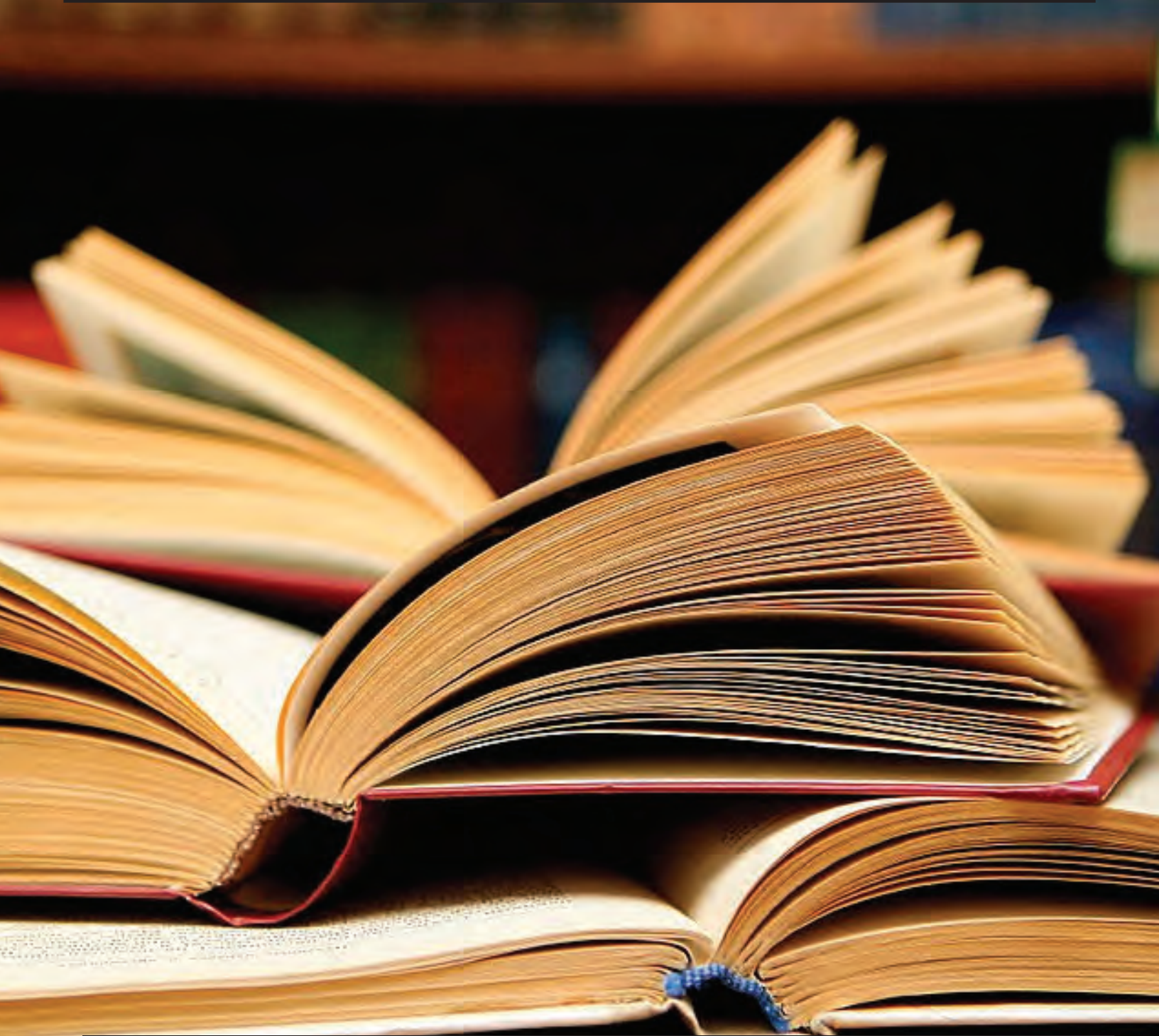


COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2021



THE SCHOOL BOARD OF MARION COUNTY, FLORIDA

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

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

**FISCAL YEAR ENDED
JUNE 30, 2021**

Dr. Diane V. Gullett, Superintendent of Schools

**Prepared By:
Finance and Accounting Department
Theresa Boston-Ellis, Chief Financial Officer
Alice A. Posada, Director of Finance
Valerie Brown, Senior Accountant**

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

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**THE SCHOOL BOARD OF MARION COUNTY
OCALA, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED
JUNE 30, 2021**

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**THE SCHOOL BOARD OF MARION COUNTY
OCALA, FLORIDA
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**THE SCHOOL BOARD OF MARION COUNTY
 Ocala, Florida
 Comprehensive Annual Financial Report
 Fiscal Year Ended
 June 30, 2021**

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Principal Officials as of June 30, 2021

District School Board



Mrs. Nancy Thrower
School Board Chair,
District 4



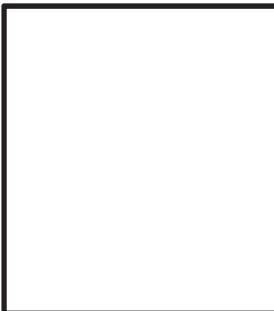
Mrs. Kelly King
Vice-Chair, District 5



Mrs. Allison Campbell
Member, District 1



Mr. Eric Cummings
Member, District 3



Vacant
District 2

Executive Officials



Dr. Diane Gullett
Superintendent



Mr. Mark Vianello
Deputy Superintendent



Ms. Theresa Boston-Ellis
Chief Financial Officer

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www.marionschools.net
 512 SE 3rd Street • Ocala FL 34471-2212
 PO Box 670 • Ocala FL 34478-0670
 352.671.7700 • Fax 352.671.7581
 FRS 800.955.8770 (voice) • 800.955.8771 (TTY)

November 30th, 2021

Members of the Board
 Marion County School Board
 512 SE 3rd Street
 Ocala, Florida 34471

Dear School Board Members and Citizens of Marion County,

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

This report consists of management’s representations concerning the finances of the District. Responsibility for the administration and management of the schools and the administrative support units of the District is vested in the Superintendent of Schools who serves as the Board Secretary and Chief Executive Officer. Accordingly, responsibility for the accuracy of the data and the completeness and fairness of presentation, including all disclosures, rests with the Superintendent and the designated representatives of the Superintendent. To provide a reasonable basis for making these representations, the Superintendent and/or her representatives have established a comprehensive internal control framework that is designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As District representatives, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Purvis, Gray and Company, LLP, Certified Public Accounts, have audited the District’s financial statements. The goal of the independent audit is to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the District’s basic financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report. The independent audit of the financial statements of the District was part of a broader, Federally mandated “Single Audit” designed to meet the special needs of Federal grantor agencies.

Dr. Diane Gullett Superintendent	Allison Campbell District 1	Don Browning District 2	Eric Cummings District 3	Nancy Thrower District 4	Kelly King District 5
-------------------------------------	--------------------------------	----------------------------	-----------------------------	-----------------------------	--------------------------



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

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

The District is required to undergo an annual Single Audit in conformity with the provisions of the Uniform Guidance. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. Information related to this Single Audit, including the schedule of expenditures of Federal awards, the independent auditors' reports on internal control over financial reporting and on compliance and other matters, the independent auditors' report on Federal program compliance, and the schedule of findings and questioned costs, is included in section IV as additional elements of this report.

Profile of the School District

The District and its governing board (the Board) were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by District school officials in accordance with Chapter 1001, Florida Statutes. The Board consists of five (5) elected officials responsible for the adoption of policies, which govern the operation of the District's public schools. The Superintendent is responsible for the administration and management of the schools within the applicable parameters of State laws, State Board of Education Rules, and School Board policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts for the District by State Board of Education Rule 6A-1.001, Florida Administrative Code.

The geographic boundaries of the District are coterminous with those of Marion County. Management of the District is independent of county and city governments. Covering 1,663 square miles, Marion County is one of the largest counties in Florida. With 41,324 students, Marion County student enrollment decreased by 1,684 students from the 2019-20 fiscal year to the 2020-21 fiscal year. This decrease was primarily the result of COVID19. There is little projected growth for the 2021-22 fiscal year student enrollment.

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

Key academic achievements are listed below:

- Three elementary schools remain designated as Schools of Excellence. Madison Street Academy of Visual and Performing Arts, Dr. N.H. Jones Elementary, and Eighth Street Elementary remain on the list for the fourth consecutive year.
- Belleview High School was recognized as a Cambridge AICE Demonstration School.
- Belleview High School, North Marion High School, and West Port High School were identified as 2020 Magnet Schools of America-Schools of Distinction.
- Horizon Academy at Marion Oaks has been identified as a Magnet School of America-School of Excellence.
- Three students at two high schools (Belleview High and West Port High) were identified as National Merit Scholar Finalists.
- Liberty Middle School, Fort McCoy School, and Dunnellon Middle School have been recognized with National AVID School-Wide Certifications.
- West Port High School has been named Florida Department of Education's Arts Achieve! Model School in four areas for over 15 years.

Factors Affecting Financial Condition

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

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

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

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

Public-private partnerships are shaping strategies to help ensure students are prepared for highly skilled jobs available in Marion County. Marion Technical College (MTC) postsecondary programs and all Marion County secondary career and technical programs work cooperatively with local business advisory committees to ensure that all programs meet the standards for preparing students for productive careers and for continued education. New program offerings at the secondary levels are selected for implementation based upon projected job openings and high-skill, high-wage criteria.

Long-Term Financial Planning

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

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

All school buildings across the county are maintained by the Facilities Department and vary among age and structure. Eighth Street Elementary, built in 1914, marks as the oldest school while Legacy Elementary, which was completed in 2011, marks as the newest addition. A complete list of schools with their year acquired and square footage can be referenced in the Statistical Section of this ACFR on pages 121-122.

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

Financial Information

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

Retirement Program

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

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the School District of Marion County, Florida, for its ACFR for fiscal year ended June 30, 2020. This is the twentieth first consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

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

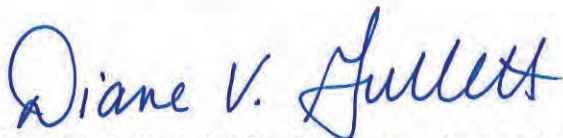
Acknowledgments

The preparation of the ACFR could not have been accomplished without the loyal and dedicated assistance of the entire staff of the Finance Department, as well as the entire District administrative staff who provided assistance throughout the preparation of this report.

We would like to thank the School Board Members for their interest and support in establishing responsible and progressive financial policies for the District. The citizens of Marion County are also to be commended for their continued support of the public schools.

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

Respectfully submitted,



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



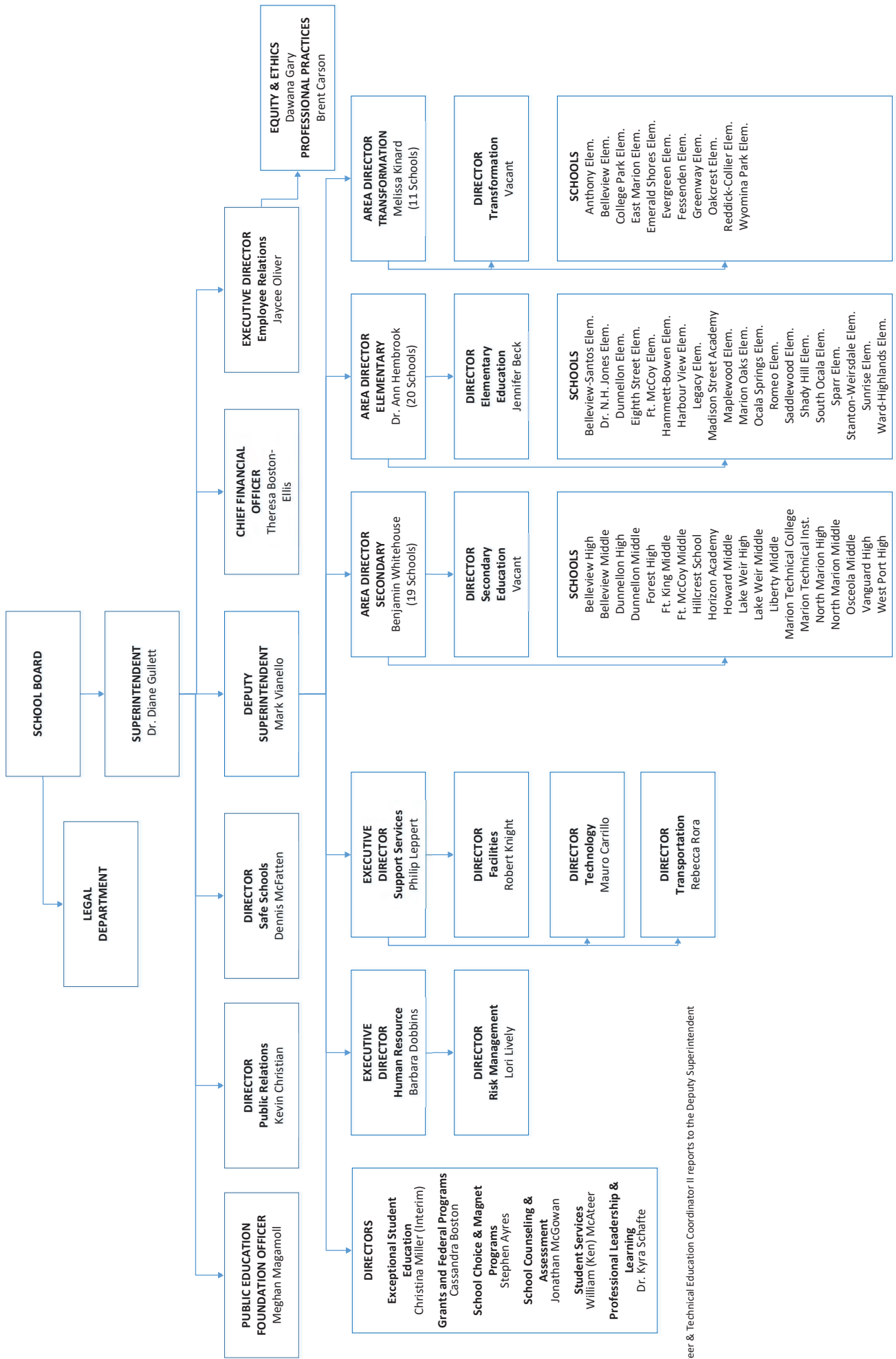
Theresa Boston-Ellis, Chief Financial Officer



