements	-	-	-	-	6,340,000	6,340,000
Proceeds from the Sale of Capital Assets	-	-	-	12,410	-	12,410
Insurance Loss Recoveries	118,202	-	-	-	-	118,202
Payments to Escrow Agent for Refunded Debt	-	-	-	-	(6,242,906)	(6,242,906)
Transfers Out	-	-	(30,509,180)	(21,170,275)	-	(51,679,455)
Total Other Financing Sources (Uses)	22,083,141	-	(30,509,180)	(21,157,865)	30,038,243	454,339
Net Change in Fund Balances	8,994,154	-	(3,128,658)	44,198,899	(4,815,237)	45,249,158
Fund Balances, July 1, 2019	68,951,189	-	43,273,872	170,439,446	47,376,404	330,040,911
Fund Balances, June 30, 2020	\$ 77,945,343	\$ -	\$ 40,145,214	\$ 214,638,345	\$ 42,561,167	\$ 375,290,069

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

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ 45,249,158

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as a depreciation expense. This is the amount of depreciation expense in excess of capital outlays in the current period.					
Capital Outlays net of amounts not capitalized	\$	78,953,429			
Depreciation Expense		<u>(36,438,985)</u>			42,514,444
Capital assets donated to the District increase net position in the government-wide statements, but are not financial resources and, therefore, are not reported in the governmental funds. This is the value of capital assets donated during the current year.					437,367
Vouchers payable associated with impact fee credits are accrued in the government-wide statements, but are not recognized in the governmental funds.					1,659,193
The cost of capital assets disposed of during the current year is expensed in the statement of activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net position differs from the change in fund balances by the undepreciated cost of the disposed assets.					(542,473)
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.					22,390,637
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period.					5,178,342
In the statement of activities, the cost of other postemployment benefits is measured by the increase in the net OPEB liability during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for the OPEB costs. This is the amount of the increase in the OPEB liability in excess of the amount paid in the current period.					1,827,920
In the statement of activities, the cost of pension benefits is measured by the increase in the net pension liability during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for pension costs. This is the amount of the increase in the net pension liability in excess of the amount paid in the current period.					(32,500,702)
Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.					<u>(907,638)</u>

Change in Net Position of Governmental Activities \$ 85,306,248

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	Governmental Activities - Internal Service Funds
	<hr/>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 15,128,704
Investments	12,551
Accounts Receivable	1,761
Prepaid Items	1,870,150
Total Current Assets	<hr/> 17,013,166 <hr/>
Noncurrent Assets:	
Capital Assets:	
Buildings and Fixed Equipment, Net	3,175,059
Furniture, Fixtures and Equipment, Net	119,507
Computer Software, Net	267
Total Noncurrent Assets	<hr/> 3,294,833 <hr/>
Total Assets	<hr/> 20,307,999 <hr/>
LIABILITIES	
Current Liabilities:	
Accounts Payable	339,162
Estimated Insurance Claims Payable	6,029,497
Total Liabilities	<hr/> 6,368,659 <hr/>
NET POSITION	
Investment in Capital Assets	3,294,833
Unrestricted	10,644,507
Total Net Position	<hr/> \$ 13,939,340 <hr/> <hr/>

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2020

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium Revenues	\$ 64,455,074
Total Operating Revenues	<u>64,455,074</u>
OPERATING EXPENSES	
Purchased Services	8,702,781
Materials and Supplies	688,457
Insurance Claims	56,012,119
Depreciation/Amortization Expense	108,986
Total Operating Expenses	<u>65,512,343</u>
Operating Loss	<u>(1,057,269)</u>
NONOPERATING REVENUES	
Interest	21,983
Miscellaneous Local Sources	52,965
Total NonOperating Revenues	<u>74,948</u>
Transfers In	-
Change In Net Position	<u>(982,321)</u>
Total Net Position - July 1, 2019	14,921,661
Total Net Position - June 30, 2020	<u><u>\$ 13,939,340</u></u>

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2020

	Agency Funds
	<hr/>
ASSETS	
Cash and Cash Equivalents	\$ 6,185,876
Investments	2,962,684
Accounts Receivable	94,519
Inventory	160,283
Total Assets	<hr/> \$ 9,403,362 <hr/>
 LIABILITIES	
Accounts Payable	\$ 77,074
Accrued Liabilities	17,324
Due to Other Agencies	4,647,553
Internal Accounts Payable	4,661,411
Total Liabilities	<hr/> \$ 9,403,362 <hr/>

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

➤ **Reporting Entity**

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

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

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

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

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

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

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

American Classical Charter Academy, Bellalago Educational Facilities Benefit District, BridgePrep Academy of Osceola, Creative Inspiration Journey School, Flora Ridge Educational Facilities Benefit District, Florida Cyber Charter Academy at Osceola, The Foundation for Osceola Education, Inc., Four Corners Charter School, Inc., Four Corners Upper School, Lincoln-Marti Charter Schools, Inc., Main Street High School, Mater Academy Preparatory High School, Mater Academy St. Cloud, Mater Brighton Lakes Academy, Mater Palms Academy, New Dimensions High School, Inc., Osceola Science Charter School, Renaissance Charter School at Boggy Creek, Renaissance Charter School at Poinciana, Renaissance Charter School at Tapestry, Sports Leadership Arts Management, St. Cloud Preparatory Academy, Inc., UCP Osceola Charter School, Victory Charter School K-8, and Victory Charter School are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act; and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the Osceola County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District. The financial data reported on the accompanying statements was derived from the charter school's audited financial statements for the fiscal year ended June 30, 2020. The audit reports are filed in the District's administrative offices at 817 Bill Beck Boulevard, Kissimmee, Florida, 34744.

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

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

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

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

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Other Federal Programs Fund – to account for funds from the State or Federal Government which are restricted for Federal programs.
- Capital Projects – Nonvoted Capital Improvement Fund – to account for financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs.
- Capital Projects – Other Fund – to account for other miscellaneous funds from various sources which are restricted for capital outlay purposes.

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

- Internal Service Funds – to account for the District's individual self-insurance programs.
- Agency Funds – to account for resources of the school internal funds which are used to administer money collected at several schools in connection with school, student athletic, class, and club activities, and to account for the various resources of the Bellalago Charter Academy, managed by the District.

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

➤ **Measurement Focus and Basis of Accounting**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

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

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

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

➤ **Cash Equivalents**

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

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

➤ **Investments**

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

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

➤ **Inventories and Prepaid Items**

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

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

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000 for tangible personal property and \$25,000 for real property. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at acquisition value at the date of donation.

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other Than Buildings	8 - 40 years
Buildings, Fixed Equipment, and Investment in Educational Facilities Benefit District	10 -50 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	5 - 10 years
Audio Visual Materials and Computer Software	3 - 5 years

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

➤ **Deferred Outflows/Inflows of Resources**

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

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

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

The District has three items that qualify for reporting in the deferred outflows of resources and deferred inflows of resources sections of the statement of net position. The deferred charges on refunding reported in the government-wide statement of net position results from the difference in the carrying value of refunded debt and

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Changes in net pension liability are reported as deferred outflows of resources and deferred inflows of resources related to pensions. The deferred outflows of resources and deferred inflows of resources related to pensions are discussed in a subsequent note. Changes in Other Postemployment Benefits (“OPEB”) liability are reported as deferred outflows of resources and deferred inflows of resources related to OPEB. The deferred outflows of resources and deferred inflows of resources related to OPEB are discussed in a subsequent note.

➤ **Pensions**

In the government-wide statement of net position, liabilities are recognized for the District’s proportionate share of each pension plan’s net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

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

➤ **Long-Term Liabilities**

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

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

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

➤ **Net Position Flow Assumption**

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

➤ **Fund Balance Flow Assumptions**

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

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➤ **Fund Balance Policies**

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

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

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

➤ **Program Revenues**

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

➤ **State Revenue Sources**

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the FDOE under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the FDOE. The FDOE performs certain edit checks on the reported number of FTE and related data and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of 5 months following the date of the original reporting. Such amendments may impact funding allocations for subsequent fiscal years. The FDOE may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the fiscal year when the adjustments are made.

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

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in the governmental fund financial statements for the unencumbered balance of categorical and earmarked educational program resources.

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

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

➤ **District Property Taxes**

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

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

The Board adopted the 2019 tax levy on September 10, 2019. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

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

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

➤ **Educational Impact Fees**

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

➤ **Federal Revenue Sources**

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

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➤ **Compensated Absences**

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

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

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

2. ACCOUNTING CHANGES

In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of the following Statements were postponed by the GASB by one year:

In January 2018, the GASB issued Statement No. 84, *Fiduciary Activities*, effective for fiscal years beginning after December 15, 2018. The objective of GASB 84 is to improve guidelines regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Management is currently evaluating the impact of the adoption of GASB 87 on the District's financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2019. The objective of GASB 89 are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period, and to simplify accounting for interest cost incurred before the end of a construction period. Management is currently evaluating the impact of the adoption of GASB 89 on the District's financial statements.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests-an amendment of GASB Statement No. 14 and No. 61*, effective for fiscal years beginning after December 15, 2018. The primary objectives of GASB 90 are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. Management is currently evaluating the impact of the adoption of GASB 90 on the District's financial statements.

The effective date of the following Statement was postponed by the GASB by 18 months:

In June 2017, the GASB issued Statement No. 87, *Leases*, effective for fiscal years beginning after December 15, 2019. The objective of GASB 87 is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Management is currently evaluating the impact of the adoption of GASB 87 on the District's financial statements.

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3. INVESTMENTS

As of June 30, 2020, the District has the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
<i>Cash Equivalents</i>		
State Board of Administration (SBA):		
Florida PRIME	53 Day Average	\$ 47,143,174
Florida Public Assets for Liquidity Management (PALM)	53 Day Average	47,645,932
Money Market:		
Goldman Sachs Financial Square Govt. Fund	47 Day Average	410,796
Total Cash Equivalents		\$ 95,199,902
<i>Investments</i>		
Florida Fixed Income Trust (FIT)	128 Days	65,397,747
SBA Debt Service Accounts	6 Months	56,002
US Treasury Bonds	6/2021 - 5/2023	114,508,326
Municipal Bonds	7/2019 - 4/2021	2,192,681
Federal Agency Mortgage-Backed Securities	10/2026 - 3/2029	4,565,366
Federal Agency Collateralized Mortgages	10/2020 - 4/2041	9,156,355
Federal Agency Bonds	6/2020 - 6/2023	16,956,546
Corporate Note	7/2020 - 6/2024	28,209,742
Total Investments		241,042,764
Total Cash Equivalents and Investments		<u>\$ 336,242,666</u>

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

- The District’s investment policy limits investments to a maximum of 5½ years and the investment of current operating funds to no longer than 2 years.
- Florida PRIME had a weighted average days to maturity (WAM) of 53 days, Florida PALM had a WAM of 53 days, Florida FIT had a WAM of 128 days, and Money Market funds had a WAM of 47 days at June 30, 2020. 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.
- The District has \$6,433,138 in thirteen obligations that include embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate.
- For Florida PRIME, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.” With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in

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the enrollment materials of the amount and purpose of such fees. As of June 30, 2020, no such disclosure was made and there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100 percent of their account value.

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

- The District’s investment policy allows for investments in certificates of deposit, time deposits, securities of the United States Government, other forms of authorized investments described in the Florida Statutes, and money market funds based on the highest rating by any one Nationally Recognized Statistical Ratings Organization (NRSRO).
- The District’s investments in SBA Debt Service accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by SBA for managing interest rate risk and credit risk for this account.
- As of June 30, 2020, the District’s investments in Florida PRIME, the Florida PALM, and Money Market accounts are rated “AAAm” by Standard & Poor’s. Investments in Florida FIT are rated AAAf/S1 by Fitch.
- As of June 30, 2020, U.S. Treasury and Federal Agency securities, and were rated AA+ by Standard & Poor’s. The District’s investments in municipal bond were rated AAA to AA-, and corporate note securities were rated AA+ to BBB- by Standard & Poor’s.

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

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

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

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

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

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- Most of the District’s investments are issued or explicitly guaranteed by the United States Government or are in external investment pools, which do not require disclosure for concentration of credit risk. Remaining investments are in compliance with investment policy limits.
- As of June 30, 2020, approximately 48 percent of the District’s investment were in US Treasury Bonds, followed 27 percent in Florida FIT and 12 percent in Corporate Notes.

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

The District has the following recurring fair value measurements as of June 30, 2020:

<u>Investment by fair value level</u>	<u>Fiscal Year Ending 6/30/2020</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
SBA Debt Service Accounts	\$ 56,002.00	\$ 56,002.00	\$ -	\$ -
U.S. Treasury Bonds	114,508,325	-	114,508,325	-
Municipal Bonds	2,192,681	-	2,192,681	-
Federal Agency Mortgage-Backed Securities	4,565,366	-	4,565,366	-
Federal Agency Collateralized Mortgage Obligations	9,156,355	-	9,156,355	-
Federal Agency Bond	16,956,546	-	16,956,546	-
Corporate Note	28,209,742	-	28,209,742	-
Total Investments by fair value level	<u>\$ 175,645,017</u>	<u>\$ 56,002</u>	<u>\$ 175,589,015</u>	<u>\$ -</u>
Investments Measured at Net Asset Value (NAV)				
Florida Fixed Income Trust-FIT	65,397,747			
Total Investments at NAV	<u>\$ 65,397,747</u>			
Total Investments	<u><u>\$ 241,042,764</u></u>			

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

4. RECEIVABLES

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

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5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	<u>Balance 6/30/2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2020</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 49,485,514	\$ 260,150	\$ 10,150	\$ 49,735,514
Land Improvements, Nondepreciable	1,707,332	-	-	1,707,332
Construction in Progress	100,782,799	66,583,573	59,554,690	107,811,682
Total Capital Assets Not Being Depreciated	<u>151,975,645</u>	<u>66,843,723</u>	<u>59,564,840</u>	<u>159,254,528</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	39,776,522	1,990,699	-	41,767,221
Buildings and Fixed Equipment	1,094,414,769	56,813,045	-	1,151,227,814
Furniture, Fixtures, and Equipment	64,142,607	7,650,603	6,365,938	65,427,272
Investment in Educational Facilities Benefit				
District	14,158,434	-	-	14,158,434
Motor Vehicles	45,183,936	5,234,480	590,253	49,828,163
Audio Visual Materials and Computer Software	5,777,118	10,173	251,781	5,535,510
Total Capital Assets Being Depreciated	<u>1,263,453,386</u>	<u>71,699,000</u>	<u>7,207,972</u>	<u>1,327,944,414</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	29,796,554	1,142,589	-	30,939,143
Buildings and Fixed Equipment	438,352,096	27,371,613	-	465,723,709
Furniture, Fixtures, and Equipment	47,525,738	5,291,521	6,237,041	46,580,218
Investment in Educational Facilities Benefit				
District	3,377,228	267,198	-	3,644,426
Motor Vehicles	28,836,173	2,287,124	589,586	30,533,711
Audio-Visual Materials and Computer Software	5,606,909	78,940	251,781	5,434,068
Total Accumulated Depreciation	<u>553,494,698</u>	<u>36,438,985</u>	<u>7,078,408</u>	<u>582,855,275</u>
Total Capital Assets Being Depreciated, Net	<u>709,958,688</u>	<u>35,260,015</u>	<u>129,564</u>	<u>745,089,139</u>
Governmental Activities Capital Assets, Net	<u>\$ 861,934,333</u>	<u>\$ 102,103,738</u>	<u>\$ 59,694,404</u>	<u>\$ 904,343,667</u>

Depreciation expense was charged to functions as follows:

<u>Function</u>	<u>Amount</u>
GOVERNMENTAL ACTIVITIES	
Student Transportation Services	\$ 2,287,124
Unallocated	34,151,861
Total Depreciation Expense - Governmental Activities	<u>\$ 36,438,985</u>

6. EDUCATIONAL FACILITIES BENEFIT DISTRICT AGREEMENT PAYABLE

Pursuant to Section 1013.355, Florida Statutes, the District entered into an interlocal agreement with Osceola County, Florida, dated September 15, 2003, authorizing the creation of the Bellalago Educational Facilities Benefit District (Benefit District). The purpose of the Benefit District is to finance the construction of school facilities using a combination of sources, including impact fees, non-ad valorem assessments from homeowners, charter capital, and payments from the District. The District also entered into a charter contract on April 6, 2004, with the Foundation for Osceola Education, Inc. (Foundation), creating Bellalago Charter Academy. The Foundation entered into an interlocal agreement with the Benefit District under which it agreed to pay to the Benefit District any charter capital received in exchange for use of the school facilities. On December 16, 2003, the District entered into an interlocal funding agreement with the Benefit District and Avatar Properties, Inc., to formalize the obligations of the parties. Under the terms of this agreement, the District is obligated to pay the portion of debt

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service on bonds issued by the Benefit District not otherwise funded by impact fees, non-ad valorem assessments, and charter capital. Phase I of the construction was funded through bonds issued by the Benefit District at a rate of 6.05 percent. Phase II of the construction was funded by issuing a second series of bonds by the Benefit District at a rate of 5.83 percent.

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

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

Fiscal Year Ending June 30	Total	Principal	Interest
2021	\$ 928,873	\$ 433,211	\$ 495,662
2022	926,669	470,453	456,216
2023	924,878	508,015	416,863
2024	923,835	546,248	377,587
2025	913,629	575,274	338,355
2026-2030	4,473,697	3,360,043	1,113,654
2031-2034	2,580,222	2,360,960	219,262
Total	\$ 11,671,803	\$ 8,254,204	\$ 3,417,599

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

7. CERTIFICATES OF PARTICIPATION

Certificates of Participation at June 30, 2020, are as follows:

Series	Amount Outstanding	Interest Rate (percent)	Lease Term Maturity	Original Amount
2010 COPS, Series A (QSCB)	\$ 40,500,000	6.658 ⁽¹⁾	2027	40,500,000
2013 COPS Refunding	27,700,000	3.375 - 5.0	2028	41,880,000
2014 COPS Refunding	3,605,000	2.24	2028	12,005,000
2015 COPS Refunding	4,855,000	2.67	2025	8,310,000
2017 COPS Refunding	49,770,000	2.1	2027	58,170,000
2020 COPS Refunding	6,340,000	0.76	2024	6,340,000
Total	132,770,000			
Plus: Unamortized Premiums	2,438,259			
Total Certificates of Participation	\$ 135,208,259			

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

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

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

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

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

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

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

Fiscal Year Ending June 30	COPs		COPs from Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
2021	\$ 2,615,000	\$ 3,959,952	\$ 8,145,000	\$ 1,291,452	\$ 16,011,404
2022	2,715,000	3,855,352	8,305,000	1,135,868	16,011,220
2023	2,820,000	3,746,752	8,460,000	976,915	16,003,667
2024	2,965,000	3,605,752	8,620,000	814,698	16,005,450
2025	3,110,000	3,457,502	8,910,000	649,046	16,126,548
2026-2028	53,975,000	6,986,695	22,130,000	827,841	83,919,536
Total Minimum Lease Payments	68,200,000	\$ 25,612,005	64,570,000	\$ 5,695,819	\$ 164,077,824
Plus: Unamortized Premiums	2,438,259		-		
Total Certificates of Participation	\$ 70,638,259		\$ 64,570,000		

➤ **Qualified School Construction Bonds**

The District issued Certificates of Participation (COPs) dated April 29, 2010, under the Qualified School Construction Bond (QSCB) Program pursuant to Section 54F of the United States Internal Revenue Code of 1986 as amended (the Code). The QSCB Program provides for an issuer interest rate subsidy on certain bonds or COPs. The School District of Osceola County received an approved allocation of funds from the Florida Department of Education sufficient for the designation of the Series 2010A COP as a QSCB under the Code. Pursuant to Section 6431 of the Code, the District has elected to receive Federal subsidy payments (the Issuer Subsidy) from the United States Treasury on each interest payment date for the Series 2010A Certificates in an amount equal to the lesser of the amount of interest payable with respect to the Series 2010A Certificates if the interest were determined at the applicable tax credit rate pursuant to Section 54aA(b)(3) of the Code. The tax credit rate which would have been applicable to the Series 2010A Certificates is 5.8 percent.