Alice A. Posada, Director of Finance

MARION COUNTY PUBLIC SCHOOLS

ORGANIZATIONAL CHART – 2020-2021



*Career & Technical Education Coordinator II reports to the Deputy Superintendent



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District of Marion County
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO



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FINANCIAL SECTION

This section contains the following subsections:

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

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

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

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INDEPENDENT AUDITOR'S REPORT

Marion County District School Board and
Superintendent
Ocala, Florida

We have audited the accompanying basic financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Marion County District School Board (the District) as of and for the fiscal year ended June 30, 2021, 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 Marion Charter School and the McIntosh Area School, which represent 32%, 16%, and 42%, respectively, of the total assets, net position, and revenues of the aggregate discretely presented component units. Those 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 these two component units, is based solely on the report 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 from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgement, 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 entity'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 entity'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.

CERTIFIED PUBLIC ACCOUNTANTS

Gainesville | Ocala | Tallahassee | Sarasota | Orlando | Lakeland

purvisgray.com

Members of American and Florida Institutes of Certified Public Accountants

An Independent Member of the BDO Alliance USA

Marion County District School Board and
Superintendent
Ocala, Florida

INDEPENDENT AUDITOR'S REPORT

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance 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, Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Major Special Revenue Fund – Other Federal Programs Fund; Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Federal Education Stabilization Fund; Schedule of Proportionate Share of Net Pension Liability; Schedule of Contributions – Pension Plans; Schedule of Changes In Other Postemployment Benefit (OPEB) Plan Liability and Other Related Ratios; and Notes to Required Supplementary Information, as listed in the table of contents. 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 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. The introductory section, combining and individual non-major fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also not a required part of the basic financial statements.

Marion County District School Board and
Superintendent
Ocala, Florida

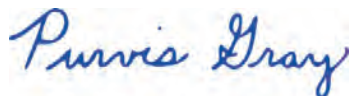
INDEPENDENT AUDITOR'S REPORT

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

The introductory and statistical sections have not been subjected to 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 Accounting Standards*, we have also issued our report dated November 30, 2021, on our consideration of the District's internal control over financial reporting and 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 that 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 the audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



November 30, 2021
Ocala, Florida

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Marion County District School Board (the District) has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2021. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

FINANCIAL HIGHLIGHTS

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

- Total net position is \$295,080,631, which represents a small decrease from the 2019-20 fiscal year.
- General revenues total \$445,197,949, or 93 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$33,029,228 or 7 percent of all revenues.
- Expenses total \$478,457,646; only \$33,029,228 of these expenses were offset by program revenues, with the remainder paid from general revenues. Total expenses exceed total revenues by \$230,469.
- The total combined assigned and unassigned fund balance of the General Fund, representing the net fund balance that is spendable and not restricted, totals \$49,571,999 at June 30, 2021, or 13.46 percent of total General Fund revenues. The unassigned fund balance totals \$27,669,648 which represents 7.5 percent of total General Fund revenues.
- The total assets and deferred outflows of resources of the District is \$757,576,822 and total liabilities and deferred inflows of resources is \$462,496,191.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

Government-wide financial statements

Fund financial statements

Notes to financial statements

Government-wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the primary government presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets, its liabilities, its deferred inflows and its deferred outflows of resources using an economic resources measurement focus. Assets plus deferred outflows of resources, less liabilities and deferred

inflows of resources, equals net position, which is a measure of the District's financial health. The statement of activities presents information about the change in the District's net position, the results of operations during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

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

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

Component units—The District presents four separate legal entities in this report including the Marion Charter School, Inc.; the McIntosh Area School, Incorporated; Clear Choice Academics, Inc., d/b/a Ocali Charter Middle School; and the Public Education Foundation of Marion County, Inc. Although the charter schools do not meet the specific financial accountability criteria, they are included in this report as component units based on the nature and significance of their relationship with the District to prevent the District's financial statements from being misleading. Financial information for these component units are reported separately from the financial information presented for the primary government.

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

Fund Financial Statements

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

Governmental Funds—Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize the current financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The current financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

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

and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

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

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

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

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

Notes to Financial Statements

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

Required Supplementary Information

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

Notes to Required Supplementary Information

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

Other Supplementary Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial health. The following is a summary of the District's net position as of June 30, 2021, compared to net position as of June 30, 2020:

	Net Position, End of Year	
	Governmental Activities	
	6-30-21 (a)	6-30-20
Current Assets	\$ 148,222,167	\$ 124,791,636
Capital Assets, Net of Depreciation	510,085,358	510,896,722
Total Assets	658,307,525	635,688,358
Deferred Outflows of Resources	99,269,297	88,555,243
Current Liabilities	20,977,001	15,661,340
Noncurrent Liabilities	421,156,480	387,171,421
Total Liabilities	442,133,481	402,832,761
Deferred Inflows of Resources	20,362,710	28,861,036
Net Position:		
Net Investment in Capital Assets	447,024,967	436,909,134
Restricted	55,197,063	53,631,332
Unrestricted (Deficit)	(207,141,399)	(197,990,662)
Total Net Position	\$ 295,080,631	\$ 292,549,804
(a) Beginning net position was restated for the change in accounting principle discussed in Note II to the financial statements.		

The largest portion of the District's net position reflects its investment in capital assets (e.g., land; buildings and fixed equipment; furniture, fixtures, and equipment), less any related debt still outstanding net of unspent debt proceeds. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources used to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

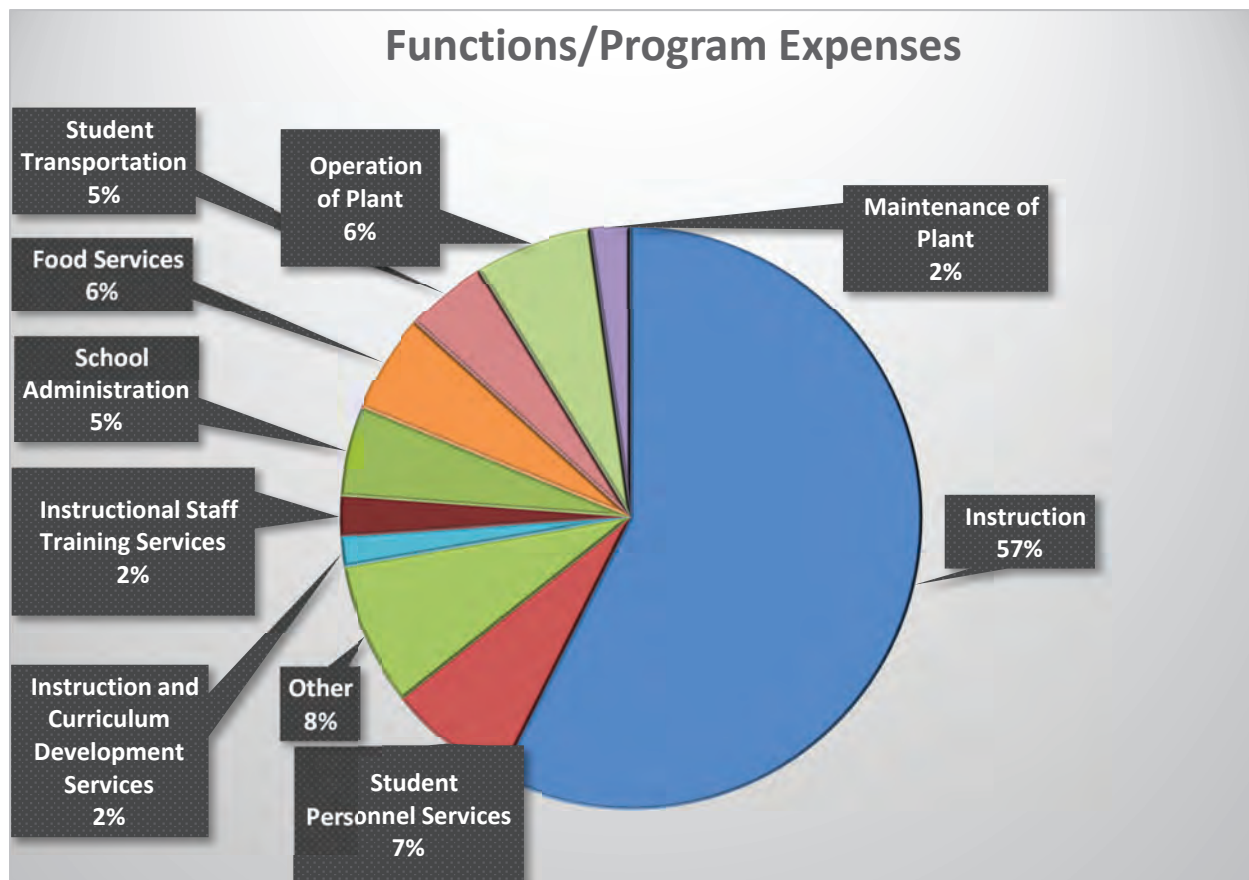
The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The deficit net position was the result of liabilities related to the defined benefit pension plans, compensated absences, and Other Postemployment Benefits (OPEB).

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

- The increase in net investment in capital assets is due primarily to ongoing construction projects of two school cafeterias and several HVAC upgrades.
- The change in deferred outflows and deferred inflows is the result of the Florida Retirement System, Health Insurance Subsidy, and OPEB activities.

Governmental activities decreased the District's net position by \$230,469 during the 2020-21 fiscal year, detailed as follows:

	Operating Results for the Fiscal Year Ended	
	Governmental Activities	
	6-30-21	6-30-20
Program Revenues:		
Charges for Services	\$ 7,230,747	\$ 8,079,496
Operating Grants and Contributions	23,950,096	22,108,361
Capital Grants and Contributions	1,848,385	1,982,457
General Revenues:		
Property Taxes Levied for Operational Purposes	120,297,916	114,954,917
Property Taxes Levied for Capital Projects	32,691,158	30,332,362
Grants and Contributions Not Restricted to Specific Programs	285,889,161	267,735,554
Unrestricted Investment Earnings	332,416	2,800,887
Miscellaneous	5,987,298	5,978,721
Total Revenues	478,227,177	453,972,755
Functions/Program Expenses:		
Instruction	274,724,517	268,339,463
Student Personnel Services	33,080,645	32,023,172
Instructional Media Services	4,719,476	4,983,809
Instruction and Curriculum Development	7,986,796	7,766,711
Instructional Staff Training Services	10,579,815	10,953,527
Instruction Related Technology	2,686,068	2,696,383
Board of Education	819,394	1,116,072
General Administration	3,667,305	3,454,028
School Administration	23,977,751	23,974,881
Facility Services	874,759	4,474,895
Fiscal Services	3,883,438	3,447,126
Food Services	26,381,209	27,592,616
Central Services	5,695,528	5,606,928
Student Transportation Services	21,926,717	22,628,422
Operation of Plant	31,045,173	29,457,066
Maintenance of Plant	10,726,118	11,241,356
Administrative Technology Services	5,381,432	5,171,426
Community Services	8,014,579	5,569,166
Unallocated Interest on Long-Term Debt	2,286,926	2,674,342
Total Functions/Program Expenses	478,457,646	473,171,389
Increase (Decrease) in Net Position	(230,469)	(19,198,634)
Net Position - Beginning	292,549,804	311,748,438
Adjustment to Restate Beginning Net Position (see Note II)	2,761,296	
Net Position - Beginning - Restated	295,311,100	311,748,438
Net Position - Ending	\$ 295,080,631	\$ 292,549,804

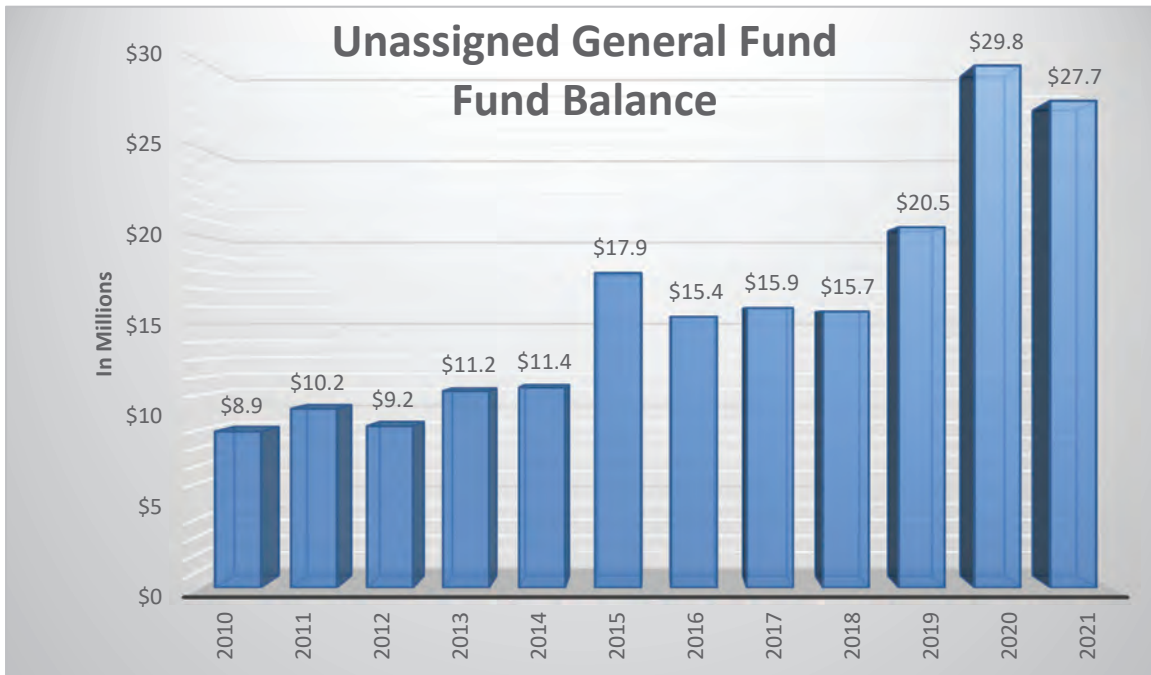


Key elements of the change in net position are as follows:

- Property values continue to rise providing increased property taxes for operations and capital projects.
- The District received \$11,010,433 in Federal Education Stabilization funds to offset the impact on school operations related to the COVID19 virus.
- Investment earnings declined by \$2,468,471 as a result of the decline in the overall U.S. treasury security market.
- Other increases in expenses resulted from the recording of net pension liability expenses which increased expenditures by approximately \$49.2 million.

Major Governmental Funds

General Fund: This fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance was \$27,669,648 while the total fund balance was \$65,606,916. The total fund balance increased by \$8,649,717 during the 2020-21 fiscal year. The increase in fund balance is primarily due to an increase in property values. The fund balance remains above the level set by Board policy which is 3 percent of General Fund revenues.



Special Revenue – Other Federal Programs Fund: This fund had revenues and expenditures of \$35,070,407. Expenditures were primarily for salaries and benefits. Because revenues in this fund are recognized to the extent expenditures are incurred, this fund generally does not accumulate a fund balance.

Special Revenue – Federal Education Stabilization Fund: This fund had revenues and expenditures of \$11,010,433. Expenditures were primarily for salaries and benefits. Because revenues in this fund are recognized to the extent expenditures are incurred, this fund generally does not accumulate a fund balance.

Capital Projects – Local Capital Improvement Fund: This fund has a total fund balance of \$21,076,499, all of which is restricted for the acquisition, construction, and maintenance of capital assets. Funds were used for property insurance, debt payments, and HVAC upgrades.

Proprietary Fund

During the 2020-21 fiscal year, the District became self-insured for their health insurance. Unrestricted net position of the Internal Service Fund totaled \$8,676,116 at June 30, 2021, an increase of \$5,394,689 from the previous fiscal year. Total operating expenses were \$27,151,912 comprised of salaries, employee benefits, purchased services, and claims expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the course of the 2020-21 fiscal year, the District amended its General Fund budget several times due primarily to changes in estimated local and Federal through State funding levels and made corresponding adjustments to planned expenditures to ensure maintenance of an adequate fund balance.

The District made several management decisions to curtail spending, which resulted in actual expenditures being approximately \$34 million less than original budget amounts.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2021, amounts to \$510,085,358 (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; and audio visual materials and computer software.

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

- Several heating, ventilating and air conditioning and re-modeling projects were completed while others were started during the year.
- Purchased a generator for Liberty Middle School.
- Disposal of portable buildings, equipment, and vehicles totaled approximately \$13.6 million.
- Depreciation expense totaled \$20,356,978.

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

Long-Term Debt

At June 30, 2021, the District has \$61,099,134 total capital asset-related debt outstanding. This amount is composed of \$43,365,000 of certificates of participation payable, \$2,504,000 of bonds payable, \$12,998,760 of a note payable, and \$2,231,374 of unamortized premiums.

Other items classified as long-term liabilities, in the government-wide financial statements, include the compensated absences liability totaling \$33,382,887, other postemployment benefits payable in the amount of \$21,238,339, estimated insurance claims payable totaling \$12,809,452 and net pension obligations totaling \$292,626,668.

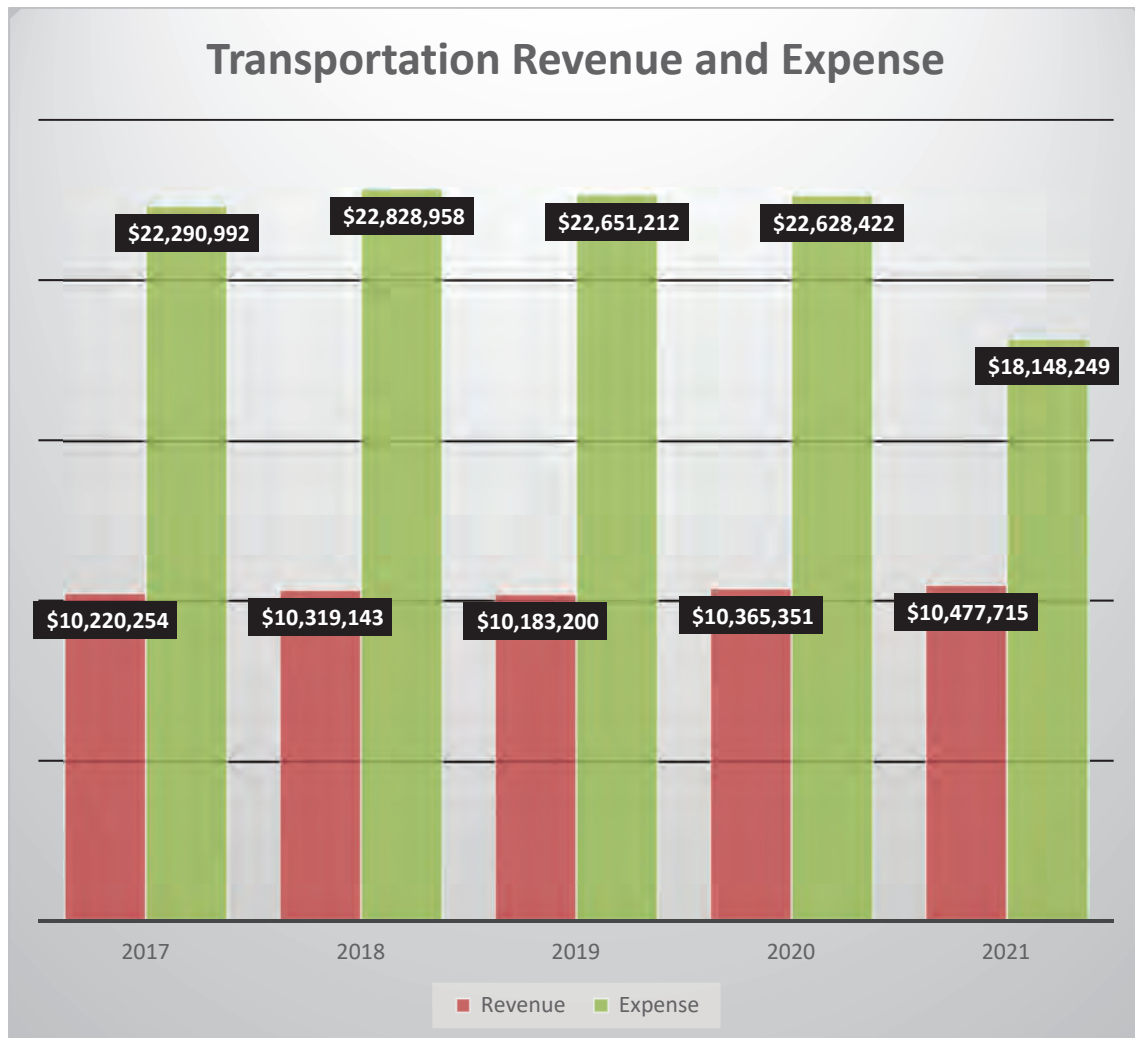
Additional information on the District's long-term liabilities can be found in Note III.I. to the financial statements.

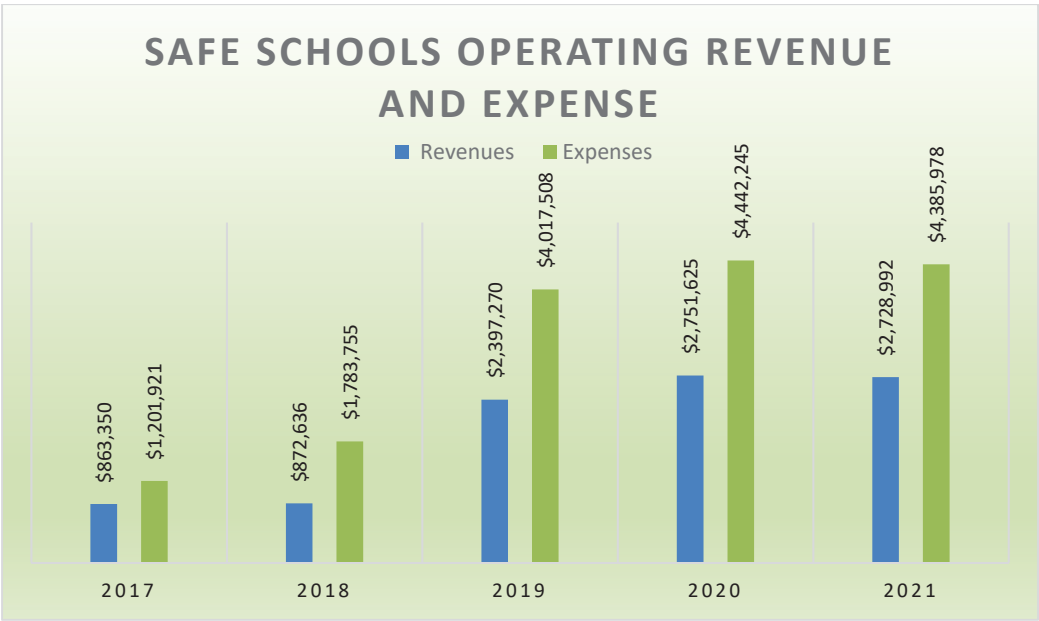
OTHER MATTERS OF SIGNIFICANCE

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

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

Transportation, as well as unfunded mandates such as safe schools, continue to exceed revenues. For fiscal year 2020-21, expenses exceeded revenues by \$7.67 million for Transportation and \$1.66 million for operating funds related to Safe Schools. Funding these areas from current operations continue to be challenging.





REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Marion County District School Board's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, School District of Marion County, Florida, 512 SE 3rd Street, Ocala, FL 34471.

BASIC FINANCIAL STATEMENTS

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MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government	
	Governmental Activities	Component Units
Assets		
Cash	\$ 22,653,643	\$ 1,252,964
Investments	110,461,947	705,208
Accounts Receivable	542,569	135,741
Deposits Receivable	140,000	15,906
Due from Other Agencies	9,273,447	-
Inventories	4,503,856	318,700
Prepaid Items	646,705	9,996
Assets Held by Others	-	1,983,639
Capital Assets:		
Capital Assets Not Being Depreciated	29,072,874	364,833
Capital Assets Being Depreciated, Net	481,012,484	469,812
Total Assets	658,307,525	5,256,799
Deferred Outflows of Resources		
Deferred Amount on Refunding	1,111,853	-
Deferred Amount on Other Postemployment Benefits	2,275,962	-
Deferred Amount on Pension Liability	95,881,482	439,927
Total Deferred Outflows of Resources	99,269,297	439,927
Liabilities		
Salaries and Benefits Payable	6,333,094	21,670
Payroll Deductions and Withholdings Payable	1,110,846	-
Accounts Payable	9,268,485	55,553
Sales Tax Payable	1,486	-
Deposits Payable	53,821	-
Construction Contracts Payable	2,620,141	-
Construction Contracts Payable - Retainage	512,942	-
Accrued Interest Payable	271,872	-
Due to Other Agencies	230,049	-
Unearned Revenue	574,265	-
Long-term Liabilities Due Within One Year	20,633,759	1,196,881
Long-term Liabilities Due After One Year	400,522,721	192,708
Total Liabilities	442,133,481	1,466,812
Deferred Inflows of Resources		
Deferred Revenue	-	64,801
Deferred Amount on Other Postemployment Benefits	8,024,533	-
Deferred Amount on Pension Liability	12,338,177	-
Total Deferred Inflows of Resources	20,362,710	64,801
Net Position		
Net Investment in Capital Assets	447,024,967	834,645
Restricted for:		
State Required Carryover Programs	6,448,256	-
Food Service	7,025,439	-
School Internal Accounts	2,724,105	-
Debt Service	358,377	-
Capital Projects	33,117,871	135,690
Referendum Property Tax	5,523,015	-
Other Purposes	-	2,628,387
Permanent Endowments:		
Nonexpendable	-	-
Unrestricted (Deficit)	(207,141,399)	566,391
Total Net Position	\$ 295,080,631	\$ 4,165,113

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

**MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities:			
Instruction	\$ 274,724,517	\$ 6,177,738	\$ -
Student Personnel Services	33,080,645	-	-
Instructional Media Services	4,719,476	-	-
Instruction and Curriculum Development	7,986,796	-	-
Instructional Staff Training Services	10,579,815	-	-
Instruction Related Technology	2,686,068	-	-
Board of Education	819,394	-	-
General Administration	3,667,305	-	-
School Administration	23,977,751	-	-
Facility Services	874,759	-	-
Fiscal Services	3,883,438	-	-
Food Services	26,381,209	992,963	23,950,096
Central Services	5,695,528	-	-
Student Transportation Services	21,926,717	60,046	-
Operation of Plant	31,045,173	-	-
Maintenance of Plant	10,726,118	-	-
Administrative Technology Services	5,381,432	-	-
Community Services	8,014,579	-	-
Unallocated Interest on Long-term Debt	2,286,926	-	-
Total Primary Government	\$ 478,457,646	\$ 7,230,747	\$ 23,950,096
Component Units			
Charter Schools/Foundation	\$ 5,781,831	\$ 58,646	\$ -

General Revenues

Taxes:

 Property Taxes, Levied for Operational Purposes

 Property Taxes, Levied for Capital Projects

Grants and Contributions Not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning as Restated

Net Position - Ending

Program Revenues	Net (Expense) Revenue and Changes in Net Position	
	Primary Government	
Capital Grants and Contributions	Governmental Activities	Component Units
\$ -	\$ (268,546,779)	\$ -
-	(33,080,645)	-
-	(4,719,476)	-
-	(7,986,796)	-
-	(10,579,815)	-
-	(2,686,068)	-
-	(819,394)	-
-	(3,667,305)	-
-	(23,977,751)	-
1,586,698	711,939	-
-	(3,883,438)	-
-	(1,438,150)	-
-	(5,695,528)	-
-	(21,866,671)	-
-	(31,045,173)	-
-	(10,726,118)	-
-	(5,381,432)	-
-	(8,014,579)	-
261,687	(2,025,239)	-
<u>\$ 1,848,385</u>	<u>(445,428,418)</u>	<u>-</u>
<u>\$ 255,070</u>	<u>-</u>	<u>(5,468,115)</u>

120,297,916	-
32,691,158	-
285,889,161	5,200,702
332,416	151,008
<u>5,987,298</u>	<u>57</u>
<u>445,197,949</u>	<u>5,351,767</u>
(230,469)	(116,348)
295,311,100	4,281,461
<u>\$ 295,080,631</u>	<u>\$ 4,165,113</u>

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

**MARION COUNTY DISTRICT SCHOOL BOARD
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General Fund	Special Revenue - Other Federal Programs Fund
Assets		
Cash	\$ 2,267,592	\$ 300,103
Investments	63,216,212	-
Accounts Receivable	460,063	42,230
Due From Other Agencies	4,255,713	1,789,614
Due From Budgetary Funds	185,533	-
Inventories	3,510,674	-
Prepaid Items	561,534	12,600
Total Assets	\$ 74,457,321	\$ 2,144,547
Liabilities and Fund Balances		
Liabilities		
Salaries and Benefits Payable	\$ 3,775,496	\$ 1,693,281
Payroll Deductions and Withholdings Payable	860,609	179,464
Accounts Payable	3,996,716	136,340
Sales Tax Payable	1,486	-
Accrued Interest Payable	-	-
Deposits Payable	1,777	-
Construction Contracts Payable	441	1,540
Construction Contracts Payable - Retainage	-	-
Due to Other Agencies	91,634	97,937
Due to Budgetary Funds	-	-
Unearned Revenue	122,246	35,985
Total Liabilities	8,850,405	2,144,547
Fund Balances		
Nonspendable:		
Inventories	3,510,674	-
Prepaid Items	561,534	12,600
Total Nonspendable Fund Balance	4,072,208	12,600
Restricted for:		
State Required Carryover Programs	6,448,256	-
Referendum Property Tax	5,514,453	-
Debt Service	-	-
Capital Projects	-	-
Food Service	-	-
School Internal Accounts	-	-
Total Restricted Fund Balance	11,962,709	-
Assigned for:		
Budget Shortfall 2021-22 Fiscal Year	21,902,351	-
Unassigned Fund Balance	27,669,648	(12,600)
Total Fund Balances	65,606,916	-
Total Liabilities and Fund Balances	\$ 74,457,321	\$ 2,144,547

Federal Education Stabilization Fund	Capital Projects - Local Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 900,745	\$ 8,758,335	\$ 12,226,775
-	23,253,541	8,185,028	94,654,781
-	-	7,699	509,992
1,066,553	958,324	1,203,243	9,273,447
-	-	-	185,533
-	-	993,182	4,503,856
5,588	-	609	580,331
<u>\$ 1,072,141</u>	<u>\$ 25,112,610</u>	<u>\$ 19,148,096</u>	<u>\$ 121,934,715</u>
\$ 620,184	\$ -	\$ 228,288	\$ 6,317,249
70,773	-	-	1,110,846
155,225	-	68,605	4,356,886
-	-	-	1,486
-	-	-	-
-	-	52,044	53,821
-	2,224,989	393,171	2,620,141
-	468,601	44,341	512,942
40,426	-	52	230,049
185,533	-	-	185,533
-	-	416,034	574,265
<u>1,072,141</u>	<u>2,693,590</u>	<u>1,202,535</u>	<u>15,963,218</u>
-	-	993,182	4,503,856
5,588	-	609	580,331
<u>5,588</u>	<u>-</u>	<u>993,791</u>	<u>5,084,187</u>
-	-	-	6,448,256
-	-	-	5,514,453
-	-	630,249	630,249
-	22,419,020	7,565,768	29,984,788
-	-	6,031,648	6,031,648
-	-	2,724,105	2,724,105
-	<u>22,419,020</u>	<u>16,951,770</u>	<u>51,333,499</u>
-	-	-	21,902,351
(5,588)	-	-	27,651,460
-	<u>22,419,020</u>	<u>17,945,561</u>	<u>105,971,497</u>
<u>\$ 1,072,141</u>	<u>\$ 25,112,610</u>	<u>\$ 19,148,096</u>	<u>\$ 121,934,715</u>

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

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

Total Fund Balances - Governmental Funds \$ 105,971,497

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. 510,085,358

The deferred outflows of resources and deferred inflows of resources related to pensions, other postemployment benefits and debt refundings are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred Outflows related to Debt Refundings	\$ 1,111,853	
Deferred Outflows related to Pensions	95,881,482	
Deferred Outflows related to Other Postemployment Benefits	2,275,962	
Deferred Inflows related to Pensions	(12,338,177)	
Deferred Inflows related to Other Postemployment Benefits	<u>(8,024,533)</u>	
		78,906,587

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.

Certificates of Participation	43,365,000	
Bonds Payable	2,504,000	
Note Payable	12,998,760	
Unamortized Premiums	2,231,374	
Unamortized Prepaid Insurance - Debt Related	(59,973)	
Compensated Absences Payable	33,382,887	
Other Postemployment Benefits Payable	21,238,339	
Net Pension Liability	<u>292,626,668</u>	
		(408,287,055)

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. 8,676,116

Accrued Interest on long-term debt is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds. (271,872)

Total Net Position - Governmental Activities \$ 295,080,631

MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General Fund</u>	<u>Special Revenue - Other Federal Programs Fund</u>
Revenues		
Intergovernmental:		
Federal Direct	\$ 586,699	\$ 983,354
Federal Through State and Local	2,286,000	33,869,148
State	232,144,949	192,971
Local:		
Property Taxes	120,297,915	24,934
Other	12,991,231	-
Total Revenues	<u>368,306,794</u>	<u>35,070,407</u>
Expenditures		
Current - Education:		
Instruction	221,662,452	17,733,525
Student Personnel Services	26,180,104	5,244,407
Instructional Media Services	4,154,856	73,928
Instruction and Curriculum Development	4,914,382	2,145,521
Instructional Staff Training Services	3,323,471	6,723,289
Instruction Related Technology	2,416,154	-
Board of Education	826,502	-
General Administration	1,930,624	1,394,304
School Administration	21,048,949	-
Facility Services	302,012	37,523
Fiscal Services	3,664,077	-
Food Services	-	-
Central Services	5,391,216	2,900
Student Transportation Services	18,148,249	80,113
Operation of Plant	29,182,851	-
Maintenance of Plant	9,768,266	-
Administrative Technology Services	4,627,318	-
Community Services	3,728,091	954,460
Capital Outlay:		
Facilities Acquisition and Construction	332,530	64,677
Other Capital Outlay	2,565,026	615,760
Debt Service:		
Retirement of Principal	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	<u>364,167,130</u>	<u>35,070,407</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,139,664</u>	<u>-</u>
Other Financing Sources (Uses)		
Insurance Loss Recoveries	98,637	-
Transfers In	6,317,314	-
Transfers Out	(1,905,898)	-
Total Other Financing Sources (Uses)	<u>4,510,053</u>	<u>-</u>
Net Change in Fund Balances	8,649,717	-
Fund Balances - Beginning, as Restated	56,957,199	-
Fund Balances - Ending	<u>\$ 65,606,916</u>	<u>-</u>

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

Federal Education Stabilization Fund	Capital Projects - Local Capital Improvement Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 1,570,053
11,010,433	-	23,510,821	70,676,402
-	-	3,077,580	235,415,500
-	32,691,158	-	153,014,007
-	108,459	5,010,242	18,109,932
<u>11,010,433</u>	<u>32,799,617</u>	<u>31,598,643</u>	<u>478,785,894</u>
7,609,354	-	217,240	247,222,571
183,750	-	922	31,609,183
-	-	-	4,228,784
218,122	-	269,555	7,547,580
107,677	-	996	10,155,433
29,139	-	-	2,445,293
-	-	-	826,502
185,424	-	-	3,510,352
132,418	-	-	21,181,367
-	-	-	339,535
-	-	-	3,664,077
-	-	25,157,971	25,157,971
-	-	-	5,394,116
510,932	-	-	18,739,294
984,132	-	-	30,166,983
-	-	-	9,768,266
-	-	-	4,627,318
214,630	-	3,186,289	8,083,470
-	10,676,166	4,045,508	15,118,881
834,855	1,172,824	24,443	5,212,908
-	-	11,605,224	11,605,224
-	-	2,431,141	2,431,141
<u>11,010,433</u>	<u>11,848,990</u>	<u>46,939,289</u>	<u>469,036,249</u>
-	20,950,627	(15,340,646)	9,749,645
-	-	-	98,637
-	-	13,580,291	19,897,605
-	(19,608,106)	(273,613)	(21,787,617)
-	(19,608,106)	13,306,678	(1,791,375)
-	1,342,521	(2,033,968)	7,958,270
-	21,076,499	19,979,529	98,013,227
<u>\$ -</u>	<u>\$ 22,419,020</u>	<u>\$ 17,945,561</u>	<u>\$ 105,971,497</u>