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

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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8. BONDS PAYABLE

Bonds payable at June 30, 2020, are as follows:

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To	Original Amount
State School Bonds:				
Series 2011A, Refunding	\$ 455,000	3.0 - 5.0	2023	1,135,000
Series 2014A, Refunding	947,000	3.0 - 5.0	2025	1,796,000
Series 2017A, Refunding	742,000	5.0	2026	986,000
Series 2020A, Refunding	215,000	5.0	2022	215,000
District Revenue Bonds:				
Sales Tax Revenue Series 2015	20,051,000	2.29	2025	30,087,000
Sales Tax Revenue Series 2017	11,380,000	1.72	2024	19,420,000
Capital Outlay Sales Tax Rev. Series 2017	<u>76,680,000</u>	2.76	2033	86,250,000
Total Bonds	110,470,000			
Plus: Unamortized Bond Premium	<u>270,961</u>			
Total Bonds Payable	<u>\$ 110,740,961</u>			

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

➤ **State School Bonds**

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

➤ **District Revenue Bonds**

The School Board issued Sales Tax Revenue Bonds, Series 2007A and 2007B on April 12, 2007, totaling \$47,580,000 and \$32,255,000, respectively. These bonds are authorized by Chapter 1001, Florida Statutes and Chapter 212, Part I, Florida Statutes. A resolution providing for the issuance of the bonds was adopted by the Board on March 20, 2007. Proceeds of the discretionary local government infrastructure sales tax surtax received by the District pursuant to an interlocal agreement between Osceola County, the cities of Kissimmee and St. Cloud, and the District are pledged for the payment of bonds. Proceeds of the 2007A bonds were used to finance the acquisition, construction, reconstruction, renovation, and equipping of certain capital improvements and educational facilities within the District. Proceeds of the 2007B bonds were used to advance-refund a portion of the District's outstanding Sales Tax Revenue Bonds, Series 2001.

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

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

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

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

The District has pledged a combined total of \$141,473,372 of discretionary and capital outlay surtax sales revenues (sales tax revenues) in connection with the Series 2015 and 2017 Sales Tax Revenue and 2017 Capital Outlay Sales Tax Bond issues described above. During the 2019-20 fiscal year, the District recognized sales tax revenues totaling \$44,396,967 and expended \$13,597,146 (31 percent) of these revenues for debt service directly collateralized by these revenues. The pledged sales tax revenues are committed until final maturity of the debt, or June 1, 2033. Assuming a nominal growth rate in the collection of sales tax revenues, which are levied through June 30, 2033, approximately 15 percent of this revenue stream has been pledged in connection with debt service on the revenue bonds.

Bonds payable as of June 30, 2020 are as follows:

Fiscal Year Ending June 30	Bonds		Bonds from Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
State School Bonds:					
2021	\$ 550,000	\$ 108,961	\$ -	\$ -	\$ 658,961
2022	549,000	81,850	-	-	630,850
2023	497,000	57,400	-	-	554,400
2024	358,000	35,850	-	-	393,850
2025	254,000	17,950	-	-	271,950
2026	151,000	7,550	-	-	158,550
Total State School Bonds	<u>2,359,000</u>	<u>309,561</u>	<u>-</u>	<u>-</u>	<u>2,668,561</u>
District Revenue Bonds:					
2021	-	-	10,957,000	2,642,326	13,599,326
2022	-	-	11,212,000	2,391,527	13,603,527
2023	-	-	11,477,000	2,134,666	13,611,666
2024	-	-	11,756,000	1,871,437	13,627,437
2025	-	-	12,359,000	1,601,718	13,960,718
2026-2030	-	-	30,170,000	4,911,696	35,081,696
2031-2033	-	-	20,180,000	845,526	21,025,526
Total District Revenue Bonds	<u>-</u>	<u>-</u>	<u>108,111,000</u>	<u>16,398,896</u>	<u>124,509,896</u>
Total	<u>\$ 2,359,000</u>	<u>\$ 309,561</u>	<u>\$ 108,111,000</u>	<u>\$ 16,398,896</u>	<u>\$ 127,178,457</u>

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

9. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 7-1-19	Additions	Deductions	Balance 6-30-20	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 3,299,112	\$ 226,633	\$ 895,784	\$ 2,629,961	\$ 614,445
Bonds from Direct Borrowings and Direct Placements	118,817,000	-	10,706,000	108,111,000	10,957,000
Certificates of Participation Payable	81,211,051	-	10,572,792	70,638,259	11,064,782
COP from Direct Borrowings and Direct Placements	64,665,000	6,340,000	6,435,000	64,570,000	-
Educational Facilities Benefit District Agreement Payable	8,649,566	-	395,361	8,254,205	433,211
Impact Fee Credit Vouchers	1,672,668	-	1,659,193	13,475	-
Net Pension Liability	260,518,783	165,787,203	128,490,384	297,815,602	1,661,961
Other Postemployment Benefits Payable	21,051,912	1,803,510	7,167,700	15,687,722	1,047,099
Compensated Absences Payable	44,365,526	355,168	5,533,510	39,187,184	2,728,383
Total Governmental Activities	\$ 604,250,618	\$ 174,512,514	\$ 171,855,724	\$ 606,907,408	\$ 28,506,881

The District's outstanding COPs from direct borrowings and direct placements totaled \$64,570,000, and \$108,111,000 for bonds. Information related to securities pledged as collateral and events of default provisions related to COPs and bonds are discussed in Note 7 and Note 8, respectively.

The District issues educational impact fee credits in exchange for land in connection with the construction of school facilities within KOA-Fountains at San Remo. As of June 30, 2020, the balance of unused impact fee credits totaled \$13,475.

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

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DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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10. FUND BALANCE REPORTING

The following is a schedule of fund balances by category at June 30, 2020:

	Major Funds					Total Governmental Funds
	General	Special Revenue - Other Federal Programs	Capital Projects - Nonvoted Capital Improvement Funds	Capital Projects - Other Capital Projects	Nonmajor Governmental Funds	
Fund Balances						
Nonspendable:						
Inventory	\$ 3,175,284	\$ -	\$ -	\$ -	\$ 1,550,526	\$ 4,725,810
Restricted:						
State Categorical Programs	12,139,409	-	-	-	-	12,139,409
Debt Service	-	-	-	-	24,598,788	24,598,788
Capital Projects	-	-	40,145,214	214,638,345	5,180,207	259,963,766
Grants and Programs	7,925,231	-	-	-	-	7,925,231
Food Services	-	-	-	-	11,231,646	11,231,646
Assigned:						
Contract Commitments	1,515,007	-	-	-	-	1,515,007
Carryover Appropriations	3,381,486	-	-	-	-	3,381,486
Unassigned	49,808,926	-	-	-	-	49,808,926
Total Fund Balances	\$ 77,945,343	\$ -	\$ 40,145,214	\$ 214,638,345	\$ 42,561,167	\$ 375,290,069

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

➤ **Non-spendable Fund Balance**

Non-spendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash. The District has inventory of \$4,725,810 classified as non-spendable.

➤ **Restricted Fund Balance**

Restricted fund balance is the portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. The District has a total of \$315,858,840 in restricted fund balance as of June 30, 2020.

➤ **Unassigned Fund Balance**

The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. As discussed in the Fund Balance Policies note

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disclosure, the District has set aside “contingency reserves” as per School Board Rule 7.10. The contingency funds of \$33,100,000 are included as part of the unassigned general fund balance of \$49,808,926.

11. RETIREMENT PLANS

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

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DRO) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services web site (www.dms.myflorida.com).

The District’s FRS and HIS pension expense totaled \$56,068,865 for the fiscal year ended June 30, 2020.

➤ **FRS Pension Plan**

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

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

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

DRO, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DRO 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 DRO participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DRO participants, as these members are considered retired and are not accruing additional pension benefits.

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

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

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

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2019-20 fiscal year were as follows:

<u>Class or Plan</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (A)</u>
FRS, Regular	3.00	8.47
FRS, Elected County Officers	3.00	48.82
FRS, Senior Management	3.00	25.41
DROP - Applicable to Members from		
All of the Above Classes or Plans	0.00	14.60
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 Program.

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

The District's contributions to the Plan totaled \$18,636,021 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the District reported a liability of \$200,186,534 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial

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valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the District's proportionate share was 0.582333296 percent, which was an increase of 0.011906385 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$48,364,592 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 11,895,044	\$ 124,458
Change of assumptions	51,509,222	-
Net difference between projected and actual earnings on FRS pension plan investments	-	11,095,333
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	2,061,945	2,723,650
District FRS contributions subsequent to the measurement date	18,636,021	-
Total	\$ 84,102,232	\$ 13,943,441

The deferred outflows of resources related to pensions, totaling \$18,636,021, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 18,225,279
2022	5,023,845
2023	13,678,183
2024	10,726,417
2025	3,051,920
Thereafter	817,126
Total	\$ 51,522,770

Actuarial Assumptions. The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	6.90 percent, net of pension plan investment expense, including inflation

Mortality rates were based on PUB2010 base table with Scale MP-2018. The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

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

<u>Asset Class</u>	Target Allocation (A)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1%	3.3%	3.3%	1.2%
Fixed Income	18%	4.1%	4.1%	3.5%
Global Equity	54%	8.0%	6.8%	16.5%
Real Estate	10%	6.7%	6.1%	11.7%
Private Equity	11%	11.2%	8.4%	25.8%
Strategic Investments	6%	5.9%	5.7%	6.7%
Total	100%			
Assumed inflation - Mean		2.6%		1.7%

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

Discount Rate. The discount rate used to measure the total pension liability was 6.9 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.9 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 (5.9 percent) or 1 percentage point higher (7.9 percent) than the current rate:

	1% Decrease 5.9%	Current Discount Rate 6.9%	1% Increase 7.9%
District's proportionate share of the net pension liability	\$ 346,055,852	\$ 200,186,534	\$ 78,360,976

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

Payables to the Pension Plan. At June 30, 2020, the District reported a payable of \$720,238 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2020.

➤ **HIS Pension Plan**

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

Benefits Provided. For the fiscal year ended June 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum

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HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2020, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$4,932,141 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At June 30, 2020, the District reported a net pension liability of \$97,629,068 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the District's proportionate share was 0.875429086 percent, which was an increase of 0.030159605 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$7,704,273. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,189,733	\$ 119,939
Change of assumptions	11,341,888	8,005,779
Net difference between projected and actual earnings on HIS pension plan investments	63,207	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	2,881,564	1,434,002
District contributions subsequent to the measurement date	4,932,141	-
Total	<u>\$ 20,408,533</u>	<u>\$ 9,559,720</u>

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The deferred outflows of resources, totaling \$4,932,141, was related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 2,100,934
2022	1,615,014
2023	947,725
2024	(408,614)
2025	436,675
Thereafter	<u>1,224,938</u>
Total	<u>\$ 5,916,672</u>

Actuarial Assumptions. The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.50 percent

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

Discount Rate. The discount rate used to measure the total pension liability was 3.50 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.50 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 (2.50 percent) or 1 percentage point higher (4.50 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.50%</u>	<u>3.50%</u>	<u>4.50%</u>
District's proportionate share of the net pension liability	\$ 111,448,585	\$ 97,629,068	\$ 86,118,974

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

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Payables to the Pension Plan. At June 30, 2020, the District reported a payable of \$12,080 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2020.

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

	Pension Plan	HIS Plan	Total
Net pension liability	\$ 200,186,534	\$ 97,629,068	\$ 297,815,602
Deferred outflows of resources	84,102,232	20,408,534	104,510,766
Deferred inflows of resources	13,943,441	9,559,719	23,503,160
Pension expense	48,364,592	7,704,273	56,068,865

➤ **FRS – DEFINED CONTRIBUTION PENSION PLAN**

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the Investment Plan member's accounts during the 2019-20 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	8.47
FRS, Elected County Officers	48.82
FRS, Senior Management Service	25.41

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

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the

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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 \$3,948,362 for the fiscal year ended June 30, 2020.

Payables to the Pension Plan. At June 30, 2020, the District reported a payable of \$154,895 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2020.

12. OTHER POSTEMPLOYMENT BENEFITS PAYABLE

➤ **Plan Description**

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

➤ **Benefit Terms and Employees Covered**

Plan contribution requirements and benefit terms of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advanced funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation. As of the valuation date, June 30, 2019, there were 5,838 active plan members and 133 inactive plan members or beneficiaries receiving benefits. There are no inactive plan members entitled to benefits not yet receiving benefits. The District provided contributions of \$1,047,099 toward annual OPEB costs, comprised of benefit payments made on behalf of the retirees for claims expense, retention costs, and net of retiree contributions totaling \$1,486,685. Required contributions are based on projected pay-as-you-go financing.

➤ **Total OPEB Liability**

The District's total OPEB liability of \$15,687,722 was measured as of June 30, 2019 and was determined by an actuarial valuation as of June 30, 2019.

➤ **Actuarial Assumptions and Other Inputs**

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

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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Inflation	2.25%
Discount Rate	3.13%
Salary Increases	FRS 7/1/2019 Actuarial Valuation 3.6% - 8%, including inflation
Retirement Age	Rates used in the 7/1/2019 FRS Actuarial Valuation based on a statewide experience study from 2013 to 2018
Mortality	PUB-2010 mortality tables, MP-2018 scale used on the 7/1/2019 FRS actuarial valuation, based on the results of a statewide experience study from 2013 to 2018
Healthcare Cost Trend Rates	Getzen Model with trend starting at 6.5% and gradually decreasing to an ultimate trend rate of 3.99% plus .31% increase for excise tax
Aging Factors	2013 SOA Study "Health Care Costs-From Birth to Death"
Administrative Expenses	Included in the per capita health costs

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

➤ **Changes to the Total OPEB Liability**

Below are the details regarding the total OPEB liability for the measurement period from June 30, 2019, to June 30, 2020.

	<u>Total OPEB Liability</u>
Balance Recognized at 6/30/2019	\$ 21,051,912
Changes for the Fiscal Year:	
Service Cost	1,108,994
Interest on the Total OPEB Liability	694,516
Changes of Benefit Terms	(2,205,337)
Difference Between Expected and Actual Experience	(87,088)
Changes in Assumptions and Other Inputs	(3,456,391)
Benefit Payments	(1,418,884)
Net Changes	<u>(5,364,190)</u>
Balance as of 6/30/2020	<u>\$ 15,687,722</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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Changes of assumptions and other inputs reflect a change in the discount rate from 3.62 percent as of the beginning of the measurement period, to 3.13 as of June 30, 2019. In addition, the healthcare trend rates were revised as of June 30, 2019, based on Getzen Model latest trend survey, with adjustments based on the provisions of the benefits sponsored by the District.

➤ **Discount Rate**

The District has no plan assets held in trust to finance the OPEB plan liability. Therefore, the discount rate in the calculation of the total OPEB liability is equal to the tax-exempt municipal bond rate based on a 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of the OPEB plan valuation, the municipal bond rate was 3.62% (based on the most recent date available on or before the measurement date of “Fidelity 20-Year Municipal GO AA Index”). The discount rate was 3.13% as of the beginning of the measurement period.

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

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.13 percent) or 1 percentage point higher (4.13 percent) than the current discount rate:

	Decrease 2.13%	Discount Rate 3.13%	Increase 4.13%
Total OPEB Liability	\$ 16,548,444	\$ 15,687,722	\$ 14,808,002

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

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

	1% Decrease	Health Care Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 14,081,438	\$ 15,687,722	\$ 17,583,812

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

For the year ended June 30, 2020, the District recognized an OPEB expense credit of \$786,128. The expense credit was a result of excluding life insurance for retirees that are rated independently and separately from active members, and whose rates are not supported by the District’s active policy. At June 30, 2020 the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between Expected and Actual Experience	\$ -	\$ 79,645
Changes of assumptions of other inputs	-	3,877,122
Benefits paid subsequent to the measurement date	1,047,099	-
Total	\$ 1,047,099	\$ 3,956,767

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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The deferred outflows of resources related to OPEB, totaling \$1,047,099 resulting from District benefits paid subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2021	\$ (384,301)
2022	(384,301)
2023	(384,301)
2024	(384,301)
2025	(384,301)
Thereafter	(2,035,262)
Total	\$ (3,956,767)

13. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Funds	Interfund	
	Receivables	Payables
Major:		
General	\$ 9,803,469	\$ -
Special Revenue:		
Other Federal Programs	-	9,803,469
Total	\$ 9,803,469	\$ 9,803,469

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

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 21,964,939	\$ -
Capital Projects:		
Nonvoted Capital Improvement	-	30,509,180
Other Capital Projects	-	21,170,275
Nonmajor Governmental	29,714,516	-
Total	\$ 51,679,455	\$ 51,679,455

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

14. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2019-20 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 282,639,248
Categorical Educational Program - Class Size Reduction	74,367,401
Charter School Capital Outlay	7,573,129
Workforce Development Program	6,663,695
Voluntary Prekindergarten Program	2,630,326
School Recognition	2,231,494
CO&DS (Capital Outlay & Debt Service) Distributed	2,029,073
Miscellaneous State Revenue	1,288,485
CO&DS Withheld	719,195
School Lunch Supplement	267,345
School Breakfast Supplement	222,513
State License Tax	165,321
Performance Based Incentives	159,000
Interest on Undistributed CO&DS	80,590
District Discretionary Lottery	69,972
	<hr/>
Total	<u><u>\$ 381,106,787</u></u>

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

15. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2019 tax roll for the 2019-20 fiscal year:

<u>GENERAL FUND</u>	<u>Millages</u>	<u>Taxes Levied</u>
Nonvoted School Tax:		
Required Local Effort (RLE)	3.984	\$ 118,252,408
RLE Prior Period Adjustment	0.008	237,455
Basic Discretionary Local Effort	0.748	22,202,009
<u>CAPITAL PROJECTS - LOCAL CAPITAL IMPROVEMENT FUND</u>		
Nonvoted Tax:	<u>1.5</u>	<u>44,522,744</u>
Local Capital Improvements	<u>6.24</u>	<u>\$ 185,214,616</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

16. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

➤ **Encumbrances**

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

The following is a schedule of encumbrances at June 30, 2020:

Major Funds					
General	Special Revenue - Other Federal Programs	Nonvoted Capital Improvement	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 4,139,267	\$ 989,093	\$ 1,729,031	\$ 21,300,748	\$ 3,680,133	\$ 31,838,272

Encumbrances for the Special Revenue – Other Federal Programs fund totaling \$989,093 represent commitments that will be expensed in the subsequent period.

➤ **Construction Contracts**

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

Project	Contract Amount	Completed to Date	Balance Committed
Canoe Creek K-8 Pre-construction services	\$ 1,746,887	\$ 1,170,061	\$ 576,826
Celebration High School Kitchen & Serving Line	1,404,525	621,535	782,990
Chestnut Elementary Kitchen & Serving Line	1,031,637	390,273	641,364
Denn John Middle School Comprehensive Renovations	27,847,512	26,401,594	1,445,918
Kitchen Generators	1,146,453	990,751	155,702
Liberty High School Space Reconfiguration	446,644	434,121	12,523
Michigan Avenue Elementary Comprehensive Renovations	20,047,244	18,486,892	1,560,352
Osceola Business Academy at Poinciana High School	6,230,759	4,991,315	1,239,444
Poinciana High School HVAC Chiller Replacement	2,519,762	1,674,993	844,769
St. Cloud Middle School Comprehensive Renovations	27,094,520	20,288,336	6,806,184
Total	\$ 89,515,943	\$ 75,449,871	\$ 14,066,072

17. RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Effective May 1, 2010, for property insurance and effective July 1, 2010 for all other casualty and workers' compensation coverage, the School Board implemented a stand-alone program of self-insurance and excess insurance.

The Board established the Osceola County School Board Group Health and Life Insurance Trust to provide for a health, hospitalization, and life insurance program. These programs are accounted for in the District's internal

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
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June 30, 2020

service funds. The program is on a self-insured basis up to specified limits. The District did not elect to purchase the aggregate stop-loss coverage due to the rising premium cost and the high attachment point. The District elected to continue coverage for a specific stop-loss for any one claim of \$850,000. The Board has contracted with a professional administrator to administer the self-insurance program, including the processing, investigating, and payment of claims. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past 3 fiscal years. A liability in the amount of \$5,364,000 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable for the group health program at June 30, 2020.

Effective July 1, 2003, the District's general liability and auto liability programs were established on a self-insured basis. These programs are administered by the Trust and are accounted for in the District's internal service funds. A liability of \$665,497 was established based on reserves for outstanding claims at June 30, 2020, as reported by the program administrator.