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**MARION COUNTY DISTRICT SCHOOL BOARD
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net Change in Fund Balances - Governmental Funds \$ 7,958,270

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

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as a depreciation expense. This is the amount of capital asset activity in the current period:

Capital Asset Acquisitions	\$ 20,331,789	
Depreciation Expense	(20,356,978)	
Loss on Disposal and Exchange of Capital Assets	<u>(786,175)</u>	(811,364)

Repayment of debt principal is an expenditure in the government funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of debt payments during the year. 11,605,224

Debt Premiums on bond issues are amortized over the life of the debt in the statement of activities but are reported as revenues in the fund statements when debt is issued. This is the amount of current amortization. 403,196

Deferred amount on refunding is amortized over the life of the debt in the statement of activities, but is reported as an expense in the fund statements when debt is issued. This is the amount of the current amortization. (297,288)

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

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

Florida Retirement System Pension Contribution	20,107,233	
Health Insurance Subsidy Pension Contribution	4,111,805	
Florida Retirement System Pension Expense	(42,234,611)	
Health Insurance Subsidy Pension Expense	<u>(6,995,106)</u>	(25,010,679)

The net decrease in accrued interest on long-term debt is reported in the statement of activities, but not in the fund statements. 46,875

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 fiscal year. 508,846

In the governmental funds, revenue cannot be recognized until it is available to liquidate liabilities of the current period. In the statement of activities, revenue is recognized as soon as it is earned regardless of its availability. This is the amount of E-Rate and Hurricane Irma revenue reported in the previous year in the government-wide statements. (639,148)

Governmental funds report other postemployment benefit contributions as expenditures. However, in the statement of activities, the actuarial cost of benefits earned net of employee contributions is reported as an expense. 619,478

Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The net expense of internal service funds is reported with governmental activities. 5,394,689

Change in Net Position of Governmental Activities \$ (230,469)

**MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2021**

	Governmental Activities - Internal Service Fund
Assets	
Current Assets:	
Cash	\$ 10,426,868
Investments	15,807,166
Accounts Receivable	32,577
Deposits Receivable	140,000
Prepaid Items	6,401
	26,413,012
Total Assets	26,413,012
 Liabilities	
Current Liabilities:	
Salaries and Benefits Payable	15,845
Accounts Payable	4,911,599
Estimated Insurance Claims Payable	3,168,299
Total Current Liabilities	8,095,743
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	9,641,153
	17,736,896
Total Liabilities	17,736,896
 Net Position	
Unrestricted	\$ 8,676,116

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

**MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Governmental Activities - Internal Service Fund
Operating Revenues	
Charges for Services	\$ 28,963,667
Operating Expenses	
Salaries	167,867
Employee Benefits	58,912
Purchased Services	4,991,187
Claim Expense	21,933,946
Total Operating Expenses	27,151,912
Operating Income	1,811,755
Nonoperating Revenue	
Investment Income	103,916
Decrease in Fair Market Value of Investments	(122,122)
Other Miscellaneous Local Sources	1,711,128
Total Nonoperating Revenue	1,692,922
Transfers In	1,890,012
Change in Net Position	5,394,689
Net Position - Beginning	3,281,427
Net Position - Ending	\$ 8,676,116

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

**MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Governmental Activities - Internal Service Fund</u>
Cash Flows from Operating Activities	
Cash Received from Interfund Services Provided	\$ 28,963,667
Cash Payments to Suppliers for Goods and Services	(2,966,077)
Cash Payments to Employees for Services	(217,559)
Cash Payments for Insurance Claim Payments	(14,464,417)
Net Cash Used by Operating Activities	<u>11,315,614</u>
Cash Flows from Noncapital Financing Activities	
Cash Received from Health Insurance Carriers	1,711,128
Cash Received from General Fund Transfer	1,890,012
Net Cash Received for Noncapital Financing Activities	<u>3,601,140</u>
Cash Flows from Investing Activities	
Purchase of Investments	(5,342,442)
Investment Income	103,916
Net Cash Provided by Investing Activities	<u>(5,238,526)</u>
Net Increase in Cash	<u>9,678,228</u>
Cash, Beginning of Year	<u>748,640</u>
Cash, End of Year	<u>\$ 10,426,868</u>
 <u>Reconciliation of Operating Loss to Net Cash Used by Operating Activities</u>	
Operating Income	\$ 1,811,755
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(32,577)
Decrease in Prepaid Items	2,026,024
Increase in Salaries and Benefits Payable	9,841
Increase in Accounts Payable	4,899,737
Decrease in Due to Other Agencies	(622)
Increase in Estimated Insurance Claims Payable	2,601,456
Net Cash Used by Operating Activities	<u>\$ 11,315,614</u>

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

**MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

	Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash	\$ -	\$ 896,573
Investments	438,625	-
TOTAL ASSETS	\$ 438,625	\$ 896,573
 NET POSITION		
Restricted for Silver River Museum	\$ 438,625	
Restricted for School Internal Accounts		\$ 896,573
TOTAL NET POSITION	\$ 438,625	\$ 896,573

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

**MARION COUNTY DISTRICT SCHOOL BOARD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Investment Income	\$ 24,031	\$ -
Net Increase in Fair Value of Investments	32,119	-
Clubs	-	365,056
Trusts	-	803,655
Boosters	-	1,951
Total Additions	<u>56,150</u>	<u>1,170,662</u>
DEDUCTIONS		
Clubs	-	400,614
Trusts	-	727,146
Boosters	-	1,352
Total Deductions	<u>-</u>	<u>1,129,112</u>
Change in Net Position	56,150	41,550
Net Position - Beginning	<u>382,475</u>	<u>855,023</u>
Net Position - Ending	<u>\$ 438,625</u>	<u>\$ 896,573</u>

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

NOTES TO FINANCIAL STATEMENTS

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**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

Blended Component Unit. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the District. The Marion County School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note III.I.1. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

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

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

The Marion Charter School, Inc.; the McIntosh Area School, Incorporated; and the Clear Choice Academics, Inc. d/b/a Ocali Charter Middle School; are not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

Section 1002.33, Florida Statutes. The charter schools operate under charters approved by its sponsor, the Marion County District School Board. Although the charter schools do not meet the specific financial accountability criteria, based on the nature and significance of the relationship with the District, the charter schools are included as component units to prevent the District's financial statements from being misleading.

The financial data reported on the accompanying statements was derived from the Foundation's and four charter schools' audited financial statements for the fiscal year ended June 30, 2021. These audited reports are filed in the District's administrative offices.

B. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

C. Basis of Presentation: Government-wide Financial Statements

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

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

D. Basis of Presentation: Fund Financial Statements

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Other Federal Programs Fund – to account for certain grant programs.
- Special Revenue – Federal Education Stabilization Fund – to account for Federal funds received under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs.

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

- Internal Service Fund – to account for the District's individual self-insurance programs.
- Private-Purpose Trust Fund – to account for resources provided for the benefit of the Silver River Museum.
- Custodial Funds – to account for resources of the school internal funds, which are used to administer moneys collected at several schools in connection with school, student athletic, and class activities.

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

E. Basis of Accounting

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

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

MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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). Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments, pension benefits, other postemployment benefits, and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

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

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

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

F. Use of Estimates

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

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

1. Cash

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

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

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

2. Investments

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

The District's investments in Florida PRIME meet all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Like money market funds, a participant's account balance is a share of the investment pool, not the underlying securities, and reported at amortized cost, which is considered the fair value of the participant's investment.

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

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

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

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

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

3. Inventories and Prepaid Items

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories, except those for purchased food, donated foods, certain nonfood supplies, and fuel, are stated at cost on a moving-average basis. Purchased food, nonfood supplies purchased by various food service operations, and fuel inventories are valued at last invoice cost which approximates the first-in, first-out basis. United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

4. Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing \$1,000 or more except computer software which are those costing \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

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

5. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting in this category. The deferred outflows of resources related to pensions and OPEB are discussed in subsequent notes. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows 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 two types of items that qualify for reporting in this category. The deferred inflows of resources related to pensions and OPEB are discussed in subsequent notes.

MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

6. Long-Term Liabilities

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

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

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

7. 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.

8. Pensions

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

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

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.

10. 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.

11. 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 may include amounts that can be used only for the specific purposes determined by a formal action of the District’s highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution 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. The District reported no committed fund balance as of June 30, 2021.

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

The District has adopted Board Policy 7.10 which provides that, if feasible, 3 percent of the recurring General Fund revenues be set aside as contingency reserves to cover unforeseen events including, but not limited to, revenue shortfalls and student enrollment under projections. Accordingly, the Board approved assigned amounts within the General Fund for an anticipated budget shortfall in the 2021-22 fiscal year.

H. Revenues and Expenditures/Expenses

1. Program Revenues

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

2. State Revenue Sources

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

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

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

3. District Property Taxes

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

On August 28, 2018, Marion County voters approved a one mill ad valorem tax for educational enhancement. Specifically, the funds were to be used to restore programs previously affected by the recession, level funding and operating expenses associated with reading, physical education, art, music, library/media, vocational programs, meeting class size requirements, and retaining teachers and paraprofessionals. Unexpended funds are shown as restricted fund balance in the General Fund.

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

The Board adopted the 2020 tax levy on September 8, 2020. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

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

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

4. Federal Revenue Sources

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

5. Proprietary Fund Operating and Nonoperating Revenues and Expenses

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

II. ACCOUNTING CHANGES

Governmental Accounting Standards Board Statement No. 84. The District implemented GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The District considers Clubs, Trusts and Boosters previously reported in the school internal funds accounts to meet the criteria for reporting as fiduciary activities in the custodial funds. All other funds within the internal accounts were deemed special revenue funds. As such, the beginning net position of the custodial funds was increased by \$855,023 and the beginning fund balance of the Special Revenue – Miscellaneous and the government-wide statement of net position were increased by \$2,761,296.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

B. Investments

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

State Board of Administration (SBA):					
Florida PRIME	0.14	AAAm	\$ 2,446,407		n/a
Debt Service Accounts	0.50	AAAm	13,670		1
U.S. Treasury Notes	2.07	n/a	9,264,783		n/a
Federal Home Loan Bank (FHLB)	1.97	AA+	1,079,374		2
Federal National Mortgage Association (FNMA)	2.49	AA+	5,459,676		2
Federal Home Loan Mortgage (FHLMC)	1.84	AA+	1,378,986		2
Supra-National Agency Bonds	2.88	AAA	1,605,174		2
Money Market Funds:					
Fidelity	n/a	AAAm	91,898		n/a
FL PALM	n/a	AAAm	40,190,755		n/a
FL FIT	n/a	AAAf	41,155,993		n/a
Corporate Bonds	1.68	A- - AA+	4,528,194		2
Municipal Obligations	0.75	A+, NR	854,211		2
Asset-Backed Security	0.76	AAA, NR	2,392,826		2
Total Investments, Primary Government			<u>110,461,947</u>		
<u>Fiduciary Funds</u>					
Money Market Funds	n/a	AAAm	44,145		1
Common Stock	n/a	n/a	208,838		1
Other Equities	n/a	n/a	40,820		1
Fixed Income Securities - Short Term Bond Market		AAA to Below B	144,822		1
Total Investments, Fiduciary Funds			<u>438,625</u>		
<u>Component Units</u>					
Public Education Foundation of Marion County, Inc. (2)			705,208		
Total Investments			<u><u>\$ 111,605,780</u></u>		
Presented as Investments in the Financial Statements:					
Governmental Funds			\$ 94,654,781		
Proprietary Fund			15,807,166		
Fiduciary Funds			438,625		
Component Units			705,208		
Total Investments			<u><u>\$ 111,605,780</u></u>		

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

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

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

➤ **Interest Rate Risk**

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

The District utilizes duration as a measurement of interest rate risk and as of June 30, 2021, the investment portfolio had a weighted average duration of 1.83 years.