The following schedule represents the changes in claims liability for the past 2 fiscal years for the District's self-insurance programs:

Fiscal Year	Beginning-of-Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2018-19	\$ 4,321,753	\$ 62,377,862	\$ (60,952,637)	\$ 5,746,978
2019-20	5,746,978	56,294,638	(56,012,119)	6,029,497

18. BOND INSURANCE RATINGS

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

19. LITIGATION

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

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REQUIRED SUPPLEMENTARY INFORMATION



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

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 480,933	\$ 614,878	\$ 719,480	\$ 104,602
Federal Through State	2,500,000	1,602,715	2,262,427	659,712
State	381,120,390	371,176,924	370,256,152	(920,772)
Local:				
Property Taxes	140,811,871	140,811,871	140,641,979	(169,892)
Local Sales Taxes	12,360,345	12,762,455	15,257,131	2,494,676
Total Revenues	<u>537,273,539</u>	<u>526,968,844</u>	<u>529,137,169</u>	<u>2,168,325</u>
EXPENDITURES				
Current - Education:				
Instruction	380,196,365	363,320,942	354,708,041	8,612,901
Pupil Personnel Services	28,370,895	27,187,131	26,954,446	232,685
Instructional Media Services	5,324,640	4,800,279	4,604,709	195,570
Instruction and Curriculum Development Services	15,217,253	15,157,505	14,432,644	724,861
Instructional Staff Training Services	6,625,922	7,454,106	6,477,313	976,793
Instruction Related Technology	4,902,414	4,808,784	4,755,501	53,283
Board of Education	1,309,687	1,477,380	1,189,679	287,701
General Administration	1,890,133	2,060,579	1,730,113	330,466
School Administration	25,455,627	25,579,261	25,577,894	1,367
Facilities Services	5,670,621	11,478,788	10,678,794	799,994
Fiscal Services	2,428,968	2,561,098	2,211,899	349,199
Food Services	221,096	277,847	266,646	-
Central Services	8,667,961	9,680,016	8,266,947	1,413,069
Pupil Transportation Services	24,899,794	23,838,369	22,848,071	990,298
Operation of Plant	39,019,876	41,279,624	38,867,348	2,412,276
Maintenance of Plant	11,145,790	10,560,601	9,905,839	654,762
Administrative Technology Services	6,061,529	6,561,955	4,326,968	2,234,987
Community Services	6,542,833	5,683,495	3,506,394	2,177,101
Fixed Capital Outlay:				
Facilities Acquisition and Construction	75,153	125,227	30,062	95,165
Other Capital Outlay	257,272	1,203,967	886,848	317,119
Debt Service:				
Principal		-	-	-
Interest and Fiscal Charges		-	-	-
Total Expenditures	<u>574,283,829</u>	<u>565,096,954</u>	<u>542,226,156</u>	<u>22,870,798</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(37,010,290)</u>	<u>(38,128,110)</u>	<u>(13,088,987)</u>	<u>25,039,123</u>
OTHER FINANCING SOURCES				
Transfers In	16,192,264	21,964,939	21,964,939	-
Insurance Loss Recoveries	125,000	144,221	118,202	(26,019)
Transfers Out	-	-	-	-
Total Other Financing Sources	<u>16,317,264</u>	<u>22,109,160</u>	<u>22,083,141</u>	<u>(26,019)</u>
Net Change in Fund Balances	<u>(20,693,026)</u>	<u>(16,018,950)</u>	<u>8,994,154</u>	<u>25,013,104</u>
Fund Balances, July 1, 2019	<u>68,951,189</u>	<u>68,951,189</u>	<u>68,951,189</u>	<u>21,864,250</u>
Fund Balances, June 30, 2020	<u>\$ 48,258,163</u>	<u>\$ 52,932,239</u>	<u>\$ 77,945,343</u>	<u>\$ 25,013,104</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 5,661,470	\$ 5,993,309	\$ 3,266,871	\$ (2,726,438)
Federal Through State	55,619,422	60,925,621	42,451,846	(18,473,775)
Local:				
Miscellaneous	-	52,984	52,984	-
Total Revenues	61,280,892	66,971,914	45,771,701	(21,200,213)
EXPENDITURES				
Current - Education:				
Instruction	37,490,920	38,424,100	25,712,909	12,711,191
Pupil Personnel Services	3,722,977	4,851,721	3,240,573	1,611,148
Instructional Media Services	235,468	281,023	216,844	64,179
Instruction and Curriculum Development Services	10,168,953	8,923,259	7,415,243	1,508,016
Instructional Staff Training Services	6,308,059	9,260,611	5,480,041	3,780,570
Instruction Related Technology	110,364	122,630	106,289	16,341
General Administration	1,027,350	1,964,362	1,588,588	375,774
School Administration	47,723	62,590	6,319	56,271
Food Services	-	5,383	-	-
Central Services	476,693	594,667	463,763	130,904
Pupil Transportation Services	156,651	382,268	212,588	169,680
Operation of Plant	887	10,530	9,643	887
Maintenance of Plant	45,066	46,841	37,462	9,379
Administrative Technology Services	30,257	30,459	30,272	187
Community Services	1,400,000	1,410,512	789,349	621,163
Fixed Capital Outlay:				
Other Capital Outlay	59,525	587,941	448,798	139,143
Total Expenditures	61,280,892	66,971,914	45,771,701	21,194,830
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING USES				
Transfers Out	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, July 1, 2019	-	-	-	-
Fund Balances, June 30, 2020	\$ -	\$ -	\$ -	\$ -

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

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

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

** Data was unavailable prior to 2017.

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

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

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

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

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

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

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u> **
District's proportion of the HIS net pension liability	0.875429086%	0.845269481%	0.848996056%	0.857952516%	0.865679313%	0.870195724%	0.858869196%
District's proportionate share of the net pension liability	\$ 97,629,068	\$ 89,108,381	\$ 90,517,456	\$ 99,947,559	\$ 88,211,874	\$ 81,345,641	\$ 74,794,277
Covered payroll	\$ 293,344,775	\$ 276,205,310	\$ 270,558,074	\$ 273,388,232	\$ 266,042,494	\$ 264,519,865	\$ 252,711,788
Proportionate share of the net pension liability as a percentage of its covered payroll	33%	32%	33%	37%	33%	31%	30%
HIS plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%	1.78%

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

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

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020

1. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

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

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

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

The discount rate was changed from 3.62 percent as of the beginning of the measurement period to 3.13 percent as of June 30, 2019 to reflect changes in Fidelity's 20-Year Municipal GO AA Index.

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

The Florida Retirement System Actuarial Assumptions Conference performs an annual review of the actuarial assumptions for the FRS Pension Plan. The most recent study for the FRS Pension Plan was completed in 2019 for the period of July 1, 2013 through June 30, 2018. There were no changes in the Pension Plan benefit terms. The following were changes in actuarial assumptions in the 2019 study:

- The inflation rate assumption remained at 2.6 percent.
- Payroll growth, including inflation remained at 3.25 percent.
- The long-term expected rate of return decreased from 7 percent to 6.9 percent.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020

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

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

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

The Florida Retirement System Actuarial Assumptions Conference performs an annual review of the actuarial assumptions for the FRS Pension Plan. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent study for the FRS Pension Plan was completed in 2019 for the period of July 1, 2013 through June 30, 2018. There were no changes in the HIS Program benefit terms. The following were changes in actuarial assumptions in 2019:

- The inflation rate assumption remained at 2.6 percent.
- Payroll growth, including inflation remained at 3.25 percent.
- The municipal bond rate decreased from 3.87 percent to 3.50 percent.

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

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

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



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NONMAJOR GOVERNMENTAL FUNDS



Special Revenue Funds

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

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

Debt Service Funds

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

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

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

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

Capital Projects Fund

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 522,521	\$ 14,681	\$ 3,477,221	\$ 4,014,423
Investments	10,972,060	23,600,088	1,700,299	36,272,447
Accounts Receivable	17,690	984,814	-	1,002,504
Due from Other Agencies	400,980	-	5,293	406,273
Inventories	1,550,526	-	-	1,550,526
Total Assets	<u>\$ 13,463,777</u>	<u>\$ 24,599,583</u>	<u>\$ 5,182,813</u>	<u>\$ 43,246,173</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Salaries and Benefits Payable	\$ 30,237	\$ -	\$ -	\$ 30,237
Payroll Deductions and Withholdings	5,099	-	-	5,099
Accounts Payable	306,940	794	2,606	310,340
Construction Contracts Payable	156,427	-	-	156,427
Construction Contracts Payable-Retainage	24,692	-	-	24,692
Due to Other Agencies	35,188	-	-	35,188
Unearned Revenue	123,022	-	-	123,022
Total Liabilities	<u>681,605</u>	<u>794</u>	<u>2,606</u>	<u>685,005</u>
FUND BALANCES				
Nonspendable	1,550,526	-	-	1,550,526
Restricted	11,231,646	24,598,789	5,180,207	41,010,642
Total Fund Balances	<u>12,782,172</u>	<u>24,598,789</u>	<u>5,180,207</u>	<u>42,561,168</u>
Total Liabilities and Fund Balances	<u>\$ 13,463,777</u>	<u>\$ 24,599,583</u>	<u>\$ 5,182,813</u>	<u>\$ 43,246,173</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Intergovernmental:				
Federal Direct	\$ -	\$ 2,206,885	\$ -	\$ 2,206,885
Federal Through State	27,699,636	-	-	27,699,636
State	489,858	677,986	2,109,663	3,277,507
Local:				
Charges for Services - Food Service	1,239,445	-	-	1,239,445
Miscellaneous	705,674	3,380,294	72,885	4,158,853
Total Revenues	<u>30,134,613</u>	<u>6,265,165</u>	<u>2,182,548</u>	<u>38,582,326</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction	-	-	492,889	492,889
Food Services	29,522,293	-	-	29,522,293
Fixed Capital Outlay:				
Facilities Acquisition and Construction	9,491,301	-	36,106	9,527,407
Other Capital Outlay	2,233,321	-	-	2,233,321
Debt Service:				
Principal	-	21,981,361	-	21,981,361
Interest and Fiscal Charges	-	9,324,431	-	9,324,431
Dues, Fees and Issuance Costs	-	125,090	2,840	127,930
Miscellaneous	-	226,173	-	226,173
Total Expenditures	<u>41,246,915</u>	<u>31,657,055</u>	<u>531,835</u>	<u>73,435,805</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,112,302)</u>	<u>(25,391,890)</u>	<u>1,650,713</u>	<u>(34,853,479)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	29,714,516	-	29,714,516
Refunding Bonds Issued	-	215,000	-	215,000
Premium on Refunding Bonds	-	11,633	-	11,633
Proceeds of Lease-Purchase Agreements	-	6,340,000	-	6,340,000
Payments to Escrow Agent for Refunded Debt	-	(6,242,906)	-	(6,242,906)
Total Other Financing Sources (Uses)	<u>-</u>	<u>30,038,243</u>	<u>-</u>	<u>30,038,243</u>
Net Change in Fund Balances	(11,112,302)	4,646,353	1,650,713	(4,815,236)
Fund Balances, July 1, 2019	23,894,474	19,952,436	3,529,494	47,376,404
Fund Balances, June 30, 2020	<u>\$ 12,782,172</u>	<u>\$ 24,598,789</u>	<u>\$ 5,180,207</u>	<u>\$ 42,561,168</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
June 30, 2020

	Food Service Funds	Total Nonmajor Special Revenue Funds
ASSETS		
Cash and Cash Equivalents	\$ 522,521	\$ 522,521
Investments	10,972,060	10,972,060
Accounts Receivable	17,690	17,690
Due from Other Agencies	400,980	400,980
Inventory	1,550,526	1,550,526
Total Assets	<u>\$ 13,463,777</u>	<u>\$ 13,463,777</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Salaries and Benefits Payable	\$ 30,237	\$ 30,237
Payroll Deductions and Withholdings	5,099	5,099
Accounts Payable	306,940	306,940
Construction Contracts Payable	156,427	156,427
Construction Contracts Payable-Retainage	24,692	24,692
Due to Other Agencies	35,188	35,188
Unearned Revenue	123,022	123,022
Total Liabilities	<u>681,605</u>	<u>681,605</u>
FUND BALANCES		
Nonspendable	1,550,526	1,550,526
Restricted	11,231,646	11,231,646
Total Fund Balances	<u>12,782,172</u>	<u>12,782,172</u>
Total Liabilities and Fund Balances	<u>\$ 13,463,777</u>	<u>\$ 13,463,777</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2020

	Food Service Funds	Total Nonmajor Special Revenue Funds
REVENUES		
Intergovernmental:		
Federal Through State	\$ 27,699,636	\$ 27,699,636
State	489,858	489,858
Local:		
Charges for Services - Food Service	1,239,445	1,239,445
Miscellaneous	705,674	705,674
Total Revenues	<u>30,134,613</u>	<u>30,134,613</u>
EXPENDITURES		
Current - Education:		
Food Services	29,522,293	29,522,293
Fixed Capital Outlay:		
Facilities Acquisition and Construction	9,491,301	9,491,301
Other Capital Outlay	2,233,321	2,233,321
Total Expenditures	<u>41,246,915</u>	<u>41,246,915</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,112,302)</u>	<u>(11,112,302)</u>
Net Change in Fund Balances	(11,112,302)	(11,112,302)
Fund Balances, July 1, 2019	23,894,474	23,894,474
Fund Balances, June 30, 2020	<u>\$ 12,782,172</u>	<u>\$ 12,782,172</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
 June 30, 2020

	Debt Service Funds			
	SBE/COBI Bonds	Other Debt Service	ARRA Economic Stimulus Debt Service	Total Nonmajor Debt Service Funds
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 14,681	\$ -	\$ 14,681
Investments	56,002	-	23,544,086	23,600,088
Accounts Receivable	-	984,814	-	984,814
Total Assets	<u>\$ 56,002</u>	<u>\$ 999,495</u>	<u>\$ 23,544,086</u>	<u>\$ 24,599,583</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 794	\$ -	\$ -	\$ 794
Total Liabilities	<u>\$ 794</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 794</u>
FUND BALANCES				
Restricted	55,208	999,495	23,544,086	24,598,789
Total Fund Balances	<u>55,208</u>	<u>999,495</u>	<u>23,544,086</u>	<u>24,598,789</u>
Total Liabilities and Fund Balances	<u>\$ 56,002</u>	<u>\$ 999,495</u>	<u>\$ 23,544,086</u>	<u>\$ 24,599,583</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020

	Debt Service Funds			
	SBE/COBI Bonds	Other Debt Service	ARRA Economic Stimulus Debt Service	Total Nonmajor Debt Service Funds
REVENUES				
Intergovernmental:				
Federal Direct	\$ -	\$ -	\$ 2,206,885	\$ 2,206,885
State	677,986	-	-	677,986
Local:				
Miscellaneous	-	1,050,945	2,329,349	3,380,294
Total Revenues	<u>677,986</u>	<u>1,050,945</u>	<u>4,536,234</u>	<u>6,265,165</u>
EXPENDITURES				
Debt Service:				
Principal	555,000	21,426,361	-	21,981,361
Interest and Fiscal Charges	136,850	6,491,091	2,696,490	9,324,431
Dues, Fees and Issuance Costs	1,559	111,431	12,100	125,090
Other Debt Service	226,173	-	-	226,173
Total Expenditures	<u>919,582</u>	<u>28,028,883</u>	<u>2,708,590</u>	<u>31,657,055</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(241,596)</u>	<u>(26,977,938)</u>	<u>1,827,644</u>	<u>(25,391,890)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	26,902,074	2,812,442	29,714,516
Refunding Bonds Issued	215,000	-	-	215,000
Premium on Refunding Bonds	11,633	-	-	11,633
Proceeds of Lease-Purchase Agreements	-	6,340,000	-	6,340,000
Payments to Escrow Agent for Refunded Debt	-	(6,242,906)	-	(6,242,906)
Total Other Financing Sources (Uses)	<u>226,633</u>	<u>26,999,168</u>	<u>2,812,442</u>	<u>30,038,243</u>
Net Change in Fund Balances	(14,963)	21,230	4,640,086	4,646,353
Fund Balances, July 1, 2019	70,171	978,265	18,904,000	19,952,436
Fund Balances, June 30, 2020	<u>\$ 55,208</u>	<u>\$ 999,495</u>	<u>\$ 23,544,086</u>	<u>\$ 24,598,789</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
June 30, 2020

	<u>Capital Projects Funds</u>	
	<u>Capital Outlay and Debt Service Funds (CO & DS)</u>	<u>Total Nonmajor Capital Projects Funds</u>
ASSETS		
Cash and Cash Equivalents	\$ 3,477,221	\$ 3,477,221
Investments	1,700,299	1,700,299
Due from Other Agencies	5,293	5,293
Total Assets	<u>\$ 5,182,813</u>	<u>\$ 5,182,813</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts Payable	\$ 2,606	\$ 2,606
Total Liabilities	<u>2,606</u>	<u>2,606</u>
FUND BALANCES		
Restricted	5,180,207	5,180,207
Total Fund Balances	<u>5,180,207</u>	<u>5,180,207</u>
Total Liabilities and Fund Balances	<u>\$ 5,182,813</u>	<u>\$ 5,182,813</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUN
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 2020

	Capital Outlay and Debt Service Funds (CO & DS)	Total Nonmajor Capital Projects Funds
REVENUES		
Intergovernmental:		
State	\$ 2,109,663	\$ 2,109,663
Local:		
Miscellaneous	72,885	72,885
Total Revenues	<u>2,182,548</u>	<u>2,182,548</u>
EXPENDITURES		
Current - Education:		
Facilities Acquisition and Construction	492,889	492,889
Fixed Capital Outlay:		
Facilities Acquisition and Construction	36,106	36,106
Debt Service:		
Dues, Fees and Issuance Costs	2,840	2,840
Total Expenditures	<u>531,835</u>	<u>531,835</u>
Excess of Revenues Over Expenditures	<u>1,650,713</u>	<u>1,650,713</u>
OTHER FINANCING SOURCES (USES)		
Transfers Out	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,650,713	1,650,713
Fund Balances, July 1, 2019	<u>3,529,494</u>	<u>3,529,494</u>
Fund Balances, June 30, 2020	<u>\$ 5,180,207</u>	<u>\$ 5,180,207</u>

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INDIVIDUAL BUDGETARY COMPARISON SCHEDULES



These include budgetary comparison schedules for all governmental funds.

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUND - FOOD SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Through State	\$ 36,115,702	\$ 35,603,914	\$ 27,699,636	\$ (7,904,278)
State	478,000	489,858	489,858	-
Local:				
Charges for Service - Food Service	1,396,600	1,530,851	1,239,445	(291,406)
Miscellaneous	253,000	618,678	705,674	86,996
Total Revenues	<u>38,243,302</u>	<u>38,243,301</u>	<u>30,134,613</u>	<u>(8,108,688)</u>
EXPENDITURES				
Current - Education:				
Food Services	34,499,528	39,288,432	29,522,293	9,766,139
Fixed Capital Outlay:				
Facilities Acquisition and Construction	10,144,019	12,128,856	9,491,301	2,637,555
Other Capital Outlay	1,281,116	3,207,374	2,233,321	974,053
Total Expenditures	<u>45,924,663</u>	<u>54,624,662</u>	<u>41,246,915</u>	<u>13,377,747</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,681,361)</u>	<u>(16,381,361)</u>	<u>(11,112,302)</u>	<u>5,269,059</u>
Net Change in Fund Balances	<u>(7,681,361)</u>	<u>(16,381,361)</u>	<u>(11,112,302)</u>	<u>5,269,059</u>
Fund Balances, July 1, 2019	<u>23,894,474</u>	<u>23,894,474</u>	<u>23,894,474</u>	
Fund Balances, June 30, 2020	<u>\$ 16,213,113</u>	<u>\$ 7,513,113</u>	<u>\$ 12,782,172</u>	<u>\$ 5,269,059</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUNDS - SBE/COBI BONDS
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
State	\$ 690,105	\$ 690,105	\$ 677,986	\$ (12,119)
Total Revenues	690,105	690,105	677,986	(12,119)
EXPENDITURES				
Current - Education:				
Debt Service:				
Principal	555,000	555,000	555,000	-
Interest and Fiscal Charges	136,850	136,850	136,850	-
Dues, Fees and Issuance Costs	-	1,559	1,559	-
Other Debt Service	-	226,173	226,173	-
Total Expenditures	691,850	919,582	919,582	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,745)	(229,477)	(241,596)	(12,119)
OTHER FINANCING SOURCES (USES)				
Refunding Bonds Issued		215,000	215,000	-
Premium on Refunding Bonds		11,633	11,633	-
Total Other Financing Sources (Uses)	-	226,633	226,633	-
Net Change in Fund Balances	(1,745)	(2,844)	(14,963)	(12,119)
Fund Balances, July 1, 2019	70,171	70,171	70,171	-
Fund Balances, June 30, 2020	\$ 68,426	\$ 67,327	\$ 55,208	\$ (12,119)

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUNDS - OTHER DEBT SERVICE
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local:				
Miscellaneous	\$ 1,036,581	\$ 1,036,964	\$ 1,050,945	\$ 13,981
Total Revenues	1,036,581	1,036,964	1,050,945	13,981
EXPENDITURES				
Current - Education:				
Debt Service:				
Principal	21,426,361	21,426,361	21,426,361	-
Interest and Fiscal Charges	6,514,581	6,491,091	6,491,091	-
Dues, Fees and Issuance Costs	38,075	129,432	111,431	18,001
Total Expenditures	27,979,017	28,046,884	28,028,883	18,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,942,436)	(27,009,920)	(26,977,938)	31,982
OTHER FINANCING SOURCES (USES)				
Transfers In	26,935,934	26,935,934	26,902,074	(33,860)
Proceeds of Lease-Purchase Agreements	-	6,340,000	6,340,000	-
Payments to Escrow Agent for Refunded Debt		(6,242,906)	(6,242,906)	-
Total Other Financing Sources (Uses)	26,935,934	27,033,028	26,999,168	(33,860)
Net Change in Fund Balances	(6,502)	23,108	21,230	(1,878)
Fund Balances, July 1, 2019	978,265	978,265	978,265	
Fund Balances, June 30, 2020	\$ 971,763	\$ 1,001,373	\$ 999,495	\$ (1,878)

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE - ARRA ECONOMIC STIMULUS DEBT SERVICE FUND
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
Federal Direct	\$ 2,186,919	\$ 2,186,919	\$ 2,206,885	\$ 19,966
Local:				
Miscellaneous	-	-	2,329,349	2,329,349
Total Revenues	<u>2,186,919</u>	<u>2,186,919</u>	<u>4,536,234</u>	<u>2,349,315</u>
EXPENDITURES				
Current - Education:				
Debt Service:				
Interest and Fiscal Charges	2,696,490	2,696,490	2,696,490	-
Dues, Fees and Issuance Costs	13,715	13,715	12,100	1,615
Total Expenditures	<u>2,710,205</u>	<u>2,710,205</u>	<u>2,708,590</u>	<u>1,615</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(523,286)</u>	<u>(523,286)</u>	<u>1,827,644</u>	<u>2,350,930</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,835,135	2,835,135	2,812,442	(22,693)
Total Other Financing Sources (Uses)	<u>2,835,135</u>	<u>2,835,135</u>	<u>2,812,442</u>	<u>(22,693)</u>
Net Change in Fund Balances	2,311,849	2,311,849	4,640,086	2,328,237
Fund Balances, July 1, 2019	18,904,000	18,904,000	18,904,000	
Fund Balances, June 30, 2020	<u>\$ 21,215,849</u>	<u>\$ 21,215,849</u>	<u>\$ 23,544,086</u>	<u>\$ 2,328,237</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECT FUNDS - CAPITAL OUTLAY & DEBT SERVICE (CO&DS)
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
State	\$ 1,000,000	\$ 1,002,840	\$ 2,109,663	\$ 1,106,823
Local:				
Miscellaneous	-	-	72,885	72,885
Total Revenues	<u>1,000,000</u>	<u>1,002,840</u>	<u>2,182,548</u>	<u>1,179,708</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction	2,147,121	2,030,992	492,889	1,538,103
Fixed Capital Outlay:				
Facilities Acquisition and Construction		116,129	36,106	80,023.00
Debt Service:				
Dues, Fees and Issuance Costs	-	2,840	2,840	-
Total Expenditures	<u>2,147,121</u>	<u>2,149,961</u>	<u>531,835</u>	<u>1,618,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,147,121)</u>	<u>(1,147,121)</u>	<u>1,650,713</u>	<u>2,797,834</u>
Fund Balances, July 1, 2019	<u>3,529,494</u>	<u>3,529,494</u>	<u>3,529,494</u>	
Fund Balances, June 30, 2020	<u>\$ 2,382,373</u>	<u>\$ 2,382,373</u>	<u>\$ 5,180,207</u>	<u>\$ 2,797,834</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - NONVOTED CAPITAL IMPROVEMENT FUND
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Local:				
Property Taxes	\$ 44,522,744	\$ 44,522,744	\$ 44,505,716	\$ (17,028)
Miscellaneous	1,199,056	1,199,056	1,350,537	151,481
Total Revenues	<u>45,721,800</u>	<u>45,721,800</u>	<u>45,856,253</u>	<u>134,453</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction	13,193,096	15,505,204	9,773,728	5,731,476
Fixed Capital Outlay:				
Facilities Acquisition and Construction	21,486,443	19,910,839	3,458,237	16,452,602.00
Charter School Local Capital Improvement		404,992	404,992	-
Other Capital Outlay	3,487,706	4,844,056	4,838,774	5,282.00
Total Expenditures	<u>38,167,245</u>	<u>40,665,091</u>	<u>18,475,731</u>	<u>22,189,360</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,554,555</u>	<u>5,056,709</u>	<u>27,380,522</u>	<u>22,323,813</u>
OTHER FINANCING (USES)				
Transfers Out	(25,885,432)	(30,559,508)	(30,509,180)	50,328
Total Other Financing Sources (Uses)	<u>(25,885,432)</u>	<u>(30,559,508)</u>	<u>(30,509,180)</u>	<u>50,328</u>
Net Change in Fund Balances	(18,330,877)	(25,502,799)	(3,128,658)	22,374,141
Fund Balances, July 1, 2019	43,273,872	43,273,872	43,273,872	
Fund Balances, June 30, 2020	<u>\$ 24,942,995</u>	<u>\$ 17,771,073</u>	<u>\$ 40,145,214</u>	<u>\$ 22,374,141</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CAPITAL PROJECTS - OTHER FUND
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental:				
State	\$ 6,474,530	\$ 7,573,129	\$ 7,573,129	\$ -
Local:				
Local Sales Tax	49,337,022	49,337,022	44,396,967	(4,940,055)
Impact Fees	50,000,000	70,000,000	74,387,899	4,387,899
Miscellaneous	9,342,300	763,034	7,298,472	6,535,438
Total Revenues	<u>115,153,852</u>	<u>127,673,185</u>	<u>133,656,467</u>	<u>5,983,282</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction	17,882,031	25,989,653	10,769,722	15,219,931
Fixed Capital Outlay:				
Facilities Acquisition and Construction	138,147,358	142,777,786	53,828,016	88,949,770
Other Capital Outlay	5,027,829	4,907,720	3,701,965	1,205,755
Total Expenditures	<u>161,057,218</u>	<u>173,675,159</u>	<u>68,299,703</u>	<u>105,375,456</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(45,903,366)</u>	<u>(46,001,974)</u>	<u>65,356,764</u>	<u>111,358,738</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the Sale of Capital Assets	-	-	12,410	12,410
Transfers Out	(20,077,901)	(21,176,500)	(21,170,275)	6,225
Total Other Financing Sources (Uses)	<u>(20,077,901)</u>	<u>(21,176,500)</u>	<u>(21,157,865)</u>	<u>18,635</u>
Net Change in Fund Balances	<u>(65,981,267)</u>	<u>(67,178,474)</u>	<u>44,198,899</u>	<u>111,377,373</u>
Fund Balances, July 1, 2019	170,439,446	170,439,446	170,439,446	
Fund Balances, June 30, 2020	<u>\$ 104,458,179</u>	<u>\$ 103,260,972</u>	<u>\$ 214,638,345</u>	<u>\$ 111,377,373</u>

INTERNAL SERVICE FUNDS



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

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2020

	Self-Insurance Trust Fund	Casualty Insurance Loss Fund	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 12,644,962	\$ 2,483,742	\$ 15,128,704
Investments	12,551	-	12,551
Accounts Receivable	1,761	-	1,761
Prepaid Items	-	1,870,150	1,870,150
Total Current Assets	<u>12,659,274</u>	<u>4,353,892</u>	<u>17,013,166</u>
Noncurrent Assets:			
Capital Assets:			
Buildings and Fixed Equipment, Net	3,175,059	-	3,175,059
Furniture, Fixtures and Equipment, Net	119,507	-	119,507
Computer Software, Net	267	-	267
Total Noncurrent Assets	<u>3,294,833</u>	<u>-</u>	<u>3,294,833</u>
Total Assets	<u>15,954,107</u>	<u>4,353,892</u>	<u>20,307,999</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	339,162		339,162
Estimated Insurance Claims Payable	5,364,000	665,497	6,029,497
Total Liabilities	<u>5,703,162</u>	<u>665,497</u>	<u>6,368,659</u>
NET POSITION			
Investment in Capital Assets	3,294,833	-	3,294,833
Unrestricted	6,956,112	3,688,395	10,644,507
Total Net Position	<u>\$ 10,250,945</u>	<u>\$ 3,688,395</u>	<u>\$ 13,939,340</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020

	Self-Insurance Trust Fund	Casualty Insurance Loss Fund	Total Internal Service Funds
OPERATING REVENUES			
Premium Revenues	\$ 59,624,101	\$ 4,830,973	\$ 64,455,074
Total Operating Revenues	<u>59,624,101</u>	<u>4,830,973</u>	<u>64,455,074</u>
OPERATING EXPENSES			
Purchased Services	5,791,563	2,911,218	8,702,781
Materials and Supplies	688,457	-	688,457
Insurance Claims	53,216,080	2,796,039	56,012,119
Depreciation/Amortization Expense	108,986	-	108,986
Total Operating Expenses	<u>59,805,086</u>	<u>5,707,257</u>	<u>65,512,343</u>
Operating Income (loss)	<u>(180,985)</u>	<u>(876,284)</u>	<u>(1,057,269)</u>
NONOPERATING REVENUES			
Interest Revenue	21,983	-	21,983
Miscellaneous Local Sources	52,965	-	52,965
Total Nonoperating Revenues	<u>74,948</u>	<u>-</u>	<u>74,948</u>
Transfers In		-	-
Change In Net Position	(106,037)	(876,284)	(982,321)
Net Position - July 1, 2019	<u>10,356,982</u>	<u>4,564,679</u>	<u>14,921,661</u>
Net Position - June 30, 2020	<u>\$ 10,250,945</u>	<u>\$ 3,688,395</u>	<u>\$ 13,939,340</u>

**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2020**

	Self-Insurance Trust Fund	Casualty Insurance Loss Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Board Funds and Participants	\$ 59,624,391	\$ 4,557,324	\$ 64,181,715
Payments for Insurance Claims	(54,074,327)	(2,605,520)	(56,679,847)
Cash Payments to Vendors for Goods and Services	(6,432,375)	(2,911,268)	(9,343,643)
Net Cash Used by Operating Activities	<u>(882,311)</u>	<u>(959,464)</u>	<u>(1,841,775)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from Other Funds	-	-	-
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(34,304)	-	(34,304)
Net Cash Used by Capital and Related Financing Activities	<u>(34,304)</u>	<u>-</u>	<u>(34,304)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Sale of Investments	295,824	-	295,824
Interest	74,948	-	74,948
Net Cash Provided by Investing Activities	<u>370,772</u>	<u>-</u>	<u>370,772</u>
Net Increase(Decrease) in Cash and Cash Equivalents	(545,843)	(959,464)	(1,505,307)
Cash and Cash Equivalents - Beginning	13,190,805	3,443,206	16,634,011
Cash and Cash Equivalents - Ending	<u>\$ 12,644,962</u>	<u>\$ 2,483,742</u>	<u>\$ 15,128,704</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:			
Operating Loss	\$ (180,985)	\$ (876,284)	\$ (1,057,269)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Depreciation	108,986	-	108,986
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	290	-	290
(Increase)/Decrease in Prepaid Items	-	(273,649)	(273,649)
Increase/(Decrease) in Accounts Payable	(902,602)	(50)	(902,652)
Increase/(Decrease) in Estimated Insurance Claims Payable	92,000	190,519	282,519
Total Adjustments	<u>(701,326)</u>	<u>(83,180)</u>	<u>(784,506)</u>
Net Cash Used by Operating Activities	<u>\$ (882,311)</u>	<u>\$ (959,464)</u>	<u>\$ (1,841,775)</u>

FIDUCIARY FUNDS – AGENCY FUNDS



Agency funds are fiduciary funds and are used to account for resources held by the District in a trustee capacity or as an agent for individuals or private organizations. These resources include student and club activities that are held in trust for student, athletic, class, club activities, etc. as well as the activities of Bellalago Charter Academy.

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
SCHOOL INTERNAL FUNDS AGENCY FUND
For the Fiscal Year Ended June 30, 2020

	Balances July 1, 2019	Additions	Deductions	Balances June 30, 2020
ASSETS				
Cash and Cash Equivalents	\$ 4,317,983	\$ 8,676,427	\$ 8,517,141	\$ 4,477,269
Accounts Receivable	98,469	94,519	98,469	94,519
Inventory	126,575	160,283	126,575	160,283
Total Assets	<u>\$ 4,543,027</u>	<u>\$ 8,931,229</u>	<u>\$ 8,742,185</u>	<u>\$ 4,732,071</u>
LIABILITIES				
Accounts Payable	\$ 79,385	\$ 70,660	\$ 79,385	\$ 70,660
Internal Accounts Payable	4,463,642	8,860,569	8,662,800	4,661,411
Total Liabilities	<u>\$ 4,543,027</u>	<u>\$ 8,931,229</u>	<u>\$ 8,742,185</u>	<u>\$ 4,732,071</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
BELLALAGO CHARTER ACADEMY AGENCY FUND
For the Fiscal Year Ended June 30, 2020

	Balances June 30, 2019	Additions	Deductions	Balances June 30, 2020
ASSETS				
Cash and Cash Equivalents	\$ 3,564,825	\$ 11,875,948	\$ 13,732,166	\$ 1,708,607
Investments	934,003	2,028,866	185	2,962,684
Accounts Receivable	-	-	-	-
Total Assets	<u>\$ 4,498,828</u>	<u>\$ 13,904,814</u>	<u>\$ 13,732,351</u>	<u>\$ 4,671,291</u>
LIABILITIES				
Accounts Payable	\$ 16,857	\$ 50,059	\$ 60,502	\$ 6,414
Accrued Liabilities	9,668	8,374,852	8,367,196	17,324
Due to Other Agencies	4,472,303	5,479,903	5,304,653	4,647,553
Total Liabilities	<u>\$ 4,498,828</u>	<u>\$ 13,904,814</u>	<u>\$ 13,732,351</u>	<u>\$ 4,671,291</u>

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2020

	Balances June 30, 2019	Additions	Deductions	Balances June 30, 2020
ASSETS				
Cash and Cash Equivalents	\$ 7,882,808	\$ 20,552,375	\$ 22,249,307	\$ 6,185,876
Investments	934,003	2,028,866	185	2,962,684
Accounts Receivable	98,469	94,519	98,469	94,519
Inventory	126,575	160,283	126,575	160,283
Total Assets	<u>\$ 9,041,855</u>	<u>\$ 22,836,043</u>	<u>\$ 22,474,536</u>	<u>\$ 9,403,362</u>
LIABILITIES				
Accounts Payable	\$ 96,242	\$ 120,719	\$ 139,887	\$ 77,074
Accrued Liabilities	9,668	8,374,852	8,367,196	17,324
Due to Other Agencies	4,472,303	5,479,903	5,304,653	4,647,553
Internal Accounts Payable	4,463,642	8,860,569	8,662,800	4,661,411
Total Liabilities	<u>\$ 9,041,855</u>	<u>\$ 22,836,043</u>	<u>\$ 22,474,536</u>	<u>\$ 9,403,362</u>

NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS



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

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

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

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

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF NET POSITION
COMBINING STATEMENT OF COMPONENT UNITS
June 30, 2020

	American Classical Charter Academy	Bellalago Educational Facilities Benefit District	BridgePrep Academy of Osceola	Creative Inspiration Journey School	Flora Ridge Educational Facilities Benefit District	Florida Cyber Charter Academy at Osceola	The Foundation for Osceola Education, Inc.	Four Corners Charter School, Inc.	Four Corners Upper School	Lincoln-Marti Charter Schools, Inc.	Main Street High School	Mater Academy Preparatory High School
ASSETS												
Cash and Cash Equivalents	\$ 291,746	\$ 1,282,207	\$ 254,015	\$ 361,724	\$ 577,623	\$ 300,458	\$ 6,019,612	\$ 4,990,839	\$ 672,477	\$ 853,865	\$ 382,618	\$ 5,861
Investments	-	-	-	-	-	-	4,040,883	-	-	-	1,050,799	26,000
Accounts Receivable	-	712,531	465	48,738	5,662	-	38,095	63,226	3,944	-	15,695	336
Deposits	17,889	-	84,845	22,762	-	-	51,047	5,398	2,947	-	31,817	-
Due from Other Agencies	-	488,180	52,179	-	-	83,639	143,527	184,099	150,386	5,702	11,583	3,811
Prepaid Items	-	-	-	-	-	7,706	40,864	27,074	5,710	-	-	-
Other Assets:												
Long-Term Investments	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Assets:												
Beneficial Interest in Assets Held by Others	-	-	-	-	-	-	731,590	-	-	-	-	-
Cash with Fiscal Agent	-	-	-	-	-	-	-	-	-	-	-	-
Capital Assets:												
Land	-	1,010,800	-	-	-	-	238,220	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-	15,759	411,034	-	-	-	-
Land Improvements, Nondepreciable	-	157,676	-	-	-	-	-	-	-	-	-	-
Improvements Other Than Buildings, Net	-	9,828	-	7,552	-	-	443,221	730,895	-	-	80,747	-
Buildings and Fixed Equipment, Net	-	16,329,529	-	-	-	-	4,321,363	-	15,608,369	-	-	-
Furniture, Fixtures and Equipment, Net	9,077	1,271	288,510	64,238	-	-	249,143	354,015	112,532	42,648	18,797	-
Capital Lease Asset, Net	-	-	-	-	-	-	-	-	-	-	-	-
Motor Vehicles, Net	-	-	-	-	-	-	-	8,370	-	-	-	-
Audio Visual Materials and Computer Software, Net	-	-	6,270	-	-	-	19,972	25,771	-	-	-	16,154
Total Assets	318,712	19,992,022	686,284	505,014	583,285	391,803	16,353,296	6,800,721	16,556,365	902,215	1,592,056	52,162
DEFERRED OUTFLOWS OF RESOURCES												
Net Carrying Amount of Debt Refunding	-	-	-	-	69,458	-	-	-	-	-	-	-
Pension	-	-	-	-	-	-	1,660,172	-	-	-	-	-
LIABILITIES												
Salaries and Benefits Payable	\$ 44,209	\$ -	\$ 220,889	\$ 134,571	\$ -	\$ -	\$ -	\$ 346,314	\$ 299,524	\$ -	\$ -	\$ 7,655
Payroll Deductions and Withholdings	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Payable	67,087	-	121,363	74,870	13,502	391,803	85,398	41,540	86,776	56,151	33,580	3,086
Line of Credit	-	-	-	-	-	-	-	-	-	-	-	-
Accrued Expenses	-	-	-	-	-	-	326,943	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-	-	1,232,304	113,446	-	-	-	3,750
Current Notes Payable	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	2,100	-	-	257,718	-	-	-	-	-
Accrued Interest Payable	-	321,198	-	-	105,055	-	83,635	-	1,021	-	-	-
Sales Tax Payable	-	-	-	-	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	500,051	-	22,078	-	274,113	-
Long-Term Liabilities:												
Portion Due Within One Year:												
Notes Payable	-	-	35,598	-	-	-	-	-	-	-	-	-
Loan Payable	128,300	-	-	284,842	-	-	-	-	75,000	-	-	-
Obligations Under Capital Leases	-	-	49,493	-	-	-	-	-	310,000	-	-	-
Bonds Payable	-	975,000	-	-	195,000	-	461,295	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-	24,584	-	24,508	-	-	-
Portion Due After One Year:												
Notes Payable	236,005	-	105,746	-	-	-	-	-	-	-	-	-
Obligations Under Capital Leases	-	-	107,687	-	-	-	-	-	17,764,705	-	-	-
Loan Payable	-	-	-	138,600	-	-	-	-	231,250	-	-	-
Bonds Payable	-	17,262,861	-	-	6,351,515	-	5,184,600	-	-	-	-	-
Compensated Absences	-	-	-	-	-	-	8,195	-	8,169	-	-	-
Lease-Purchase Agreements Payable	-	-	-	-	-	-	-	-	-	-	-	-
EFBD Agreement Payable	-	-	-	-	-	-	-	-	-	-	-	-
Pension Liability	-	-	-	-	-	-	5,551,375	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	475,601	18,559,059	640,776	634,983	6,665,072	391,803	13,716,098	501,300	18,823,031	56,151	307,693	14,491
DEFERRED INFLOWS OF RESOURCES												
Deferred Amount on Debt Refunding	-	430,919	-	-	-	-	148,649	-	-	-	-	-
Pension	-	-	-	-	-	-	448,859	-	-	-	-	-
Total Deferred Inflows of Resources	-	430,919	-	-	-	-	597,508	-	-	-	-	-
NET POSITION												
Net Investment in Capital Assets	9,077	(1,159,676)	10,544	71,790	-	-	(358,217)	1,530,085	(2,353,804)	42,648	99,544	16,154
Restricted For:												
Debt Service	-	1,041,646	-	-	-	-	1,182,727	-	-	-	-	-
Capital Projects	-	-	-	-	-	-	312,384	-	-	-	-	-
Other Purposes	-	-	-	-	-	-	1,374,894	-	-	-	-	-
Unrestricted	(165,966)	1,120,074	34,964	(201,759)	(6,012,329)	-	1,188,074	4,769,336	87,138	803,416	1,184,819	21,517
Total Net Position	\$ (156,889)	\$ 1,002,044	\$ 45,508	\$ (129,969)	\$ (6,012,329)	\$ -	\$ 3,699,862	\$ 6,299,421	\$ (2,266,666)	\$ 846,064	\$ 1,284,363	\$ 37,671