Florida PRIME had weighted average days to maturity (WAM) of 50 days at June 30, 2021. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

For Florida PRIME, with regard to redemption gates, Section 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

➤ **Credit Risk**

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

The District's investments in the 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 the SBA for managing interest rate risk and credit risk for this account. Disclosures for the debt service accounts are included in the notes to financial statements of the State's Comprehensive Annual Financial Report.

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

➤ **Custodial Credit Risk**

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

As of June 30, 2021, the District's investment portfolio was held with a third-party custodian as required by the District's investment policy. The endowment funds of the Silver River Museum Private-Purpose Trust Fund are held by a bank and trust company.

➤ **Concentration of Credit Risk**

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

➤ **Endowment Investments**

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

➤ **Foreign Currency Risk**

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

C. Receivables

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered fully collectible. As such, no allowance for uncollectible accounts receivable is accrued. Accounts receivables are actual cash receipts received within 60 days of June 30, 2021, and were susceptible to accrual. Below is a schedule of due from other agencies at June 30, 2021:

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

Funds/Source	Amount
Major Governmental Funds:	
General:	
United States Department of Defense:	
Navy JROTC	\$ 16,865
Army JROTC	20,560
State of Florida:	
Medicaid Outreach	461,953
Marion County Tax Collector:	
Unremitted Property Taxes	3,530,627
Other Agencies:	
Miscellaneous	225,708
Special Revenue - Other Federal Programs:	
Florida Department of Education:	
Federal Grant Reimbursements	1,674,400
Other Agencies:	
Grant Reimbursements	115,214
Special Revenue - Federal Education Stabilization Fund:	
Florida Department of Education:	
Federal Grant Reimbursements	1,066,553
Capital Projects - Local Capital Improvement:	
Marion County Tax Collector:	
Unremitted Property Taxes	958,324
Capital Projects - Other Capital Projects:	
Florida Department of Education:	
Other Capital Projects	756,026
Nonmajor Governmental Funds:	
Special Revenue - Food Service:	
Florida Department of Agriculture and Consumer Services:	
Food Service Program	447,217
Total Due From Other Agencies	\$ 9,273,447

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

D. Changes in Capital Assets

Changes in capital assets are presented in the table below:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 14,454,102	\$ -	\$ -	\$ 14,454,102
Construction in Progress	5,805,442	15,324,687	6,511,357	14,618,772
Total Capital Assets Not Being Depreciated	<u>20,259,544</u>	<u>15,324,687</u>	<u>6,511,357</u>	<u>29,072,874</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	11,876,059	1,102,844	-	12,978,903
Buildings and Fixed Equipment	708,679,744	5,994,966	524,849	714,149,861
Furniture, Fixtures, and Equipment	43,484,465	3,099,938	3,097,482	43,486,921
Motor Vehicles	51,039,099	1,320,711	8,901,721	43,458,089
Audio Visual Materials and Computer Software	2,998,139	-	1,087,463	1,910,676
Total Capital Assets Being Depreciated	<u>818,077,506</u>	<u>11,518,459</u>	<u>13,611,515</u>	<u>815,984,450</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	4,766,397	16,289	-	4,782,686
Buildings and Fixed Equipment	258,197,456	14,493,116	139,704	272,550,868
Furniture, Fixtures, and Equipment	33,472,163	3,285,395	3,004,385	33,753,173
Motor Vehicles	28,158,245	2,562,178	8,744,836	21,975,587
Audio Visual Materials and Computer Software	2,846,067	-	936,415	1,909,652
Total Accumulated Depreciation	<u>327,440,328</u>	<u>20,356,978</u>	<u>12,825,340</u>	<u>334,971,966</u>
Total Capital Assets Being Depreciated, Net	<u>490,637,178</u>	<u>(8,838,519)</u>	<u>786,175</u>	<u>481,012,484</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 510,896,722</u></u>	<u><u>\$ 6,486,168</u></u>	<u><u>\$ 7,297,532</u></u>	<u><u>\$ 510,085,358</u></u>

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

Depreciation expense was charged to functions as follows:

<u>Function</u>	<u>Amount</u>
GOVERNMENTAL ACTIVITIES	
Instruction	\$16,120,399
Student Personnel Services	27,959
Instructional Media Services	37,208
Instruction and Curriculum Development	14,026
Instructional Staff Training Services	21,530
Instruction Related Technology	16,832
General Administration	5,423
School Administration	37,682
Facility Services	682,770
Fiscal Services	5,776
Food Services	704,282
Central Services	27,650
Student Transportation Services	2,123,486
Operation of Plant	163,274
Maintenance of Plant	63,900
Administrative Technology Services	304,226
Community Services	555
Total Depreciation Expense - Governmental Activities	<u>\$20,356,978</u>

E. Retirement Plans

General Information about the Florida Retirement System (FRS)

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

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

SBA's annual financial statement and in the State of Florida Comprehensive Annual Financial Report.

The District's FRS and HIS pension expense totaled \$49,229,717 for the fiscal year ended June 30, 2021.

Florida Retirement System (FRS) Defined Benefit Pension Plan

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

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

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

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

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following table shows the percentage value for each year of service credit earned.

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

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

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

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (A)</u>
Florida Retirement System, Regular	3.00	10.00
Florida Retirement System, Elected County Officers	3.00	49.18
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	16.98
Florida Retirement System, Reemployed Retiree	(B)	(B)

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

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

The District's contributions to the Plan totaled \$20,107,233 for the fiscal year ended June 30, 2021.

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a liability of \$207,461,599 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the District's 2019-20 fiscal year contributions relative to the total 2019-20 fiscal year contributions of all participating members. At June 30, 2020, the District's proportionate share was 0.478667616 percent, which was a decrease of 0.015578613 percent from its proportionate share measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized the Plan pension expense of \$42,234,611. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,939,978	\$ -
Change of assumptions	37,557,150	-
Net difference between projected and actual earnings on FRS pension plan investments	12,352,463	-
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	-	5,171,472
District FRS contributions subsequent to the measurement date	<u>20,107,233</u>	<u>-</u>
Total	<u>\$ 77,956,824</u>	<u>\$ 5,171,472</u>

The deferred outflows of resources related to pensions totaling \$20,107,233 resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amortization</u>
2022	\$ 10,530,791
2023	17,387,102
2024	14,771,739
2025	8,524,429
2026	<u>1,464,058</u>
Total	<u>\$ 52,678,119</u>

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

Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	6.80 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-Updated 2010 base table, projected generationally with Scale MP-2018.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.2%	2.2%	1.2%
Fixed Income	19.00%	3.0%	2.9%	3.5%
Global Equity	54.20%	8.0%	6.7%	17.1%
Real Estate (Property)	10.30%	6.4%	5.8%	11.7%
Private Equity	11.10%	10.8%	8.1%	25.7%
Strategic Investments	4.40%	5.5%	5.3%	6.9%
Total	<u>100.00%</u>			
Assumed inflation - Mean			2.4%	1.7%

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

Discount Rate. The discount rate used to measure the total pension liability was 6.8 percent. The pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2020 valuation was updated from 6.9 percent to 6.8 percent.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.8 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount

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rate that is 1-percentage-point lower (5.8 percent) or 1-percentage-point higher (7.8 percent) than the current rate:

	1% Decrease 5.8%	Current Discount Rate 6.8%	1% Increase 7.8%
District's proportionate share of the net pension liability	\$ 331,281,308	\$ 207,461,599	\$ 104,046,839

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

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$163,308 for the outstanding amount of contributions to the pension plan required for fiscal year ended June 30, 2021.

Health Insurance Subsidy (HIS) Defined Benefit Pension Plan

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

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

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

The District's contributions to the HIS defined-benefit pension plan totaled \$4,111,805 for the fiscal year ended June 30, 2021.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a net pension liability of \$85,165,069 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within 1 year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the District's 2019-20 fiscal year contributions relative to the total 2019-20 fiscal year contributions of all participating members. At June 30, 2020, the District's proportionate share was 0.697511916 percent, which was a decrease of 0.016710843 percent from its proportionate share measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized HIS Plan pension expense of \$6,995,106. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,483,768	\$ 65,700
Change of assumptions	9,157,670	4,952,016
Net difference between projected and actual earnings on HIS pension plan investments	67,996	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	1,103,419	2,148,989
District contributions subsequent to the measurement date	4,111,805	-
Total	<u>\$ 17,924,658</u>	<u>\$ 7,166,705</u>

The deferred outflows of resources totaling \$4,111,805 was related to pensions resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amortization</u>
2022	\$ 2,233,701
2023	1,650,851
2024	121,168
2025	652,515
2026	1,099,030
Thereafter	888,883
Total	<u>\$ 6,646,148</u>

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

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

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018. This is a change from the prior year mortality assumption which was based on the Generational RP-2000 with Projection Scale BB tables.

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

Discount Rate. The discount rate used to measure the total pension liability was 2.21 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate changed from 3.50 percent to 2.21 percent.

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

	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
District's proportionate share of the net pension liability	<u>\$ 98,447,019</u>	<u>\$ 85,165,069</u>	<u>\$ 74,293,832</u>

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

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$33,395 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2021.

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FRS – Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida 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. 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 member's accounts during the 2020-21 fiscal year were as follows

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30
FRS, Elected County Officers	11.34

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

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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 \$5,251,601 for the fiscal year ended June 30, 2021.

Payables to the Investment Plan. At June 30, 2021, the District reported a payable of \$14,086 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended June 30, 2021.

F. Other Postemployment Benefit Obligations

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

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical and prescription drug coverage. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75.

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

Employees Covered by Benefit Terms. At June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	399
Active Employees	5,331
Total	5,730

Total OPEB Liability. The District's total OPEB liability of \$21,238,339 was measured as of June 30, 2020, and was determined by an actuarial valuation as of June 30, 2019.

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Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25 percent
Salary Increases	3.4 percent – 7.8 percent, including inflation
Discount Rate	2.45 percent
Healthcare Cost Trend Rates	Starting at 12.85 percent for 2020 to reflect actual premium changes effective January 1, 2020 followed by rate based on the Getzen Model, with 6.25 percent for 2021 and gradually decreasing to an ultimate trend rate of 3.99 percent.
Aging Factors	Based on the 2013 SOA Study “Health Care Costs – From Birth to Death.”
Expenses	Administrative expenses are included in the per capita health costs.

The discount rate was based on the Fidelity 20-Year Municipal General Obligation AA Index closest to but not later than the measurement date.

Demographic assumptions employed in the actuarial valuation were the same as those employed in the July 1, 2020, actuarial valuation of the FRS Defined Benefit Pension Plan. These demographic assumptions were developed by FRS from an actuarial experience study, and therefore are appropriate for use in the OPEB Plan actuarial valuation. These include assumed rates of future termination, mortality, disability, and retirement. In addition, salary increase assumptions (for development of the pattern of the normal cost increases) were the same as those used in the July 1, 2020, actuarial valuation of the FRS Defined Benefit Pension Plan. Assumptions used in valuation of benefits for participants of the FRS Investment Plan are the same as for similarly situated participants of the FRS Defined Benefit Pension Plan.

Changes in the Total OPEB Liability.