Mater Academy St. Cloud	Mater Brighton Lakes Academy	Mater Palms Academy	New Dimensions High School, Inc.	Osceola Science Charter School	Renaissance Charter School at Boggy Creek	Renaissance Charter School at Poinciana	Renaissance Charter School at Tapestry	Sports Leadership Arts Management	St Cloud Preparatory Academy, Inc.	UCP Osceola Charter School	Victory Charter School K8	Victory Charter School	Total Component Units
\$ 30,859	\$ 66,313	\$ 36,777	\$ 1,715,042	\$ 1,296,172	\$ 891,152	\$ 1,069,232	\$ 2,563,261	\$ 637,148	\$ 833,935	\$ -	\$ 1,627	\$ 32,168	\$ 25,166,731
483,000	774,000	445,000	-	-	248,774	-	-	10,000	-	-	-	-	7,078,456
-	47,164	-	221	452	9,225	4,146	79,765	200,000	22,875	29,842	11,580	33,809	1,327,771
14,100	-	13,900	8,771	25,000	58,870	43,768	31,765	-	26,300	-	20,833	14,635	474,647
19,007	57,888	56,674	-	53,510	35,333	366,341	141,754	10,356	-	3,774,046	-	-	5,638,015
32,295	4,464	48,073	-	-	23,461	28,848	20,717	9,759	23,418	-	-	-	272,389
-	-	-	-	-	1,168,224	-	231,250	-	2,000,000	-	-	-	3,399,474
-	-	-	-	-	-	-	-	-	-	-	-	-	731,590
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	275,000	-	-	-	-	-	-	-	-	-	1,524,020
-	-	-	-	-	-	-	-	-	-	-	-	-	426,793
-	-	-	-	-	-	-	-	-	-	-	-	-	157,676
-	21,460	-	136,931	-	-	181,566	16,896	-	-	-	-	-	1,629,096
-	-	21,058	5,318,374	-	18,331,429	10,281,491	15,729,636	-	-	-	-	-	85,941,249
799,688	393,903	503,927	9,784	199,261	351,982	206,046	348,614	398,542	77,213	3,000	68,104	319,767	4,820,062
-	-	-	-	-	-	-	-	-	11,376,417	-	-	-	11,376,417
103,792	-	-	51,584	-	-	-	-	-	-	-	-	-	163,746
22,542	-	21,802	-	-	-	-	-	261,613	-	-	-	-	374,124
1,505,283	1,365,192	1,147,211	7,515,707	1,574,395	21,118,450	12,181,438	19,163,658	1,527,418	14,360,158	3,806,888	102,144	400,379	150,502,256
-	-	-	-	-	-	-	-	-	-	-	-	-	69,458
-	-	-	425,992	-	-	-	-	-	-	-	-	-	2,086,164
\$ 44,445	\$ 208,244	\$ 96,807	\$ 183,011	\$ 203,508	\$ 190,769	\$ 236,931	\$ 374,708	\$ 36,398	\$ 60,749	\$ -	\$ -	\$ 35,449	\$ 2,724,181
-	-	-	-	-	-	-	-	-	-	-	-	-	-
41,204	17,888	175,526	-	55,999	38,723	20,902	44,297	166,533	951,911	81,587	534,415	-	3,104,141
-	-	-	-	-	-	-	-	-	-	-	70,000	-	70,000
-	-	-	-	-	-	-	-	-	-	-	-	-	326,943
-	-	-	-	-	-	705,442	120,371	36,188	-	-	-	-	2,211,501
-	-	-	-	-	-	-	-	-	283,691	-	-	-	283,691
-	-	-	-	-	-	-	-	-	-	-	-	-	259,818
-	-	-	-	-	42,874	-	-	-	-	-	-	-	553,783
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	796,242
-	-	-	-	-	-	-	-	-	-	-	-	-	-
1,184,706	86,412	516,103	104,358	-	-	-	-	471,631	348,668	-	-	-	2,747,476
-	-	-	-	552,358	-	-	-	-	-	-	-	-	1,040,500
-	-	-	-	-	150,868	270,833	320,000	-	-	-	-	-	1,101,194
-	-	-	-	-	139,837	-	-	-	-	-	-	-	1,771,132
-	-	-	-	-	21,566	22,617	40,260	-	-	-	-	-	133,535
-	-	-	-	-	-	-	-	-	-	-	-	-	-
217,492	1,000,000	257,098	3,424,357	-	-	-	-	450,000	12,941,474	-	-	-	18,632,172
-	-	-	-	-	81,206	12,080,427	18,103,055	-	-	-	-	-	48,137,080
-	-	-	-	-	-	-	-	-	-	-	-	-	369,850
-	-	-	-	-	21,651,637	-	-	-	-	-	-	-	50,450,613
-	-	-	-	-	7,188	7,539	13,420	-	-	-	-	-	44,511
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	1,384,286	-	-	-	-	-	-	-	-	-	6,935,661
-	-	-	-	-	-	-	-	-	-	-	-	-	-
1,487,847	1,312,544	1,045,534	5,096,012	811,865	23,030,110	12,759,620	18,931,928	1,408,253	14,302,802	81,587	604,415	35,449	141,694,024
-	-	-	175,332	-	-	-	-	-	-	-	-	-	754,900
-	-	-	-	-	-	-	-	-	-	-	-	-	448,859
-	-	-	175,332	-	-	-	-	-	-	-	-	-	1,203,789
-	-	-	-	-	-	-	-	-	-	-	-	-	-
506,071	118,204	244,224	2,262,958	199,261	(2,171,913)	(1,682,157)	(2,327,909)	297,861	(1,249,769)	-	68,104	319,767	(5,507,153)
-	-	-	-	-	-	205,881	-	-	-	-	-	-	2,430,254
-	-	-	-	-	-	-	-	-	-	-	-	-	312,384
-	-	-	-	-	-	-	-	-	-	-	-	-	1,995,394
(488,635)	(65,556)	(142,547)	407,397	563,269	54,372	1,103,975	2,559,639	(799,196)	1,307,125	3,725,301	(570,375)	45,163	10,529,216
\$ 17,436	\$ 52,648	\$ 101,677	\$ 2,670,355	\$ 762,530	\$ (1,911,660)	\$ (578,182)	\$ 231,730	\$ 119,165	\$ 57,356	\$ 3,725,301	\$ (502,271)	\$ 364,930	\$ 9,760,095

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
STATEMENT OF ACTIVITIES
COMBINING STATEMENT OF COMPONENT UNITS
For the Fiscal Year Ended June 30, 2020

	American Classical Charter Academy	Bellalago Educational Facilities Benefit District	BridgePrep Academy of Osceola	Creative Inspiration Journey School	Flora Ridge Educational Facilities Benefit District	Florida Cyber Charter Academy at Osceola	The Foundation for Osceola Education, Inc.	Four Corners Charter School, Inc.	Four Corners Upper School	Lincoln-Marti Charter Schools, Inc.	Main Street High School	Mater Academy Preparatory High School
Component Unit Activities:												
Instruction	\$ 752,563	\$ -	\$ 2,545,387	\$ 1,391,901	\$ -	\$ 1,853,004	\$ 11,875,711	\$ 5,038,157	\$ 4,390,557	\$ 223,830	\$ 709,626	\$ 274,125
Pupil Personnel Services	-	-	28,203	72,294	-	563,839	-	-	179,728	-	-	4,227
Instructional Media Services	-	-	-	27,932	-	-	-	-	-	-	-	-
Instruction and Curriculum Development	-	-	-	105,465	-	2,749,451	-	-	2,215	6,032	-	-
Instructional Staff Training Services	3,788	-	149	11,352	-	22,294	-	-	18,336	-	-	360
Instruction Related Technology	13,933	-	25,303	11,970	-	636,434	-	-	144,031	-	-	-
Board	170,862	48,302	-	15,844	52,286	-	-	5,811	-	27,991	-	5,444
General Administration	-	20,000	388,915	89,726	7,000	61,811	-	628,059	-	-	221,641	-
School Administration	159,650	-	556,344	226,989	-	1,168,707	3,255,016	-	496,896	23,311	160,557	94,097
Facilities Acquisition and Construction	-	953,632	-	314,903	-	-	1,005,424	1,327,473	-	-	-	-
Fiscal Services	26,474	14,706	7,500	99,482	20,000	35	-	20,000	326,634	20,418	470,644	11,250
Food Services	18,508	-	14,934	441	-	-	-	-	-	50,451	-	24,496
Central Services	-	-	-	25,494	-	-	-	-	87,270	3,082	-	-
Pupil Transportation Services	-	-	-	-	-	-	-	-	218,667	-	42,270	-
Operation of Plant	771,460	-	1,183,654	159,709	-	132,043	3,381,344	-	1,265,404	130,044	-	145,934
Maintenance of Plant	7,425	-	129,088	1,297	-	168	-	150,000	267,974	19,220	798,892	5,291
Administrative Technology Services	-	-	-	12,306	-	-	-	-	-	-	-	3,069
Community Services	3,213	-	-	24,581	-	-	2,590,173	-	8,822	-	-	-
Interest on Long Term Debt	-	755,660	31,693	15,367	258,863	-	496,136	-	1,276,735	-	-	-
Unallocated Depreciation/Amortization	1,602	-	88,526	6,019	3,990	-	-	-	-	-	-	-
Total Expenses	1,929,478	1,792,300	4,999,696	2,613,072	342,139	7,215,525	22,603,804	7,169,500	8,711,116	504,379	2,403,630	568,293
Program Revenues												
Charges for Services	20,784	-	-	86,168	-	-	248,828	-	32,187	-	-	-
Operating Grants and Contributions	218,138	-	552,209	521,174	-	-	2,975,491	97,745	412,396	50,451	63,337	17,710
Capital Grants and Contributions	-	-	386,005	-	-	-	1,536,038	512,924	617,984	47,557	179,467	37,930
Net (Expenses) Revenue	(1,690,556)	(1,792,300)	(4,061,482)	(2,005,730)	(342,139)	(7,215,525)	(17,843,447)	(6,558,831)	(7,648,549)	(406,371)	(2,160,826)	(512,655)
General Revenues												
Grants and Contributions not restricted to specific programs	1,544,278	2,525,734	4,214,196	2,027,724	636,149	7,215,525	17,858,133	6,819,172	7,351,778	658,267	2,146,462	497,785
Investment Earnings	-	-	-	-	11,452	-	24,991	6,465	38,317	-	-	52,539
Miscellaneous	-	35,236	23,990	-	-	-	1,323,720	-	538	-	21,311	-
Total General Revenues	1,544,278	2,560,970	4,238,186	2,027,724	647,601	7,215,525	19,206,844	6,825,637	7,390,633	658,267	2,167,773	550,324
Change in Net Position	(146,278)	768,670	176,704	21,994	305,462	-	1,363,397	266,806	(257,916)	251,896	6,947	37,671
Net Position - beginning	(10,611)	233,374	(131,190)	(151,963)	(6,317,791)	-	2,336,465	6,032,615	(2,008,750)	594,168	1,277,416	-
Adjustments to Beginning Net Position	-	-	-	-	-	-	-	-	-	-	-	-
Net Position - beginning	(10,611)	233,374	(131,190)	(151,963)	(6,317,791)	-	2,336,465	6,032,615	(2,008,750)	594,168	1,277,416	-
Net Position - ending	\$ (156,889)	\$ 1,002,044	\$ 45,508	\$ (129,969)	\$ (6,012,329)	\$ -	\$ 3,699,862	\$ 6,299,421	\$ (2,266,666)	\$ 846,064	\$ 1,284,363	\$ 37,671

Mater Academy St. Cloud	Mater Brighton Lakes Academy	Mater Palms Academy	New Dimensions High School, Inc.	Osceola Science Charter School	Renaissance Charter School at Boggy Creek	Renaissance Charter School at Poinciana	Renaissance Charter School at Tapestry	Sports Leadership Arts Management	St Cloud Preparatory Academy, Inc.	UCP Osceola Charter School	Victory Charter School K8	Victory Charter School	Total Component Units
\$ 874,022	\$ 4,323,795	\$ 2,603,947	\$ 2,137,826	\$ 3,281,425	\$ 2,249,389	\$ 2,887,631	\$ 5,110,870	\$ 817,196	\$ 2,345,094	\$ 1,763,349	\$ 1,187,194	\$ 1,883,553	\$ 60,520,152
10,061	62,748	35,506	-	42,674	89,076	537,906	481,480	10,437	63,914	394,270	14,670	31,373	2,622,406
-	-	-	-	52,494	821	-	-	-	-	-	-	-	81,247
-	-	-	-	129,281	4,841	1,662	38,709	-	3,432	-	-	-	3,041,088
8,546	24,599	8,186	-	5,904	10,653	25,353	50,502	16,413	-	-	-	9,312	215,747
-	-	-	-	-	111,607	145,926	224,519	-	-	-	-	-	1,313,725
19,352	64,627	54,686	-	7,000	21,944	26,814	26,076	5,237	38,053	60,782	24,816	20,785	752,298
-	-	-	34,162	115,021	-	-	-	45,000	131,441	-	97,800	100,200	1,940,776
313,506	855,773	777,694	501,394	728,261	446,278	411,174	549,768	269,272	656,683	593,599	172,626	401,994	12,819,589
-	290	-	222,243	-	-	-	-	-	-	-	-	-	3,823,965
32,475	145,275	106,350	-	98,289	6,619	571,342	1,779,739	20,175	137,601	-	159,036	464,863	4,538,907
25,518	1,846	1,830	-	13,746	-	-	122	1,099	64,439	82,117	-	-	299,547
88,172	205,502	145,009	-	-	96,342	93,024	97,114	89,162	294	-	42,000	29,021	1,001,486
42,421	183,546	73,505	106,167	-	89,843	39,897	-	86,959	10,325	-	32,552	255,512	1,181,664
790,029	2,028,069	1,612,360	91,852	624,072	1,203,127	1,148,895	1,272,375	375,703	1,682,238	302,078	262,158	1,222,161	19,784,709
55,451	124,943	148,977	132,148	30,586	170,020	195,659	246,788	23,302	30,425	35,641	4,534	18,685	2,596,514
3,265	45,724	23,505	-	106,778	-	-	-	7,057	9,038	13,676	-	-	224,418
17,862	135,382	132,281	-	62,963	53,179	47,628	108,559	4,152	172,454	-	-	-	3,361,249
29,959	23,248	22,489	158,572	-	1,057,840	875,485	1,298,649	5,290	-	-	-	-	6,305,986
-	-	-	-	56,147	-	-	-	-	-	1,499	31,955	82,678	272,416
2,310,639	8,225,367	5,746,325	3,384,364	5,354,641	5,611,579	7,008,396	11,285,270	1,776,454	5,345,431	3,247,011	2,029,341	4,520,137	126,697,887
31,197	197,262	140,582	40,446	-	104,506	75,553	201,864	5,463	-	-	-	-	1,184,840
442,518	279,975	142,182	395,500	-	165,651	727,952	763,335	459,877	-	-	166,430	177,150	8,629,221
109,633	900,352	529,086	372,744	370,924	293,597	564,669	758,988	84,617	287,770	-	-	269,753	7,860,038
(1,727,291)	(6,847,778)	(4,934,475)	(2,575,674)	(4,983,717)	(5,047,825)	(5,640,222)	(9,561,083)	(1,226,497)	(5,057,661)	(3,247,011)	(1,862,911)	(4,073,234)	(109,023,788)
1,545,897	6,663,397	4,918,378	3,110,467	5,235,335	4,498,633	5,780,551	9,792,411	902,609	3,676,967	4,277,072	2,089,542	3,883,896	109,870,358
-	-	35,485	445	48,457	25,424	21,650	61,982	318,706	-	-	-	-	645,913
195,590	166,224	-	-	14,251	100	100	900	-	291,833	245,737	9,531	295,285	2,624,246
1,741,487	6,829,621	4,953,863	3,110,912	5,283,792	4,538,308	5,802,301	9,855,293	1,221,315	3,968,800	4,522,809	2,099,073	4,179,181	113,140,517
14,196	(18,157)	19,388	535,238	300,075	(509,517)	162,079	294,210	(5,182)	(1,088,861)	1,275,798	236,162	105,947	4,116,729
3,240	70,805	82,289	2,135,117	462,455	(1,402,143)	(740,261)	(62,480)	124,347	1,146,217	2,449,503	(738,433)	258,983	5,643,366
-	-	-	-	-	-	-	-	-	-	-	-	-	-
3,240	70,805	82,289	2,135,117	462,455	(1,402,143)	(740,261)	(62,480)	124,347	1,146,217	2,449,503	(738,433)	258,983	5,643,366
\$ 17,436	\$ 52,648	\$ 101,677	\$ 2,670,355	\$ 762,530	\$ (1,911,660)	\$ (878,182)	\$ 231,730	\$ 119,165	\$ 57,356	\$ 3,725,301	\$ (502,271)	\$ 364,930	\$ 9,760,095

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STATISTICAL SECTION



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Introduction to the Statistical Section

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

Financial Trends

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

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

Revenue Capacity

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

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

Debt Capacity

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

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

Demographic and Economic Information

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

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

Operating Information

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

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

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

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

	For the Fiscal Year ending June 30			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental Activities				
Net investment in Capital Assets	\$ 492,955,678	\$ 488,096,469	\$ 477,532,359	\$ 494,470,617
Restricted	81,462,943	75,558,613	91,902,083	75,247,973
Unrestricted	<u>50,433,333</u>	<u>40,835,214</u>	<u>16,937,578</u>	<u>(10,626,220)</u>
Total governmental activities net position	<u>\$ 624,851,954</u>	<u>\$ 604,490,296</u>	<u>\$ 586,372,020</u>	<u>\$ 559,092,370</u>

Source:
 District records

	<u>2015</u>		<u>2016</u>		<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>
\$	487,069,988	\$	484,808,699	\$	508,196,302	\$	556,200,796	\$	594,521,122	\$	642,091,911
	83,317,955		119,173,058		148,132,173		170,937,433		240,578,560		308,631,681
	(171,469,553)		(173,075,853)		(187,484,019)		(156,403,703)		(162,506,739)		(192,824,401)
	<u>398,918,390</u>		<u>430,905,904</u>		<u>468,844,456</u>		<u>570,734,526</u>		<u>672,592,943</u>		<u>757,899,191</u>

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

	For the Fiscal Year ending June 30			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Primary Government:				
Expenses				
Governmental activities:				
Instruction	\$ 268,395,640	\$ 256,106,769	\$ 268,705,463	\$ 290,738,409
Pupil Personnel Services	21,854,182	21,838,137	21,225,019	22,892,264
Instructional Media Services	4,517,888	4,213,693	4,590,168	4,954,439
Instruction and Curriculum Development Services	15,053,689	12,918,163	13,955,272	16,291,806
Instructional Staff Training Services	10,019,346	8,893,254	8,683,127	9,304,247
Instruction-Related Technology	3,371,658	3,506,394	3,400,004	4,070,147
Board of Education	1,365,918	1,735,224	1,449,083	1,478,064
General Administration	3,776,911	2,778,064	2,223,978	2,494,349
School Administration	22,598,190	21,712,072	22,187,638	23,645,915
Facilities Services	11,792,702	7,231,837	7,301,809	11,431,928
Fiscal Services	1,861,512	1,795,816	2,068,151	2,073,286
Food Services	22,286,139	23,211,603	26,792,335	31,642,638
Central Services	6,467,196	6,866,451	6,854,756	6,828,128
Student Transportation Services	22,121,651	21,866,622	22,887,687	24,340,819
Operation of Plant	28,932,290	26,379,530	30,799,393	32,314,289
Maintenance of Plant	8,425,120	12,068,670	7,116,029	8,587,830
Administrative Technology Services	3,334,012	3,159,953	3,920,100	4,012,196
Community Services	4,194,564	4,427,474	4,607,250	4,978,829
Interest on Long-term Debt	15,944,978	14,542,638	15,195,406	11,420,473
Loss on Disposal of Capital Assets	-	-	-	-
Unallocated Depreciation Expense	31,169,680	32,061,585	34,621,488	35,275,678
Total expenses - Primary Government	<u>\$ 507,483,266</u>	<u>\$ 487,313,949</u>	<u>\$ 508,584,156</u>	<u>\$ 548,775,734</u>
Program Revenues				
Governmental Activities				
Charges for Services				
Instruction	\$ 2,220,174	\$ 2,126,462	\$ 2,303,121	\$ 2,076,715
Food Services	5,881,978	5,718,630	4,791,692	4,291,076
Student Transportation Services	543,684	613,100	589,816	392,314
Community Services	2,774,330	2,598,249	2,750,258	2,874,860
Operating Grants and Contributions				
Instruction	-	-	-	97,871,733
Food Services	19,400,609	21,165,198	23,618,227	26,203,051
Student Transportation Services	8,978,796	9,626,629	-	-
Capital Grants and Contributions				
Facilities Acquisition and Construction	11,019,085	11,851,852	584,483	16,532,017
Community Services	-	-	-	-
Interest on Long-term Debt	23,505	21,870	1,654,690	1,630,218
Total Program Revenues - Primary Government	<u>\$ 50,842,161</u>	<u>\$ 53,721,990</u>	<u>\$ 36,292,287</u>	<u>\$ 151,871,984</u>
Net (Expense) - Primary Government	<u>\$ (456,641,105)</u>	<u>\$ (433,591,959)</u>	<u>\$ (472,291,869)</u>	<u>\$ (396,903,750)</u>

Source:
District records

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$	287,060,332	\$ 311,639,361	\$ 333,153,721	\$ 352,078,958	\$ 386,512,557	\$ 395,651,095
	22,519,240	23,533,909	25,245,474	27,161,815	30,655,797	31,286,985
	4,493,306	4,638,080	4,767,568	5,076,970	5,370,748	4,997,342
	15,765,392	16,950,455	18,401,374	19,201,920	21,941,930	22,621,624
	8,908,032	8,895,901	9,279,268	9,928,182	12,595,631	12,407,615
	4,327,747	4,268,253	4,540,916	4,828,689	4,924,091	5,036,599
	1,862,188	1,748,662	1,578,395	1,255,886	1,211,308	1,243,539
	2,255,012	2,760,587	2,851,014	3,089,842	3,260,521	3,462,702
	22,432,816	23,324,361	24,531,728	25,768,790	26,538,432	26,491,620
	12,186,629	14,914,658	12,483,779	17,348,888	21,289,873	34,209,654
	1,998,168	1,971,065	2,068,355	2,310,798	2,391,647	2,292,148
	28,841,287	29,309,705	30,676,116	32,571,028	33,576,252	30,929,431
	6,771,155	7,564,360	7,777,920	8,220,245	8,836,176	9,071,627
	23,123,277	22,452,171	22,826,052	25,326,208	27,235,730	26,247,815
	34,174,683	31,647,174	33,552,679	34,662,229	36,421,063	41,569,779
	7,520,421	8,295,989	8,808,276	9,405,015	10,641,145	10,338,335
	3,889,429	4,071,518	4,442,744	5,007,879	5,755,107	4,523,927
	5,082,800	5,444,934	5,294,861	4,838,607	4,924,520	4,467,594
	14,635,622	12,049,157	15,788,423	9,051,396	9,495,189	8,945,531
	-	-	681,916	-	-	-
	35,257,897	35,316,748	35,026,910	34,635,528	34,896,561	34,151,861
<u>\$</u>	<u>543,105,433</u>	<u>\$ 570,797,048</u>	<u>\$ 603,777,489</u>	<u>\$ 631,768,873</u>	<u>\$ 688,474,278</u>	<u>\$ 709,946,823</u>
\$	2,339,173	\$ 2,642,876	\$ 2,454,403	\$ 2,181,514	\$ 2,424,452	\$ 1,948,570
	3,678,965	3,390,984	2,519,613	2,214,598	1,809,646	1,328,966
	497,908	646,279	663,527	904,007	94,448	75,447
	2,805,201	2,829,867	2,803,086	3,296,995	3,415,103	2,651,189
	95,237,159	108,562,019	110,127,867	113,634,808	118,869,038	120,658,558
	27,460,542	31,689,599	33,985,232	34,774,560	36,948,188	28,189,494
	-	-	-	-	-	-
	27,067,210	36,043,720	42,941,325	43,917,297	78,912,194	78,197,965
	-	-	1,264,597	-	-	-
	1,611,974	1,832,828	-	942,878	763,389	677,985
<u>\$</u>	<u>160,698,132</u>	<u>\$ 187,638,172</u>	<u>\$ 196,759,650</u>	<u>\$ 201,866,657</u>	<u>\$ 243,236,458</u>	<u>\$ 233,728,174</u>
<u>\$</u>	<u>(382,407,301)</u>	<u>\$ (383,158,876)</u>	<u>\$ (407,017,839)</u>	<u>\$ (429,902,216)</u>	<u>\$ (445,237,820)</u>	<u>\$ (476,218,649)</u>

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

	For the Fiscal Year ending June 30			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Net (Expense)/Revenue - Primary Government	<u>\$ (456,641,105)</u>	<u>\$ (433,591,959)</u>	<u>\$ (472,291,869)</u>	<u>\$ (396,903,750)</u>
General Revenues and Changes in Net Position				
Taxes:				
Property taxes, levied for operational purposes	\$ 115,231,090	\$ 104,108,613	\$ 98,493,989	\$ 105,900,393
Property taxes, levied for capital projects	27,606,863	25,707,956	25,367,760	26,438,255
Local sales taxes	9,511,482	9,925,207	10,416,923	10,600,770
Impact Fees	-	-	12,286,659	-
Grants and contributions not restricted to specific programs	294,754,205	262,026,194	299,164,318	215,374,466
Investment earnings	2,099,168	1,801,749	483,975	1,199,839
Miscellaneous	15,930,845	9,660,582	7,959,969	10,110,377
Total General Revenues - Primary Government	<u>\$ 465,133,653</u>	<u>\$ 413,230,301</u>	<u>\$ 454,173,593</u>	<u>\$ 369,624,100</u>
Changes in Net Position - Primary Government	<u>\$ 8,492,548</u>	<u>\$ (20,361,658)</u>	<u>\$ (18,118,276)</u>	<u>\$ (27,279,650)</u>

Source:
District records

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$	<u>(382,407,301)</u>	<u>(383,158,876)</u>	<u>(407,017,839)</u>	<u>(429,902,216)</u>	<u>(445,237,820)</u>	<u>(476,218,649)</u>
\$	111,668,108	\$ 117,462,480	\$ 117,411,122	\$ 125,285,264	\$ 130,434,603	\$ 140,658,925
	28,370,255	30,186,687	32,537,685	34,733,867	39,812,487	44,488,771
	12,129,743	12,771,275	25,010,568	45,404,305	47,849,163	44,396,966
	-	-	-	-	-	-
	223,592,024	242,260,027	259,580,554	277,817,616	304,090,750	308,037,023
	1,389,318	3,176,842	1,060,614	2,339,176	10,499,198	12,624,596
	<u>11,503,406</u>	<u>9,289,079</u>	<u>9,355,848</u>	<u>10,200,372</u>	<u>14,410,036</u>	<u>11,318,616</u>
\$	<u>388,652,854</u>	<u>415,146,390</u>	<u>444,956,391</u>	<u>495,780,600</u>	<u>547,096,237</u>	<u>561,524,897</u>
\$	<u>6,245,553</u>	<u>31,987,514</u>	<u>37,938,552</u>	<u>65,878,384</u>	<u>101,858,417</u>	<u>85,306,248</u>

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

	<u>For the Fiscal Year Ending June 30</u>			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 1,805,173	\$ 1,838,068	\$ 1,931,315	\$ 2077677
Restricted	15,432,710	16,184,090	21,044,012	21,082,476
Assigned	21,373,716	13,663,265	8,688,530	13,375,810
Unassigned	<u>52,989,981</u>	<u>52,631,593</u>	<u>44,389,869</u>	<u>33,702,182</u>
Total General Fund	<u>\$ 91,601,580</u>	<u>\$ 84,317,016</u>	<u>\$ 76,053,726</u>	<u>\$ 70238145</u>
All Other Governmental Funds				
Nonspendable	\$ 535,522	\$ 416,365	\$ 724,170	\$ 0
Restricted	107,041,853	73,935,852	73,637,841	58179268
Assigned	684,791	774,561	1,081,812	1393760
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 108,262,166</u>	<u>\$ 75,126,778</u>	<u>\$ 75,443,823</u>	<u>\$ 59573028</u>
Total Governmental Funds	<u>\$ 199,863,746</u>	<u>\$ 159,443,794</u>	<u>\$ 151,497,549</u>	<u>\$ 129811173</u>

Source:
District records

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 2,303,278	\$ 2,504,747	\$ 2,714,482	\$ 2,504,820	\$ 2,425,555	\$ 3,175,284
19,487,714	18,156,321	18,400,024	15,905,069	15,428,255	20,064,640
3,303,083	4,844,727	4,681,885	5,962,073	6,853,872	4,896,493
41,368,678	41,010,743	41,618,791	44,079,630	44,243,507	49,808,926
<u>\$ 66,462,753</u>	<u>\$ 66,516,538</u>	<u>\$ 67,415,182</u>	<u>\$ 68,451,592</u>	<u>\$ 68,951,189</u>	<u>\$ 77,945,343</u>
\$ 974,141	\$ 1,162,356	\$ 1,205,400	\$ 1,077,716	\$ 763,956	\$ 1,550,526
69,347,218	106,161,674	222,501,059	235,402,182	260,325,766	296,781,544
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 70,321,359</u>	<u>\$ 107,324,030</u>	<u>\$ 223,706,459</u>	<u>\$ 236,479,898</u>	<u>\$ 261,089,722</u>	<u>\$ 298,332,070</u>
<u>\$ 136,784,112</u>	<u>\$ 173,840,568</u>	<u>\$ 291,121,641</u>	<u>\$ 304,931,490</u>	<u>\$ 330,040,911</u>	<u>\$ 376,277,413</u>

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

	For the Fiscal Year Ending June 30			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues				
Federal direct	\$ 6,773,076	\$ 6,333,326	\$ 4,390,418	\$ 3,882,342
Federal through State	86,017,868	53,248,874	59,529,883	58,990,124
State sources	236,185,377	235,804,919	259,006,088	278,832,947
Local sources	<u>182,822,924</u>	<u>171,187,869</u>	<u>167,952,654</u>	<u>185,384,897</u>
 Total revenues	 <u>\$ 511,799,245</u>	 <u>\$ 466,574,988</u>	 <u>\$ 490,879,043</u>	 <u>\$ 527,090,310</u>

Source:
 District records

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 4,020,887	\$ 4,245,607	\$ 4,275,783	\$ 3,842,771	\$ 5,584,301	\$ 6,193,236
56,918,921	71,723,722	73,692,342	74,144,738	86,565,817	72,413,909
288,489,943	309,665,209	329,266,843	351,551,486	371,198,454	381,106,787
<u>195,797,333</u>	<u>215,536,470</u>	<u>231,140,276</u>	<u>265,935,801</u>	<u>323,938,115</u>	<u>333,289,983</u>
<u>\$ 545,227,084</u>	<u>\$ 601,171,008</u>	<u>\$ 638,375,244</u>	<u>\$ 695,474,796</u>	<u>\$ 787,286,687</u>	<u>\$ 793,003,915</u>

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

	For the Fiscal Year Ending June 30			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenditures				
Instruction	\$ 266,865,399	\$ 253,767,483	\$ 264,220,967	\$ 280,329,535
Pupil Personnel Services	21,710,031	21,600,574	20,837,078	21,786,239
Instructional Media Services	4,500,290	4,171,544	4,516,147	4,771,047
Instruction and Curriculum Development Services	14,940,593	12,852,001	13,670,171	15,683,860
Instructional Staff Training Services	10,034,314	8,831,137	8,545,858	9,098,166
Instruction Related Technology	3,274,513	3,445,793	3,319,737	3,917,886
Board of Education	1,363,448	1,737,280	1,445,253	1,466,041
General Administration	3,742,052	2,737,481	2,210,250	2,415,274
School Administration	22,458,336	21,548,515	21,860,841	22,476,668
Facilities Acquisition and Construction	11,790,607	7,495,265	8,908,965	11,181,228
Fiscal Services	1,818,535	1,763,306	2,020,295	1,936,268
Food Services	22,195,655	23,043,598	26,592,821	31,050,012
Central Services	6,368,452	6,849,484	6,780,716	6,541,885
Student Transportation Services	18,853,529	18,599,266	19,696,499	20,842,262
Operation of Plant	29,305,887	27,341,814	30,585,170	31,742,175
Maintenance of Plant	8,351,687	12,011,268	7,023,537	8,280,498
Administrative Technology Services	3,396,158	3,194,658	3,844,461	3,815,336
Community Services	4,174,899	4,409,058	1,840,018	4,876,281
Capital outlay:				
Facilities Acquisition and Construction	66,602,017	36,644,633	16,040,556	28,540,227
Charter School Local Capital Improvement	-	-	-	-
Other Capital Outlay	5,859,310	4,111,070	4,009,251	8,600,402
Debt service:				
Principal	14,034,285	15,564,668	16,079,567	16,704,179
Interest and Fiscal Charges	15,475,625	15,520,709	15,353,689	13,924,407
Total Expenditures	<u>\$ 557,115,622</u>	<u>\$ 507,240,605</u>	<u>\$ 499,401,847</u>	<u>\$ 549,979,876</u>
Debt Service as a Percentage of Noncapital Expenditures	6.09%	6.66%	6.56%	5.97%

Source:
District records

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$	287,013,856	\$ 310,555,110	\$ 321,579,744	\$ 339,632,764	\$ 371,095,214	\$ 380,420,950
	22,697,456	23,290,424	24,058,648	25,392,616	28,910,431	30,195,019
	4,525,806	4,627,227	4,612,307	4,811,090	5,088,937	4,821,553
	15,819,513	16,710,413	17,412,544	17,953,151	20,495,516	21,847,887
	9,002,894	8,882,840	8,843,586	9,367,984	11,974,841	11,957,354
	4,286,444	4,238,816	4,302,167	4,518,485	4,672,795	4,861,790
	1,872,534	1,745,998	1,565,672	1,236,867	1,200,520	1,189,679
	2,299,003	2,819,209	2,793,008	2,984,967	3,125,785	3,318,701
	22,518,181	23,086,838	23,459,783	24,197,009	24,893,749	25,584,213
	9,881,355	11,243,631	12,346,580	16,533,565	21,212,121	31,728,153
	2,014,809	2,021,992	1,925,667	2,140,615	2,216,960	2,211,899
	28,667,778	29,143,693	29,988,376	31,701,034	32,748,883	29,788,939
	6,770,403	7,466,404	7,534,680	7,790,493	8,524,645	8,730,710
	20,532,244	19,832,017	19,772,543	22,217,613	24,117,823	23,060,659
	32,777,540	31,140,563	32,664,336	33,315,337	35,371,798	38,876,991
	7,697,959	8,194,955	8,594,886	8,949,660	10,088,887	9,943,301
	3,902,468	4,099,622	4,255,025	4,766,512	5,544,939	4,357,240
	5,081,934	5,408,882	5,131,035	4,650,056	4,773,796	4,295,743
	15,343,982	6,817,643	40,287,143	70,625,077	91,447,376	65,856,379
	-	-	-	624,570	-	404,992
	6,176,371	9,798,576	3,663,657	13,010,289	13,157,293	12,109,706
	17,013,917	18,690,550	19,066,296	16,501,060	21,331,584	21,981,361
	12,862,021	11,797,768	12,177,869	10,350,671	10,052,163	9,678,533
<u>\$</u>	<u>538,758,468</u>	<u>\$ 561,613,171</u>	<u>\$ 606,035,552</u>	<u>\$ 673,271,485</u>	<u>\$ 752,046,056</u>	<u>\$ 747,221,752</u>
	5.78%	5.59%	5.56%	4.55%	4.85%	4.73%

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

	<u>For the Fiscal Year Ending June 30</u>			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Excess of revenues over (under) expenditures	<u>\$ (45,316,377)</u>	<u>\$ (40,665,617)</u>	<u>\$ (8,522,804)</u>	<u>\$ (22,889,566)</u>
Other Financing Sources	34,699,272	37,188,470	76,326,708	40,663,038
Other Financing Uses	<u>34,542,850</u>	<u>36,942,805</u>	<u>75,750,149</u>	<u>39,459,848</u>
Net change in fund balances	<u><u>\$ (45,159,955)</u></u>	<u><u>\$ (40,419,952)</u></u>	<u><u>\$ (7,946,245)</u></u>	<u><u>\$ (21,686,376)</u></u>

Source:
 District records

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<u>\$ 6,468,616</u>	<u>\$ 39,557,837</u>	<u>\$ 32,339,692</u>	<u>\$ 22,203,311</u>	<u>\$ 35,240,631</u>	<u>\$ 45,782,163</u>
51,703,245	71,455,987	199,528,943	28,222,915	46,079,352	58,376,700
<u>51,198,924</u>	<u>73,957,368</u>	<u>114,587,563</u>	<u>36,616,377</u>	<u>56,210,562</u>	<u>57,922,361</u>
<u><u>\$ 6,972,937</u></u>	<u><u>\$ 37,056,456</u></u>	<u><u>\$ 117,281,072</u></u>	<u><u>\$ 13,809,849</u></u>	<u><u>\$ 25,109,421</u></u>	<u><u>\$ 46,236,502</u></u>

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

Fiscal Year	Real Property		Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2010	\$ 19,971,753	\$ 19,832,923	\$ 1,531,250	\$ 1,520,606
2011	16,573,745	16,673,788	1,473,806	1,482,702
2012	15,288,985	15,942,633	1,356,605	1,414,604
2013	15,075,763	15,970,088	1,387,049	1,469,332
2014	15,668,183	16,739,512	1,403,246	1,499,194
2015	18,141,220	19,035,908	1,371,038	1,438,655
2016	19,637,295	21,579,445	1,362,727	1,497,502
2017	21,532,969	23,228,661	1,423,844	1,535,970
2018	23,825,533	25,813,145	1,542,600	1,671,289
2019	26,769,110	28,417,314	1,633,570	1,734,151

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

2020 information not available.

⁽¹⁾ Per \$1,000 of assessed value

Source: Osceola County Comprehensive Annual Financial Report, FYE 9/30/19, Schedule 5

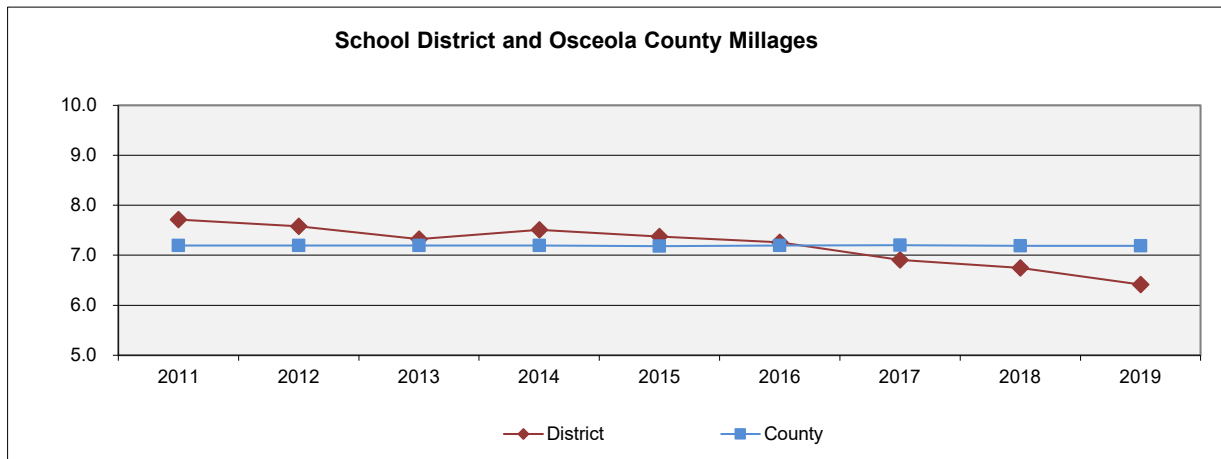
Centrally Assessed Property		Total		Total Direct Rate ⁽¹⁾
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$ 4,129	\$ 4,100	\$ 21,507,132	\$ 21,357,629	7.699
3,677	3,699	18,051,228	18,160,189	7.715
4,083	4,258	16,649,673	17,361,495	7.577
4,184	4,432	16,466,996	17,443,852	7.323
4,365	4,663	17,075,794	18,243,369	7.509
4,493	4,715	19,516,751	20,479,278	7.375
4,767	5,238	21,004,789	23,082,185	7.261
4,630	4,995	22,961,443	24,769,626	6.905
4,821	5,223	25,372,954	27,489,657	6.749
4,801	5,097	28,407,481	30,156,562	6.411

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

Levy Year	District Direct Rates						Overlapping Rates
	Required Local Effort	Capital Outlay	Basic Discretionary	Prior Period Funding Adjustment	Supplemental Discretionary	Total Direct	Osceola County
2011	5.217	1.500	0.748	-	0.250	7.715	7.196
2012	5.329	1.500	0.748	-	-	7.577	7.195
2013	5.075	1.500	0.748	-	-	7.323	7.197
2014	5.261	1.500	0.748	-	-	7.509	7.196
2015	5.127	1.500	0.748	-	-	7.375	7.184
2016	5.009	1.500	0.748	0.004	-	7.261	7.193
2017	4.643	1.500	0.748	0.014	-	6.905	7.199
2018	4.501	1.500	0.748	-	-	6.749	7.186
2019	4.161	1.500	0.748	0.002	-	6.411	7.186
2020	3.984	1.500	0.748	0.008	-	6.240	N/A