	<u>Amount</u>
Balance at June 30, 2020	<u>\$ 19,838,239</u>
Changes for the year:	
Service Cost	914,478
Interest	629,336
Differences Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	1,148,531
Benefit Payments	<u>(1,292,245)</u>
Net Changes	<u>1,400,100</u>
Balance at June 30, 2021	<u>\$ 21,238,339</u>

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The changes of assumptions or other inputs was based on the following:

- A change in the discount rate from 3.13 percent as of the beginning of the measurement period to 2.45 percent as of June 30, 2020.
- The medical claims costs and premiums were updated based on actual premium information provided for the valuation.
- The healthcare cost trend rates start at 12.85% for 2020 to reflect actual premium changes effective January 1, 2020 followed by rates based on the Getzen Model, with 6.25% for 2021 and gradually decreasing to an ultimate trend rate of 3.99%.
- Changes to demographic assumptions, such as rates of mortality, retirements, termination, disability and salary increases, to match assumptions developed by the FRS and adopted for its July 1, 2020, valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.45 percent) or 1 percentage point higher (3.45 percent) than the current rate:

	1% Decrease (1.45%)	Current Discount Rate (2.45%)	1% Increase (3.45%)
Total OPEB Liability	\$ 23,468,416	\$ 21,238,339	\$ 19,300,406

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table 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 percentage point lower (11.85 percent decreasing to 2.99 percent) or 1 percentage point higher (13.85 percent decreasing to 4.99 percent) than the current healthcare cost trend rates:

	1% Decrease (11.85% decreasing to 2.99%)	Healthcare Cost Trend Rates (12.85% decreasing to 3.99%)	1% Increase (13.85% decreasing to 4.99%)
Total OPEB Liability	\$ 18,196,375	\$ 21,238,339	\$ 25,086,741

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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the fiscal year ended June 30, 2021, the District recognized a reduction in OPEB expense of \$619,478. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 586,488
Changes of Assumptions or Other Inputs	1,034,815	7,438,045
Benefits Paid Subsequent to the Measurement Date	<u>1,241,147</u>	<u>-</u>
Total	<u>\$ 2,275,962</u>	<u>\$ 8,024,533</u>

The deferred outflows of resources related to OPEB resulting from benefits paid subsequent to the measurement date, totaling \$1,241,147, will be recognized as a reduction of the total OPEB liability in the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2022	\$ (922,145)
2023	(922,145)
2024	(922,145)
2025	(922,145)
2026	(922,145)
Thereafter	<u>(2,378,993)</u>
Total	<u>\$ (6,989,718)</u>

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G. Net Position - Net Investment in Capital Assets

In the government-wide Statement of Net Position, the difference between total assets and total liabilities is net position. Generally accepted accounting principles require that net position be subdivided into the following three components: Net investment in capital assets, restricted net position, and unrestricted net position. The composition of net investment in capital assets as of June 30, 2021, is shown in the table below:

Description	Amount
Total Capital Assets, Net of Accumulated Depreciation	\$ 510,085,358
Less related Debt, Net of Unspent Proceeds:	
Certificates of Participation Payable	\$ 43,365,000
Bonds Payable	2,504,000
Note Payable	12,998,760
Unamortized Debt Premiums	2,231,374
Deferred Amount on Refunding	(1,111,853)
Construction and Retainage Payable	3,133,083
Prepaid Insurance on Refunding Debt	(59,973)
Total Related Debt, Net of Unspent Proceeds	(63,060,391)
Net Investment in Capital Assets	\$ 447,024,967

H. Risk Management Programs

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

The District provides health and hospitalization under a self-funded program administered through a commercial provider. By utilizing a self-funded model, the District assumes the claims risk directly and uses a purchased stop-loss policy to mitigate those risks. The stop-loss policy covers an individual claim over \$300,000, with no aggregate stop loss deductible. The District had claims in excess of the stop-loss limit of \$16,455 in the current year.

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Funding levels for the program and the run-out claims were actuarially determined. The District reports the self-funded program in the Internal Service Fund. Amounts are charged to various funds to provide sufficient resources to cover claims incurred, to pay for the purchase of excess insurance, and to pay the insurance service agent's administrative fees.

A liability in the amount of \$12,809,452 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2021.

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

Workers' Compensation, Automobile Liability, and General Liability

<u>Fiscal Year</u>	<u>Beginning-of-Fiscal-Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
2019-20	\$ 9,250,659	\$ 3,577,419	\$ (2,620,082)	\$ 10,207,996
2020-21	10,207,996	2,254,102	(2,187,646)	10,274,452

Health Insurance

<u>Fiscal Year</u>	<u>Beginning-of-Fiscal-Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
2020-21	\$ -	\$ 19,679,844	\$ (17,144,844)	\$ 2,535,000

I. Long-Term Liabilities

1. Certificates of Participation

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

<u>Series</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Lease Term Maturity</u>	<u>Original Amount</u>
Series 2012, Direct Placement	\$ 5,015,000	2.55	2023	\$ 23,005,000
Series 2014, Direct Placement	14,905,000	2.77	2025	37,380,000
Series 2015, Direct Placement	1,840,000	2.36	2023	6,975,000
Series 2015B	21,605,000	3.13	2027	32,860,000
Total Certificates of Participation	<u>\$ 43,365,000</u>			<u>\$ 100,220,000</u>

The District entered into financing arrangements, characterized as lease-purchase agreements, with the Marion County School Board Leasing Corporation (Leasing Corporation), a blended component unit, whereby the District secured the financing of various educational facilities. The financing was accomplished through the issuance, by the Leasing Corporation to third-party investors, of certificates of participation. All the certificates issued and outstanding are subject to a master ground and facilities lease-purchase

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agreement between the District and the Leasing Corporation, which ends on the date that all certificates are paid in full. The lease payments, which are used to make debt service payments on the certificates, are payable from funds appropriated annually by the District for such purpose from current funds or other funds legally available. The District is not legally required to annually appropriate funds to make the lease payments.

As a condition of the financing arrangements, the District has given a ground lease on District property acquired with proceeds from the certificates to the Leasing Corporation. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates for a period of time specified by the arrangements which may be up to 30 years from the date of inception of the arrangement.

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

Certificates	Description of Properties
Series 2012, Direct Placement Series 2014, Direct Placement	Forest High School Replacement Facility, Partial Refunding 2003 Hammett Bowen, Jr., Elementary School; North Marion Middle School Cafeteria; Vanguard High School Classroom Additions and Cafeteria/Multi-Purpose Building, Refunding 2005B
Series 2015, Direct Placement Series 2015B	Sadlewood Elementary School, Refunding 2005 South Ocala Elementary School, Howard Middle School, Lake Weir High School, Partial Refunding 2007B

The lease payments are payable by the District semiannually on June 1 and December 1 for the certificates of participation.

The following is a schedule by years of future minimum lease payments under the lease agreement together with the present value of minimum lease payments as of June 30, 2021:

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Certificates of Participation:			
Fiscal Year Ending June 30	Total	Principal	Interest
2022	\$ 4,184,219	\$ 3,180,000	\$ 1,004,219
2023	4,180,219	3,335,000	845,219
2024	4,178,469	3,500,000	678,469
2025	4,178,469	3,675,000	503,469
2026	4,179,719	3,860,000	319,719
2027	4,181,718	4,055,000	126,718
Total Minimum Lease Payments	<u>25,082,813</u>	<u>21,605,000</u>	<u>3,477,813</u>

Certificates of Participation from Direct Placement:			
Fiscal Year Ending June 30	Total	Principal	Interest
2022	7,544,175	6,960,000	584,175
2023	7,545,559	7,145,000	400,559
2024	3,987,044	3,775,000	212,044
2025	3,987,475	3,880,000	107,475
Total Minimum Lease Payments	<u>23,064,253</u>	<u>21,760,000</u>	<u>1,304,253</u>
Total Certificates of Participation	<u>\$ 48,147,066</u>	<u>\$ 43,365,000</u>	<u>\$ 4,782,066</u>

2. Bonds Payable

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

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To	Original Amount
State School Bonds:				
Series 2011A, Refunding	\$ 280,000	3-5	2023	\$ 2,840,000
Series 2014A, Refunding	410,000	3-5	2025	895,000
Series 2020A, Refunding	10,000	5	2022	179,000
Total State School Bonds:	<u>700,000</u>			<u>3,914,000</u>
District Revenue Bonds from Direct Placement:				
Series 2013, Refunding	1,804,000	3.66	2031	2,725,500
Total Bonds Payable	<u>\$ 2,504,000</u>			<u>\$ 6,639,500</u>

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

➤ **State School Bonds**

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

➤ **District Revenue Bonds, Direct Placement**

These bonds are authorized by Chapters 80-550 and 89-513, Laws of Florida, which provide that the bonds be secured from the pari-mutuel tax proceeds distributed

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

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

The District has pledged a total of \$2,189,506 of pari-mutuel tax proceeds in connection with the District Revenue Bonds of 2013, described above. During the 2020-21 fiscal year, the District recognized pari-mutuel tax proceeds totaling \$223,250 and expended \$202,864 (91 percent) of these revenues for debt service directly collateralized by these revenues. The pledged pari-mutuel tax proceeds are committed until final maturity of the debt on December 1, 2031. Approximately 100 percent of this revenue stream has been pledged in connection with debt service on the revenue bonds.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2021, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2022	\$ 267,200	\$ 240,000	\$ 27,200
2023	262,900	245,000	17,900
2024	113,550	105,000	8,550
2025	113,300	110,000	3,300
Total State School Bonds	<u>756,950</u>	<u>700,000</u>	<u>56,950</u>
District Revenue Bonds from Direct Placement:			
2022	200,519	137,000	63,519
2023	199,432	141,000	58,432
2024	197,217	144,000	53,217
2025	199,800	152,000	47,800
2026	198,163	156,000	42,163
2027-2031	994,631	877,000	117,631
2032	199,744	197,000	2,744
Total District Revenue Bonds	<u>2,189,506</u>	<u>1,804,000</u>	<u>385,506</u>
Total	<u>\$ 2,946,456</u>	<u>\$ 2,504,000</u>	<u>\$ 442,456</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

3. Note Payable, Direct Placement

The note payable from direct placement at June 30, 2021, is as follows:

<u>Note Payable, Direct Placement</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>	<u>Original Amount</u>
Bus Purchase 2019	\$ 12,998,760	2.78	2029	\$ 15,839,901

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

Annual requirements to amortize the note payable as of June 30, 2021, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,823,352	\$ 1,472,300	\$ 351,052
2023	1,823,352	1,513,496	309,856
2024	1,823,351	1,555,845	267,506
2025	1,823,352	1,599,380	223,972
2026	1,823,352	1,644,132	179,220
2027-2029	5,470,054	5,213,607	256,447
Total Note Payable, Direct Placement	<u>\$ 14,586,813</u>	<u>\$ 12,998,760</u>	<u>\$ 1,588,053</u>

4. Changes in Long-Term Liabilities

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

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due In One Year</u>
GOVERNMENTAL ACTIVITIES					
Debt Related to Capital Assets:					
Certificates of Participation Payable	\$ 24,630,000	\$ -	\$ 3,025,000	\$ 21,605,000	\$ 3,180,000
Certificates of Participation Payable					
Direct Placement	28,545,000	-	6,785,000	21,760,000	6,960,000
Bonds Payable	929,000	-	229,000	700,000	240,000
Bonds Payable					
Direct Placement	1,938,000	-	134,000	1,804,000	137,000
Note Payable, Direct Placement	14,430,984	-	1,432,224	12,998,760	1,472,300
Unamortized Premiums	2,634,570	-	403,196	2,231,374	-
Total Capital Asset Related Debt	<u>73,107,554</u>	<u>-</u>	<u>12,008,420</u>	<u>61,099,134</u>	<u>11,989,300</u>
Compensated Absences Payable	33,891,733	3,200,444	3,709,290	33,382,887	3,347,165
Other Postemployment Benefits Payable	19,838,239	2,692,345	1,292,245	21,238,339	1,241,147
Estimated Insurance Claims Payable	10,207,996	21,933,946	19,332,490	12,809,452	3,168,299
Net Pension Liability:					
Florida Retirement System	170,211,520	112,143,577	74,893,498	207,461,599	-
Health Insurance Subsidy	79,914,379	27,438,040	22,187,350	85,165,069	887,848
Total Governmental Activities	<u>\$ 387,171,421</u>	<u>\$ 167,408,352</u>	<u>\$ 133,423,293</u>	<u>\$ 421,156,480</u>	<u>\$ 20,633,759</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

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

5. Deferred Outflows / Inflows of Resources

The components of deferred inflows and outflows are:

<u>Description</u>	<u>Beginning Balance</u>	<u>Change</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES			
Non-pension Related Deferred Outflows:			
Deferred Amount on Refunding	\$ 1,409,141	\$ (297,288)	\$ 1,111,853
Other Postemployment Benefits	1,292,245	983,717	2,275,962
Total	<u>\$ 2,701,386</u>	<u>\$ 686,429</u>	<u>\$ 3,387,815</u>
Pension Related Deferred Outflows:			
Florida Retirement System	\$ 69,919,382	\$ 8,037,442	\$ 77,956,824
Health Insurance Subsidy	15,934,475	1,990,183	17,924,658
Total	<u>\$ 85,853,857</u>	<u>\$ 10,027,625</u>	<u>\$ 95,881,482</u>
Non-pension Related Deferred Inflows:			
Other Postemployment Benefits	\$ 9,060,394	\$ (1,035,861)	\$ 8,024,533
Pension Related Deferred Inflows:			
Florida Retirement System	\$ 12,256,731	\$ (7,085,259)	\$ 5,171,472
Health Insurance Subsidy	7,543,911	(377,206)	7,166,705
Total	<u>\$ 19,800,642</u>	<u>\$ (7,462,465)</u>	<u>\$ 12,338,177</u>

J. Fund Balance Reporting

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

- **Nonspendable Fund Balance.** Nonspendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash.
- **Restricted Fund Balance.** Restricted fund balance is the portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance.
- **Unassigned Fund Balance.** The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance because it is not appropriate to report a positive unassigned fund balance in other government funds. It may be necessary to report a negative unassigned fund balance if expenditures exceed nonspendable, restricted, committed or assigned fund balances.