Note: Osceola County 2020 information not available

Sources: District records, District Summary Budget, Section I. Assessment and Millage Levies
 Osceola County Comprehensive Annual Financial Report, FYE 9/30/19, Schedule 6



Schedule 10
District School Board of Osceola County
Principal Osceola County Property Tax Payers
September 30, 2019 and Nine Years Earlier
(In thousands)
Unaudited

Taxpayer	September 30, 2019			September 30, 2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Westgate Properties/Resorts/Towers	\$ 1,027,388	1	3.62%	\$ 913,563	1	4.25%
Walt Disney Parks and Resorts US Inc.	833,263	2	2.93%	560,283	2	2.61%
Lando Resorts Corporation	638,652	3	2.25%	320,915	3	1.49%
RHP Property G.P. Limited Partnership	360,296	4	1.27%	255,719	6	1.19%
Duke Energy Florida LLC	298,703	5	1.05%	-	-	-
Tempus Palms International	294,144	6	1.04%	271,756	4	1.26%
Star Island/Vacation Break/Wyndham	265,905	7	0.94%	265,635	5	1.24%
BR Gates/Grand at Westside/Meadows/Sonoma DST	161,664	8	0.57%	-	-	-
Osceola Regional Hospital Inc.	147,871	9	0.52%	82,839	16	0.39%
Omni-Championsgate Resort Hotel LLC	147,768	10	0.52%	106,546	11	0.50%
Sabal Tire Transmission	125,630	11	0.44%	-	-	-
Silver Lake Resort	112,150	12	0.39%	119,048	10	0.55%
Worldmark The Club	102,449	13	0.36%	-	-	-
Walmart Stores/WalSam Dev Co.	91,832	14	0.32%	77,450	17	0.36%
Orlando Resort Development Group, Inc.	77,395	15	0.27%	64,989	19	0.30%
Florida Southeast Connection LLC	73,943	16	0.26%	-	-	-
Lowe's Home Centers Inc.	65,858	17	0.23%	84,229	14	0.39%
IH1 & IH2 Borrower LP	60,186	18	0.21%	-	-	-
HUH DI-OCP Crosslands LLC/Cinque Terre LLC	60,173	19	0.21%	-	-	-
Timescape Resorts LLC	60,121	20	0.21%	-	-	-
Progress Energy	-	-	-	241,260	7	1.12%
RRI Energy Florida LLC	-	-	-	134,446	8	0.63%
Adventist Health System	-	-	-	120,542	9	0.56%
Embarq Florida Inc/Sprint/SprintCom	-	-	-	90,387	12	0.42%
First Continental Corp	-	-	-	86,635	13	0.40%
Ginn-LA/Reunion	-	-	-	83,992	15	0.39%
Inland 200/220 Celeb Place	-	-	-	70,058	18	0.33%
Deerfield Land Corp	-	-	-	61,412	20	0.29%
Total taxable assessed value twenty largest taxpayers	5,005,391		17.62%	4,011,704		18.65%
Total taxable assessed value all other taxpayers	23,402,089		82.38%	17,495,428		81.35%
Total taxable assessed value all taxpayers	\$ 28,407,480		100.00%	\$ 21,507,132		100.00%

Source:

Osceola County Comprehensive Annual Financial Report, FYE 9/30/19, Schedule 7

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collected with the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 148,427,619	\$ 141,992,906	95.66%	\$ 914,896	\$ 142,907,802	96.28%
2012	134,835,605	128,901,673	95.60%	555,818	129,457,491	96.01%
2013	128,129,837	123,305,931	96.24%	462,603	123,768,534	96.60%
2014	137,619,241	131,876,045	95.83%	550,115	132,426,160	96.23%
2015	144,752,427	139,488,248	96.36%	206,607	139,694,855	96.51%
2016	153,424,444	147,442,560	96.10%	164,884	147,607,444	96.21%
2017	155,326,218	149,783,923	96.43%	121,820	149,905,743	96.51%
2018	166,007,030	159,897,312	96.32%	237,430	160,134,742	96.46%
2019	175,782,158	170,009,659	96.72%	74,249	170,009,659	96.72%
2020	192,931,890	185,073,447	95.93%	-	185,073,447	95.93%

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

Source: District records

Schedule 12
 District School Board of Osceola County
 Outstanding Debt by Type
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Capital Leases and Installment Purchases	Notes	Bonds	Certificates Of Participation
2011	\$ 669,702	\$ 18,779,496	\$ 86,957,159	\$ 206,341,984
2012	343,646	16,044,967	82,639,229	199,375,637
2013	93,280	13,163,292	76,149,609	193,328,587
2014	-	10,126,547	68,906,000	186,625,000
2015	-	6,926,368	66,112,180	182,465,005
2016	-	3,553,948	60,315,556	174,013,756
2017	-	-	139,784,038	166,041,925
2018	-	-	133,297,264	156,118,988
2019	-	-	122,116,112	145,876,051
2020	-	-	110,740,961	135,208,259

Notes:

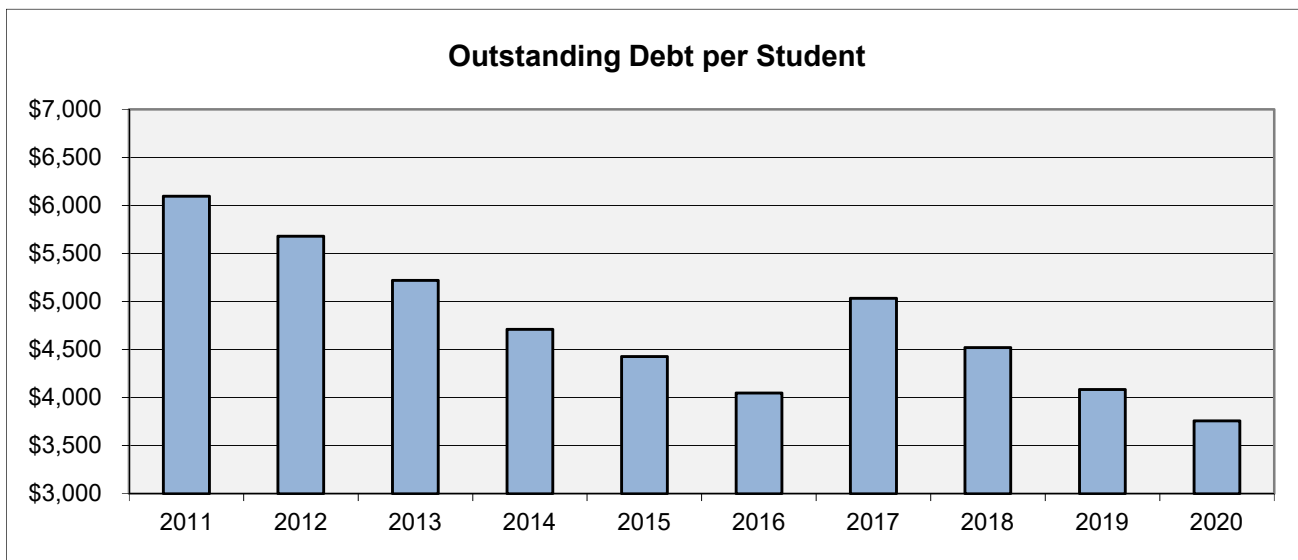
⁽¹⁾ Schedule 16 Personal Income (thousands) divided by Total Debt.

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

n/a = data not available

Source:

District records



EFBD Agreement Payable	Total	Percentage of Personal Income (1)	Outstanding Debt Per Student (2)
\$ 9,715,198	\$ 322,463,539	2.18%	\$ 6,096
9,346,115	307,749,594	2.44%	5,680
8,973,589	291,708,357	2.69%	5,219
4,020,439	269,677,986	2.99%	4,710
3,863,449	259,367,002	3.36%	4,428
9,583,179	247,466,439	3.92%	4,047
9,312,626	315,138,626	3.27%	5,035
9,001,150	298,417,402	3.79%	4,521
8,649,566	276,641,729	4.44%	4,085
8,254,204	254,203,424	n/a	3,759

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Schedule 13
 District School Board of Osceola County
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2020
 Unaudited

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Osceola County			
Limited General Obligation Bonds	\$ 20,624,000	100.00%	\$ 20,624,000
Revenue Bonds	434,497,000	100.00%	434,497,000
Special Assessment Bonds	1,380,000	100.00%	1,380,000
Subtotal, overlapping debt			456,501,000
District direct debt			254,203,424
Total direct and overlapping debt			\$ 710,704,424

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

Sources:

- District records
- Osceola County Comprehensive Annual Financial Report, FYE 9/30/19, Schedule 9

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

	Fiscal Year			
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Assessed value ⁽¹⁾	\$ 21,507,132	\$ 18,051,228	\$ 16,649,673	\$ 16,466,996
Debt limit (10% of assessed value)	2,150,713	1,805,123	1,664,967	1,646,700
Debt applicable to limit:				
Bonds payable	91,284	86,957	82,639	76,150
Total net debt applicable to limit	91,284	86,957	82,639	76,150
Legal debt margin	<u>\$ 2,059,429</u>	<u>\$ 1,718,166</u>	<u>\$ 1,582,328</u>	<u>\$ 1,570,550</u>
Total net debt applicable to the limit as a percentage of debt limit	4.24%	4.82%	4.96%	4.62%

Notes:

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

⁽¹⁾ Schedule 8

Osceola County's information is not available for 2020

Sources:

District records
Osceola County Comprehensive Annual Financial Report, FYE 9/30/19, Schedule 5

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$	17,075,794	\$ 19,516,751	\$ 21,004,789	\$ 22,961,443	\$ 25,372,954	\$ 28,407,481
	1,707,579	1,951,675	2,100,479	2,296,144	2,537,295	2,840,748
	68,906	66,112	60,316	139,784	133,297	122,116
	68,906	66,112	60,316	139,784	133,297	122,116
\$	<u>1,638,673</u>	<u>\$ 1,885,563</u>	<u>\$ 2,040,163</u>	<u>\$ 2,156,360</u>	<u>\$ 2,403,998</u>	<u>\$ 2,718,632</u>
	4.04%	3.39%	2.87%	6.09%	5.25%	4.30%

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

Sales Tax Revenue Bonds - Local Discretionary Surtax

Fiscal Year	Local		Debt Service		Coverage
	Sales Tax Revenue	Debt Service			
		Principal	Interest		
2011	\$ 9,511,482	\$ 3,645,000	\$ 3,587,442	131.5%	
2012	9,925,207	3,790,000	3,441,102	137.3%	
2013	10,416,923	3,950,000	3,279,877	144.1%	
2014	10,600,770	4,125,000	3,109,678	146.5%	
2015	12,129,743	4,300,000	2,929,688	167.8%	
2016	12,771,275	4,520,000	2,714,688	176.5%	
2017	13,860,037	5,174,000	1,784,652	199.2%	
2018	15,182,038	5,624,000	901,803	232.6%	
2019	15,972,508	5,740,000	810,918	243.8%	
2020	14,805,629	5,856,000	703,928	225.7%	

Sales Tax Revenue Bonds - School Capital Outlay Surtax

Fiscal Year	Local		Debt Service		Coverage
	Sales Tax Revenue	Debt Service			
		Principal	Interest		
2018	\$ 30,222,267	\$ -	\$ 2,116,000	1428.3%	
2019	31,876,655	4,720,000	2,315,364	453.1%	
2020	31,876,654	4,850,000	2,183,298	453.2%	

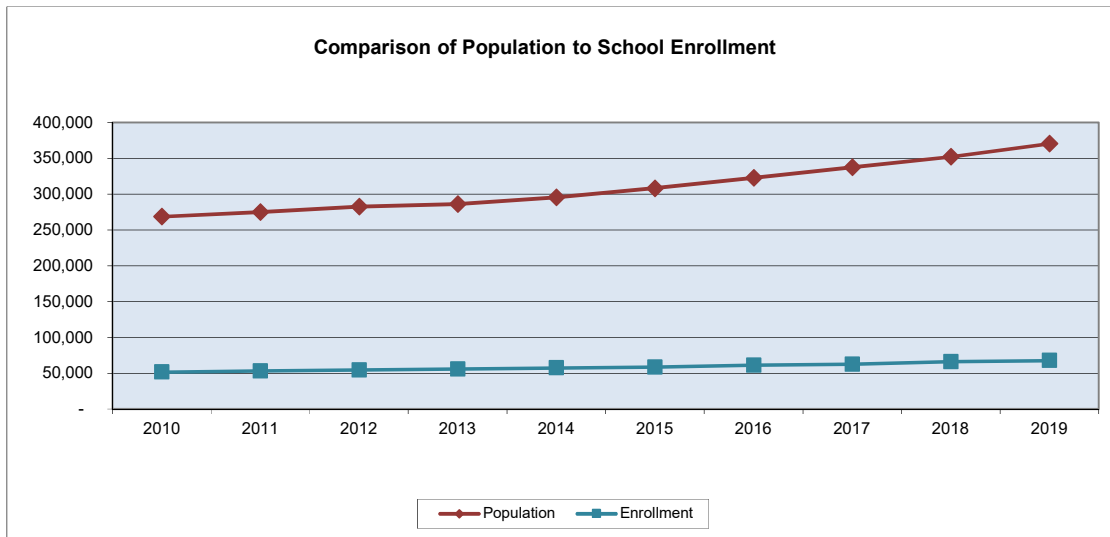
Source: District records

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

Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	268,685	\$ 6,814,171	\$ 25,361	35.6	51,458	12.4%
2011	275,010	7,022,084	25,534	35.5	52,900	11.6%
2012	282,676	7,503,530	26,545	36	54,197	9.4%
2013	286,001	7,851,188	27,452	35.9	55,892	7.2%
2014	295,553	8,065,185	27,288	35.9	57,252	6.7%
2015	308,327	8,713,098	28,259	36.4	58,569	5.7%
2016	322,862	9,691,044	30,016	36.5	61,141	5.0%
2017	337,614	10,300,608	30,510	36.5	62,590	4.2%
2018	352,496	11,303,408	32,067	36.6	66,010	3.6%
2019	370,552	12,271,080	33,116	36.7	67,632	3.3%

Note: Information not available for 2020

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



Schedule 17
District School Board of Osceola County
Osceola County Principal Employers
September 30, 2019 and Nine Years Earlier
Unaudited

Employer	September 30, 2019			September 30, 2010		
	Employees	Rank	Percentage of Total Labor Force Employed	Employees	Rank	Percentage of Total Labor Force Employed
Total Labor Force Employed ⁽¹⁾	154,639			123,591		
The School District of Osceola County ⁽²⁾	8,368	1	5.41%	6,291	1	5.09%
Walt Disney Company (Osceola County only)	3,700	2	2.39%	4,150	2	3.36%
Orange Lake Resorts & Holiday Inn Club Vacation	2,600	3	1.68%	2,300	5	1.86%
Osceola Regional Medical Center	1,900	4	1.23%	1,500	6	1.21%
Advent Health Celebration	1,658	5	1.07%	1,300	9	1.05%
Westgate Vacation Villas	1,500	6	0.97%	N/A	-	-
Osceola County Government	1,399	7	0.90%	2,463	3	1.99%
Valencia College	1,213	8	0.78%	578	13	0.47%
Wilson Resort Management	1,200	9	0.78%	N/A	-	-
Gaylord Palms Resort & Convention Center	960	10	0.62%	1,468	7	1.19%
Total principal employers	24,498		15.84%	20,050		16.22%

Notes:

⁽¹⁾ Total Labor Force Employed for Osceola County as reported by the Florida Department of Economic Opportunity, Local Area Unemployment Statistics - released 8/21/2020

⁽²⁾ School District employees are shown as of June 30, 2019, and 2010. (See Schedule 18)

Sources:

Osceola County Comprehensive Annual Financial Report, FYE 9/30/19, Schedule 17
Orlando Economic Development Commission
District records

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

	Full-time-Equivalent Employees as of June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Supervisory										
Officials, Administrators and Managers	43	43	51	69	61	61	61	69	75	87
Consultants/Supervisors of Instruction	11	11	11	10	7	7	8	7	6	9
Principals	55	55	58	61	60	62	64	68	70	73
Assistant Principals	69	64	69	71	81	88	92	93	99	101
Community Education Coordinators	-	-	-	-	-	-	17	25	29	39
Deans/Curriculum Coordinators	6	9	9	8	6	-	-	-	-	-
Total supervisory	184	182	198	219	215	218	242	262	279	309
Instruction										
Classroom Teachers, Elementary (PK-6)	1,401	1,438	1,447	1,463	1,509	1,529	1,544	1,547	1,608	1,621
Classroom Teachers, Secondary (7-12)	1,307	1,359	1,405	1,417	1,460	1,483	1,520	1,558	1,628	1,705
Exceptional Education Teachers	411	395	402	437	437	463	443	474	543	552
Other Teachers	118	127	130	135	156	157	225	151	308	328
Total instruction	3,237	3,319	3,384	3,452	3,562	3,632	3,732	3,730	4,087	4,206
Student Services										
Guidance Counselors	99	98	100	100	107	105	114	130	154	150
Social Workers	9	9	11	10	10	11	14	13	29	28
School Psychologists	31	31	30	32	33	31	36	36	36	38
Librarians/Audio-Visual Workers	48	47	45	46	45	46	47	48	49	49
Other Professional Staff, Instructional	261	262	277	304	321	321	386	402	458	490
Other Professional Staff, Non-Instructional	190	186	183	183	189	189	201	208	223	225
Aides	666	694	728	786	817	812	876	899	959	974
Technicians	65	124	119	124	127	126	134	134	135	141
Total student services	1,369	1,451	1,493	1,585	1,649	1,641	1,808	1,870	2,043	2,095
Support and Administration										
Clerical/Secretarial	536	494	519	518	538	510	552	560	586	590
Service Workers	1,108	1,101	1,147	1,150	1,162	1,141	1,186	1,193	1,253	1,242
Skilled Crafts Workers	66	66	67	66	70	66	66	63	72	70
Unskilled Laborers	21	20	24	19	21	26	27	29	48	50
Total support and administration	1,731	1,681	1,757	1,753	1,791	1,743	1,831	1,845	1,959	1,952
Total	6,521	6,633	6,832	7,009	7,217	7,234	7,613	7,707	8,368	8,562

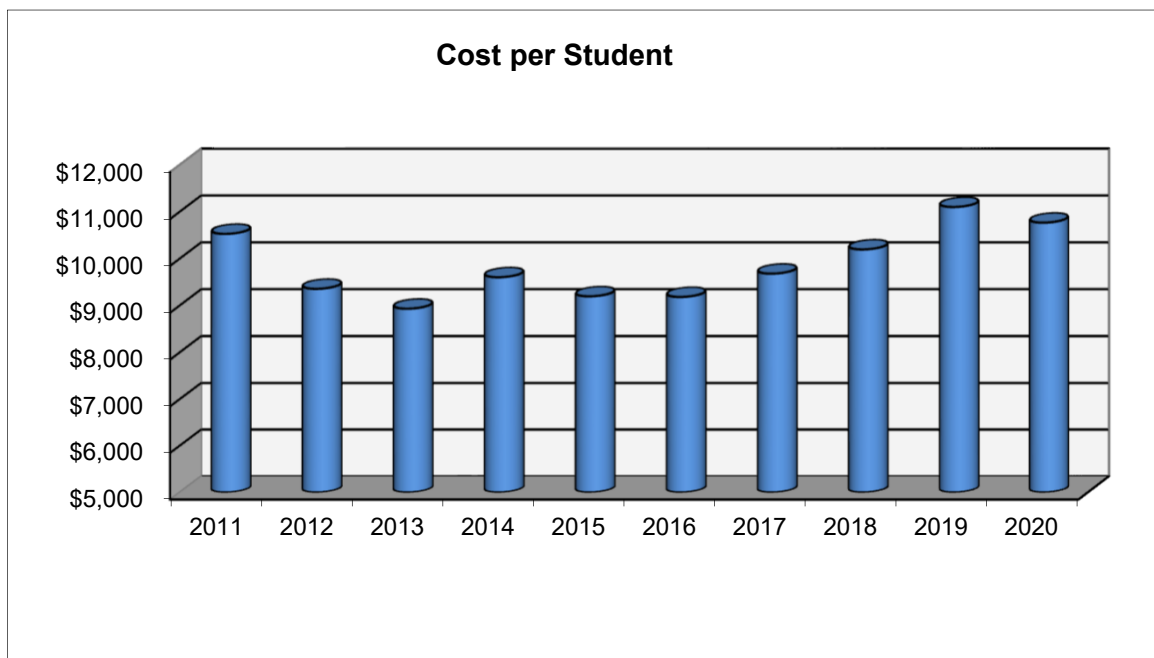
Source:
Florida Department of Education
Education Information and Accountability Services

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

Fiscal Year	Expenditures	Student Enrollment	Cost per Student	Number of Schools
2011	\$ 557,115,622	52,900	\$ 10,531	47
2012	507,240,605	54,197	9,359	47
2013	499,401,847	55,892	8,935	47
2014	549,979,876	57,252	9,606	47
2015	538,758,468	58,569	9,199	47
2016	561,613,171	61,141	9,186	47
2017	606,035,552	62,590	9,683	47
2018	673,271,486	66,010	10,200	47
2019	752,046,056	67,632	11,105	46
2020	747,221,752	69,378	10,770	48

Sources:

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



Number of Classroom Teachers	Pupil/Teacher Ratio	Percentage of Students Receiving Free/Reduced Meals	
		Osceola	Statewide
3,237	16.3	68.4%	56.0%
3,319	16.3	70.7%	57.6%
3,384	16.5	70.4%	57.5%
3,452	16.6	64.1%	54.2%
3,562	16.4	64.6%	51.3%
3,632	16.8	65.0%	58.1%
3,732	16.8	78.6%	61.2%
3,730	17.7	82.1%	69.4%
4,087	16.6	77.2%	66.0%
4,206	16.5	74.0%	64.1%

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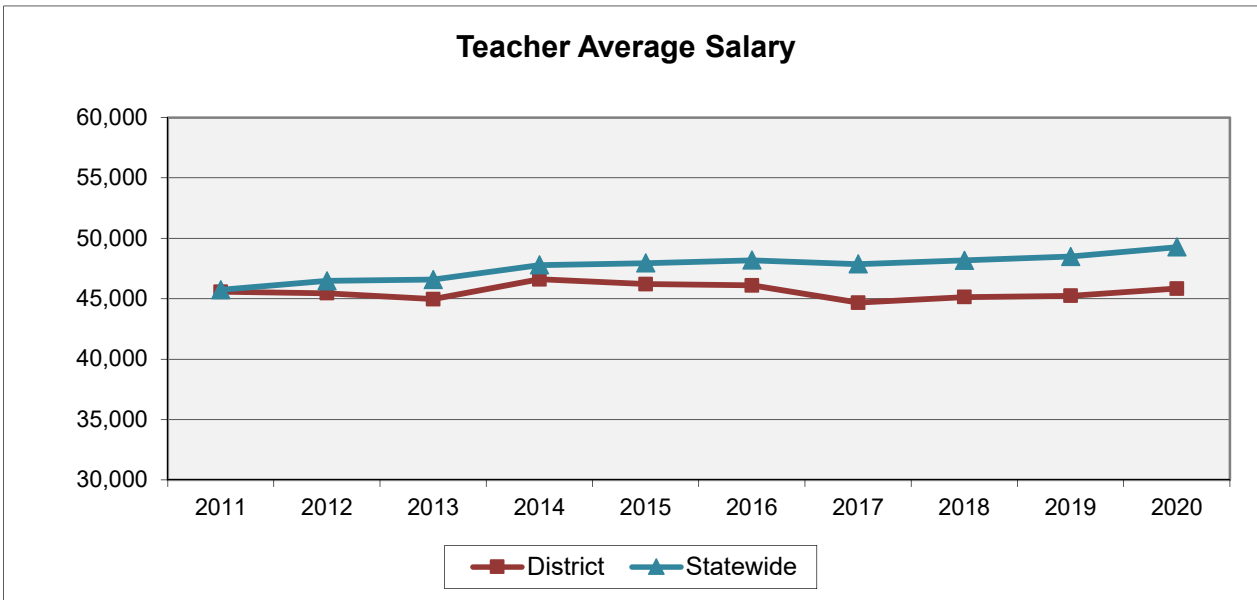
Schedule 20
 District School Board of Osceola County
 Teacher Salaries
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Minimum Salary ⁽¹⁾	Maximum Salary ⁽¹⁾	Osceola Average Salary ⁽²⁾	Statewide Average Salary ⁽²⁾
2011	\$ 37,800	\$ 66,485	\$ 45,574	\$ 45,732
2012	38,036	66,485	45,457	46,479
2013	38,036	66,485	44,965	46,583
2014	39,445	67,894	46,606	47,780
2015	39,500	67,935	46,211	47,950
2016	39,500	68,685	46,103	48,179
2017	40,100	69,285	44,679	47,858
2018	40,100	70,085	45,135	48,168
2019	41,000	71,285	45,236	48,486
2020	41,400	72,785	45,839	49,269

Sources:

⁽¹⁾ District records

⁽²⁾ Florida Department of Education
 Education Information and Accountability Services



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

	Current		Unweighted Full-Time Equivalent Enrollment Data				
	Square Footage	Student Capacity	2019-20	2018-19	2017-18	2016-17	2015-16
Elementary Schools (Placed in Service)							
Boggy Creek (1982)	101,543	878	641	673	682	651	682
Central Avenue (1934)	137,484	1,016	657	645	706	635	653
Chestnut (2005)	125,007	1,088	689	687	670	677	689
Cypress (1991)	107,015	782	565	609	693	753	735
Deerwood (1990)	129,995	990	532	549	533	571	571
East Lake (2010)	110,255	984	899	928	930	1,046	1,001
Flora Ridge (2007)	119,436	1,150	1,003	1,086	976	864	839
Hickory Tree (1983)	120,787	954	987	966	917	807	720
Highlands (1959)	134,169	1,009	733	814	859	821	826
Kissimmee (2000)	130,485	1,118	968	985	996	937	873
Koa (2009)	107,654	898	596	622	663	684	708
Lakeview (1985)	111,571	808	684	686	704	689	654
Michigan Avenue (1971)	134,764	951	582	632	626	642	648
Mill Creek (1986)	140,975	1,120	820	882	955	989	998
Narcoossee (2009)	119,869	1,046	1,128	1,067	1,004	926	849
Neptune (2007)	118,621	1,154	971	1,000	994	973	975
Partin Settlement (2002)	123,963	911	799	838	887	799	832
Pleasant Hill (1986)	137,787	1,056	732	763	822	823	883
Poinciana Academy of Fine Arts (2001)	142,990	890	612	593	664	658	681
Reedy Creek (1980)	111,010	1,113	990	1,049	1,060	975	969
Saint Cloud (2005)	126,170	1,186	955	979	1,027	969	980
Sunrise (2005)	125,349	1,176	921	864	912	891	890
Thacker Avenue (1963)	144,926	928	765	812	827	846	874
Ventura (1987)	135,886	1,084	823	831	854	883	888
Total Elementary Schools			19,052	19,560	19,961	19,509	19,418
Middle Schools (Placed in Service)							
Denn John (1973)	157,049	1,464	957	963	881	827	948
Discovery (2000)	251,410	1,459	977	951	1,001	981	1,026
Harmony (2019)	178,094	1,456	1,039				
Horizon (1993)	165,298	1,733	1,309	1,331	1,299	1,273	1,239
Kissimmee (1995)	188,507	1,951	1,401	1,348	1,331	1,194	1,249
Narcoossee (2000)	184,375	1,588	1,208	1,302	1,205	1,177	1,178
Neptune (1987)	182,543	1,570	1,089	1,329	1,472	1,442	1,330
Parkway (1986)	153,050	1,268	909	956	948	860	858
Saint Cloud (1974)	149,372	1,558	1,221	1,451	1,378	1,258	1,191
Total Middle Schools			10,110	9,631	9,515	9,012	9,019
High Schools (Placed in Service)							
Celebration (2001)	345,456	2,896	2,524	2,528	2,515	2,407	2,309
Gateway (1981)	305,573	3,074	1,553	1,632	2,437	2,468	2,454
Harmony (2004)	333,362	2,460	1,996	1,857	2,346	2,145	1,926
Liberty (2007)	308,983	2,484	1,857	1,945	1,963	1,967	1,963
Neocity (2019)	46,160	625	206				
Osceola (1962)	324,162	2,965	2,310	2,356	2,744	2,678	2,676
PATHS Technical Education Center (1990)	163,079	1,479	533	501	537	555	593
Poinciana (1991)	377,013	3,013	1,963	2,022	1,859	1,718	1,685
Saint Cloud (1962)	278,270	2,333	2,058	2,064	2,367	2,261	2,304
Tohopekaliga (2018)	341,735	3,084	2,208	2,166	-	-	-
Zenith School (2017)	93,598	879	475	456	496	489	-
Total High Schools			17,683	17,527	17,264	16,688	15,910
Multilevel Schools (Placed in Service)							
Celebration School KG-8 (1995)	218,907	1,936	1,498	1,494	1,450	1,392	1,343
Harmony Community School K-8 (2007)	106,047	915	837	1,062	1,000	954	885
Osceola County School for the Arts (2002)	177,157	1,068	921	877	879	950	906
Westside School K-8 (2009)	191,643	1,912	1,717	1,638	1,653	1,497	1,518
Total Multilevel Schools			4,973	5,071	4,982	4,793	4,652
Total K-12 Schools			51,818	51,789	51,722	50,002	48,999

Note: The District's adult schools at oTECH are not included in this report.

Sources:

Florida Department of Education, Educational Facilities Summary Report
District records

2014-15	2013-14	2012-13	2011-12	2010-11
714	746	720	718	702
712	736	711	686	608
752	697	671	683	664
726	718	755	727	728
672	651	676	698	636
974	920	867	859	764
921	949	1,122	1,071	994
716	653	620	604	607
938	916	963	905	755
996	1,036	843	835	801
759	783	816	863	860
649	656	645	637	636
645	634	618	608	635
975	868	786	867	908
767	717	748	734	620
984	907	886	882	828
791	854	790	818	782
890	891	880	936	935
765	749	714	707	704
967	909	730	763	813
970	971	924	921	901
1,001	928	814	817	827
891	850	791	729	777
946	919	967	917	897
<u>20,121</u>	<u>19,658</u>	<u>19,057</u>	<u>18,985</u>	<u>18,382</u>
1,022	1,140	1,169	1,181	1,156
1,138	1,193	1,219	1,291	1,376
1,220	1,213	1,158	1,199	1,209
1,258	1,300	1,307	1,215	1,182
1,090	1,092	1,069	1,041	892
1,296	1,369	1,385	1,399	1,281
938	1,018	1,011	929	871
1,172	1,139	1,180	1,230	1,349
<u>9,134</u>	<u>9,464</u>	<u>9,498</u>	<u>9,485</u>	<u>9,316</u>
2,155	2,005	1,995	1,864	1,860
2,417	2,421	2,317	2,241	2,287
1,822	1,782	1,806	1,858	1,832
1,914	1,873	1,898	2,052	2,146
2,543	2,477	2,285	2,080	1,963
460	641	681	694	681
1,548	1,416	1,447	1,348	1,230
2,214	2,073	2,057	1,886	1,747
-	-	-	-	-
-	-	-	-	-
<u>15,073</u>	<u>14,688</u>	<u>14,486</u>	<u>14,023</u>	<u>13,746</u>
1,279	1,280	1,282	1,319	1,172
830	855	799	800	921
911	859	852	828	740
1,487	1,351	1,523	1,359	1,481
<u>4,507</u>	<u>4,345</u>	<u>4,456</u>	<u>4,306</u>	<u>4,314</u>
<u>48,835</u>	<u>48,155</u>	<u>47,497</u>	<u>46,799</u>	<u>45,758</u>

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SINGLE AUDIT SECTION



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**DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass-Through Grantor Number	Amount Provided to Subrecipients	Amount of Expenditures
Clustered				
Child Nutrition Cluster:				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	19002	\$ -	\$ 4,963,571
National School Lunch Program	10.555	19001 19003 18006 18007	-	20,310,416
Summer Food Service Program for Children	10.559	19006 19007	-	2,414,298
Total Child Nutrition Cluster			-	27,688,285
Special Education Cluster:				
United States Department of Education:				
Florida Department of Education:				
Special Education - Grants to States	84.027	263	81,546	13,801,452
Special Education - Preschool Grant	84.173	267	-	215,129
Total Special Education Cluster			81,546	14,016,581
Student Financial Assistance Cluster:				
United States Department of Education:				
Federal Pell Grant Program				
	84.063	N/A	-	789,203
Total Student Financial Assistance Cluster			-	789,203
Not Clustered				
United States Department of Defense				
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	-	167,462
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	266,748
Marines Junior Reserve Officers Training Corps	12.UNK	N/A	-	104,300
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	60,717
Total United States Department of Defense			-	599,227
United States Department of Education				
Teacher and Leader Incentive	84.374A	N/A	-	1,286,521
Florida Department of Education:				
Adult Education - Basic Grants to States				
	84.002	191 193	-	586,503
Migrant Education - State Grant Program	84.011	217	-	6,946
Title I Grants to Local Educational Agencies	84.010	212 222 223 226 228	2,642,394	17,364,564
Career and Technical Education - Basic Grants to States	84.048	161	-	851,326
Education for Homeless Children and Youth	84.196	127	-	60,999
Charter Schools	84.282	298	2,066,382	2,066,382
Twenty-First Century Community Learning Centers	84.287	244	463,542	1,526,391
English Language Acquisition State Grants	84.365	102	26,086	1,970,928
Supporting Effective Instruction State Grants	84.367	224	85	2,446,389
Title I School Improvement	84.377		-	403,185
Presidential and Congressional Academies for American History and Civics	84.422		-	53,435
Student Support and Academic Enrichment	84.424	241	292,030	1,204,636
Hurricane Education Recovery	84.938		-	230,945
Total United States Department of Education			5,490,519	30,059,150
United States Department of Health and Human Services				
Osceola County System Care	93.104	N/A	-	962,050
Total United States Department of Health and Human Services			-	962,050
United States Department of Justice				
Community Oriented Policing Services				
Public Safety Partnership and Community Policy Grants				
School Violence Prevention Program	16.710	N/A	-	175,663
Total United States Department of Justice			-	175,663
Total Expenditures of Federal Awards			\$ 5,572,065	\$ 74,290,159

The accompanying notes are an integral part of this schedule.
Notes:

- (1) **Basis of Presentation.** The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Osceola County District School Board under programs of the Federal Government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.
- (2) **Summary of Significant Account Policies.** Expenditures are reported on the modified accrual basis of accounting. Such expenditures are recognized as the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) **Indirect Cost Rate.** The District has not elected to use the 10 percent de minimus cost rate allowed under the Uniform Guidance.
- (4) **Noncash Assistance: National School Lunch Program** - Includes \$2,565,702 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.



Certified Public Accountants

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Osceola County, Florida (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2020. Our report includes a reference to other auditors who audited the financial statements of the agency funds and aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Item 2020-001 that we consider to be a significant deficiency.

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

Compliance and Other Matters

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

Pursuant to provisions of Chapter 10.800, *Rules of the Auditor General*, we reported certain matters to management of the District in a separate management letter and Independent Accountant's Report dated December 15, 2020.

District's Response to Findings

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2020



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

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

Report on Compliance for Each Major Federal Program

We have audited the compliance of the District School Board of Osceola County, Florida (the “District”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement*, which could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2020. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

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

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

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

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

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

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

We have audited the basic financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 15, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Our report on the basic financial statements included disclosures regarding our reference to the reports of other auditors. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.

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

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2020

DISTRICT SCHOOL BOARD OF OSCEOLA COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended June 30, 2020

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

2020-001 Unrecorded Liability

Condition: During our audit of the District's financial statements, we noted an unrecorded liability that resulted in an audit adjustment to a major fund. We noted that the transaction was a capital expenditure related to year-end accruals, that the District had the funds to cover the liability, and that there were no other issues related to the District's expenditure accruals; therefore, we considered this to be an isolated incident.

Criteria: Current year expenses paid subsequent to year-end should be identified and recorded as a liability during the current year.

Cause: The District's year-end accrual process was not sufficient to properly identify all invoices paid subsequent to year-end that should be accrued.

Effect: Unrecorded liabilities could result in the District's fund balance being overstated.

Recommendation: We recommend that management review its procedures to ensure that all accruals are properly reported at year-end.

Management's Response: The District has appropriate processes in place to identify unrecorded liabilities. The item identified here was an isolated incident that was actually identified by staff, but accidentally left off when recording accrued expenditures as of June 30, 2020. The District has taken corrective action to record the adjusted entry and will continue to strengthen its procedures to ensure all liabilities are properly accrued at year-end.

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

No matters are reported.

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

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

SCHOOL BOARD MEMBERS

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



Superintendent of Schools
 Dr. Debra P. Pace

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the Year Ended June 30, 2020

Audit Report No. (Finding No.)	Program/Area	Brief Description	Status	Comments
2017-080 (2016-001)	Child Nutrition Cluster (CFDA Nos. 10.553 and 10.555)	Contrary to Federal regulations, the District maintained excess net cash resources for its food service program.	Partially Corrected	The District has made significant progress spending down excess net cash resources during the 2019-2020 fiscal year and anticipates utilizing the rest of the excess net cash resources within the next fiscal year.
2019-001	Hurricane Education Recovery-Temporary Emergency Impact Aid for Displace Students(Emergency Impact Aid) (CFDA No. 84.938C)	The District misreported data for 1,694 displaced students to the FDOE, resulting in questioned costs totaling \$10,977 for the Emergency Impact Aid program.	Fully Corrected	The District has contacted the FDOE and returned the identified questioned costs.

Student Achievement – Our Number One Priority
 Districtwide Accreditation by the AdvancED Accreditation Commission

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

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Superintendent of Schools
Dr. Debra P. Pace

December 15, 2020

Osceola County District School Board
Management’s Corrective Action Plan
For the Fiscal Year Ended June 30, 2020

Finding Number: 2020-001

Planned Corrective Action: The District has appropriate processes in place to identify unrecorded liabilities. The item identified here was an isolated incident that was actually identified by staff, but accidentally left off when recording accrued expenditures as of June 30, 2020. The District has taken corrective action to record the adjusted entry and will continue to strengthen its procedures to ensure all liabilities are properly accrued at year-end.

Anticipated Completion Date: December 31, 2020

Responsible Contact Person: Yuling Liu, Director of Finance



Certified Public Accountants

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the District School Board of Osceola County, Florida (the "District") as of and for the year ended June 30, 2020, and have issued our report thereon dated December 15, 2020.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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"); and Chapter 10.800, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and our Independent Accountant's Report in accordance with the provisions of Chapter 10.800, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated December 15, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.804(1)(f)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. Partial corrective action has been taken to address Finding 2016-001 identified in the four preceding annual financial audit reports and full corrective action has been taken to address Finding 2019-001 identified in the preceding annual financial report. The current status of Finding 2016-001 and Finding 2019-001 is reported in the Summary Schedule of Prior Audit Findings located in the District's Comprehensive Annual Financial Report for the year ended June 30, 2020.

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

Financial Condition and Management

Section 10.804(1)(f)2., *Rules of the Auditor General*, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.804(1)(f)5.a. and 10.805(7), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

Section 10.804(1)(f)3., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In conjunction with our audit, we noted the following:

2020-002 Approval of Journal Entries

Condition: During testing of the District's controls over manual journal entries, we noted five instances where an employee created and approved their own journal entries.

Criteria: For proper segregation of duties, journal entries should be reviewed and approved by an individual other than the person who created the entry.

Cause: The District's process for journal entry approval was not consistently followed.

Effect: Without a second individual reviewing and approving journal entries, entries could be posted in error and thus result in errors within the District's financial statements.

Recommendation: We recommend that management ensure that formal review procedures are completed by a second individual to ensure proper review and approval of journal entries.

Management's Response: The District will review its journal entry procedures to ensure consistency in the approval process.

2020-003 Purchase Card (“P-Card”) Approval

Condition: During our testing of the District’s controls over P-Cards, we noted three instances where P-Cards were not properly approved by the administrator in the system.

Criteria: P-Card transactions should be reviewed and formally documented as approved by a second authorized individual.

Cause: The District’s policy for P-Cards was not consistently followed.

Effect: Without proper approval of P-Card transactions, unauthorized purchases could be made.

Recommendation: We recommend that management ensures that formal review procedures are completed by a second individual to ensure proper approval of P-Card transactions.

Management’s Response: These identified instances without approval occurred while the District was transitioning our purchasing card program from one bank to another. The District is in the process of providing additional training to administrators for the on-line approval process to ensure all P-Card transactions are properly approved.

Transparency

Section 10.804(1)(f)6., *Rules of the Auditor General*, requires that we communicate the results of our determination as to whether the District maintains on its website the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained on its website the information specified in Section 1011.035, Florida Statutes.

Additional Matters

Section 10.804(1)(f)4., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the District School Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2020



Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the District School Board of Osceola County, Florida's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended June 30, 2020. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District is in accordance with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the District's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2020.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 15, 2020