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

K. Revenues

1. Schedule of State Revenue Sources

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

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 180,510,921
Categorical Educational Program - Class Size Reduction	46,145,067
Workforce Development Program	3,964,712
Voluntary Prekindergarten Program	1,001,420
Food Service Supplement	379,177
Charter School Capital Outlay	250,710
State License Tax	249,912
Workforce Education Performance Incentive	101,000
Motor Vehicle License Tax (Capital Outlay and Debt Service)	23,867
Miscellaneous	2,788,714
Total	<u><u>\$ 235,415,500</u></u>

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

2. Property Taxes

The following is a summary of millages and taxes budgeted from the 2020 tax roll for the 2020-21 fiscal year; taxes budgeted are stated at 96 percent of the actual tax roll levy to allow for early payment discounts and uncollectable amounts:

<u>GENERAL FUND</u>	<u>Millages</u>	<u>Taxes Budgeted</u>
Nonvoted School Tax:		
Required Local Effort	3.758	\$ 81,558,370
Required Local Effort - Prior Period Adjustment	0.012	260,431
Basic Discretionary Local Effort	0.748	16,233,545
Voted School Tax:		
Operating	1.000	21,702,600
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvement	1.500	32,553,900
Total	<u><u>7.018</u></u>	<u><u>\$ 152,308,845</u></u>

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021**

L. Donor-Restricted Endowments

The Silver River Museum Endowment was created to provide long-term funding for the continuation and enhancement of educational programs offered through the museum. The initial investment of \$410,000 must be invested for perpetuity and cannot be spent under any circumstances. Investments have appreciated to \$438,625 with \$28,625 available for expenditure. The Silver River Museum has sole access to the interest from the endowment.

M. Interfund Receivables, Payables, and Transfers

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

Funds	Interfund	
	Due From	Due To
Major:		
General	\$ 185,533	\$ -
Special Revenue - Federal Education Stabilization Fund	-	185,533
Total	\$ 185,533	\$ 185,533

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

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

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 6,317,314	\$ 1,905,898
Capital Projects:		
Local Capital Improvement	-	19,608,106
Nonmajor Governmental	13,580,291	273,613
Internal Service Fund	1,890,012	-
Total	\$ 21,787,617	\$ 21,787,617

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO FINANCIAL STATEMENTS (Concluded)
JUNE 30, 2021**

IV. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

A. Litigation

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

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**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues				
Federal Direct:				
Reserve Officers Training Corps	\$ 460,000	\$ 460,000	\$ 586,699	\$ 126,699
Federal Through State:				
Medicaid	1,200,000	1,200,000	2,029,814	829,814
National Forest Funds	100,000	100,000	215,034	115,034
Miscellaneous Federal Through State	3,000	3,464	41,152	37,688
Total Federal Through State	<u>1,303,000</u>	<u>1,303,464</u>	<u>2,286,000</u>	<u>982,536</u>
State:				
Florida Education Finance Program	188,352,104	180,510,921	180,510,921	-
Workforce Development Program	3,964,712	3,964,712	3,964,712	-
Workforce Education Performance Incentive	146,000	146,000	101,000	(45,000)
CO&DS Withheld for Administrative Expense	26,000	26,000	23,867	(2,133)
Discretionary Lottery Funds	250,000	250,000	249,912	(88)
Class Size Reduction - Operating Funds	46,145,067	46,145,067	46,145,067	-
Voluntary Prekindergarten Program	1,544,408	1,544,408	1,001,420	(542,988)
Other State:				
Miscellaneous State Revenue	211,535	359,866	148,050	(211,816)
Total State	<u>240,639,826</u>	<u>232,946,974</u>	<u>232,144,949</u>	<u>(802,025)</u>
Local:				
District School Taxes	119,754,946	119,295,382	119,721,726	426,344
Tax Redemptions	400,000	400,000	576,189	176,189
Rent	137,000	43,472	36,923	(6,549)
Investment Income	1,000,000	600,000	584,939	(15,061)
Net Decrease in Fair Value of Investments	-	-	(359,300)	(359,300)
Gifts, Grants, and Bequests	-	195,179	195,179	-
Adult General Education Course Fees	48,500	23,566	14,756	(8,810)
Postsecondary Vocational Course Fees	1,162,335	1,125,274	810,892	(314,382)
Capital Improvement Fees	85,882	76,453	47,571	(28,882)
Postsecondary Lab Fees	1,383,526	1,479,253	1,133,490	(345,763)
Lifelong Learning Fees	363,900	60,605	46,010	(14,595)
Financial Aid Fees	150,831	140,902	95,159	(45,743)
Other Student Fees	516,635	749,499	654,592	(94,907)
School Age Child Care Fees	4,385,394	3,502,648	3,371,043	(131,605)
Other Schools, Courses, and Classes Fees	7,300	7,300	4,225	(3,075)
Bus Fees	-	-	12,414	12,414
Transportation Services Rendered for School Activities	100,000	50,000	47,632	(2,368)
Sale of Junk	-	-	209,826	209,826
Receipt of Federal Indirect Cost Rate	1,000,000	1,000,000	1,579,070	579,070
Miscellaneous Local Revenues	2,406,597	2,593,213	3,903,260	1,310,047
Refunds of Prior Year Expenses	-	2,795	4,823	2,028
Collection of Lost or Damaged Textbooks	-	18,814	18,815	1
Receipts of Food Service Indirect Costs	600,000	583,814	579,912	(3,902)
Total Local	<u>133,502,846</u>	<u>131,948,169</u>	<u>133,289,146</u>	<u>1,340,977</u>
Total Revenues	<u>375,905,672</u>	<u>366,658,607</u>	<u>368,306,794</u>	<u>1,648,187</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)**

Expenditures	Original Budget	Final Budget	Actual	Variance with Final Budget
Current Education:				
Instruction:				
Salaries	\$ 153,414,606	\$ 150,570,509	\$ 144,895,381	\$ 5,675,128
Employee Benefits	51,060,319	51,366,836	46,550,854	4,815,982
Purchased Services	16,883,463	17,407,639	15,675,894	1,731,745
Energy Services	34,583	23,697	20,492	3,205
Materials and Supplies	11,440,004	12,209,972	9,542,166	2,667,806
Capital Outlay	2,640,672	3,579,948	2,548,261	1,031,687
Other	8,210,164	4,568,091	2,429,404	2,138,687
Total Instruction	<u>243,683,811</u>	<u>239,726,692</u>	<u>221,662,452</u>	<u>18,064,240</u>
Student Personnel Services:				
Salaries	18,712,352	19,262,860	18,867,139	395,721
Employee Benefits	6,582,245	6,710,067	6,196,617	513,450
Purchased Services	899,172	1,458,004	952,712	505,292
Energy Services	3,200	4,058	3,014	1,044
Materials and Supplies	104,704	118,977	55,658	63,319
Capital Outlay	489,342	471,788	97,546	374,242
Other	50,920	65,941	7,418	58,523
Total Student Personnel Services	<u>26,841,935</u>	<u>28,091,695</u>	<u>26,180,104</u>	<u>1,911,591</u>
Instructional Media Services:				
Salaries	2,909,438	2,953,744	2,867,031	86,713
Employee Benefits	1,037,490	1,084,672	965,636	119,036
Purchased Services	99,250	120,992	92,240	28,752
Energy Services	1,000	1,000	547	453
Materials and Supplies	135,706	140,755	16,004	124,751
Capital Outlay	474,031	467,340	211,912	255,428
Other	22,500	23,711	1,486	22,225
Total Instructional Media Services	<u>4,679,415</u>	<u>4,792,214</u>	<u>4,154,856</u>	<u>637,358</u>
Instruction and Curriculum Development:				
Salaries	3,303,416	3,321,042	2,985,988	335,054
Employee Benefits	977,608	1,007,989	875,008	132,981
Purchased Services	332,400	474,831	307,086	167,745
Energy Services	2,150	850	204	646
Materials and Supplies	157,350	219,563	39,783	179,780
Capital Outlay	20,364	57,608	27,682	29,926
Other	509,740	809,573	678,631	130,942
Total Instruction and Curriculum Development	<u>5,303,028</u>	<u>5,891,456</u>	<u>4,914,382</u>	<u>977,074</u>
Instructional Staff Training Services:				
Salaries	2,288,108	2,496,448	2,172,735	323,713
Employee Benefits	672,064	805,166	611,007	194,159
Purchased Services	517,040	645,626	208,184	437,442
Materials and Supplies	247,615	224,150	31,508	192,642
Capital Outlay	-	7,976	4,753	3,223
Other	1,358,843	930,934	295,284	635,650
Total Instructional Staff Training Services	<u>5,083,670</u>	<u>5,110,300</u>	<u>3,323,471</u>	<u>1,786,829</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)**

Expenditures (continued)	Original Budget	Final Budget	Actual	Variance with Final Budget
Current Education (continued):				
Instruction Related Technology:				
Salaries	\$ 1,458,603	\$ 1,447,027	\$ 1,294,753	\$ 152,274
Employee Benefits	585,947	589,061	496,543	92,518
Purchased Services	621,404	634,693	487,516	147,177
Energy Services	6,000	6,000	5,985	15
Materials and Supplies	25,081	28,481	15,535	12,946
Capital Outlay	152,037	157,731	115,822	41,909
Other	35,000	35,000	-	35,000
Total Instruction Related Technology	<u>2,884,072</u>	<u>2,897,993</u>	<u>2,416,154</u>	<u>481,839</u>
Board of Education:				
Salaries	447,181	450,203	398,150	52,053
Employee Benefits	263,787	727,811	187,142	540,669
Purchased Services	475,337	513,133	211,024	302,109
Materials and Supplies	15,450	16,375	3,323	13,052
Capital Outlay	5,900	5,900	2,974	2,926
Other	23,600	25,400	23,889	1,511
Total Board of Education	<u>1,231,255</u>	<u>1,738,822</u>	<u>826,502</u>	<u>912,320</u>
General Administration:				
Salaries	1,425,339	1,537,085	1,415,885	121,200
Employee Benefits	531,674	551,116	421,302	129,814
Purchased Services	319,793	242,781	54,189	188,592
Energy Services	900	1,094	520	574
Materials and Supplies	7,350	8,873	6,271	2,602
Capital Outlay	8,606	14,086	9,478	4,608
Other	39,574	38,328	22,979	15,349
Total General Administration	<u>2,333,236</u>	<u>2,393,363</u>	<u>1,930,624</u>	<u>462,739</u>
School Administration:				
Salaries	15,702,215	16,044,904	15,907,246	137,658
Employee Benefits	5,159,926	5,304,143	4,880,700	423,443
Purchased Services	229,279	197,745	134,328	63,417
Materials and Supplies	150,276	93,845	34,622	59,223
Capital Outlay	63,120	56,686	47,111	9,575
Other	23,497	50,076	44,942	5,134
Total School Administration	<u>21,328,313</u>	<u>21,747,399</u>	<u>21,048,949</u>	<u>698,450</u>
Facility Services:				
Salaries	167,477	178,132	146,290	31,842
Employee Benefits	78,344	78,799	46,650	32,149
Purchased Services	11,944	407,362	28,195	379,167
Energy Services	3,630	3,630	673	2,957
Materials and Supplies	8,649	8,649	2,683	5,966
Capital Outlay	250,601	335,801	4,911	330,890
Other	-	170,574	72,610	97,964
Total Facility Services	<u>520,645</u>	<u>1,182,947</u>	<u>302,012</u>	<u>880,935</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Continued)**

Expenditures (continued)	Original Budget	Final Budget	Actual	Variance with Final Budget
Current Education (continued):				
Fiscal Services:				
Salaries	\$ 2,812,119	\$ 2,487,753	\$ 2,166,223	\$ 321,530
Employee Benefits	692,052	719,309	671,823	47,486
Purchased Services	992,272	1,007,093	778,331	228,762
Energy Services	650	650	58	592
Materials and Supplies	52,700	35,811	16,623	19,188
Capital Outlay	8,450	13,757	12,249	1,508
Other	52,625	223,963	18,770	205,193
Total Fiscal Services	<u>4,610,868</u>	<u>4,488,336</u>	<u>3,664,077</u>	<u>824,259</u>
Central Services:				
Salaries	3,536,901	3,651,999	3,544,713	107,286
Employee Benefits	1,163,977	1,185,757	1,107,112	78,645
Purchased Services	479,679	630,034	488,459	141,575
Energy Services	24,620	24,558	22,834	1,724
Materials and Supplies	185,685	89,419	64,733	24,686
Capital Outlay	96,498	110,798	91,866	18,932
Other	131,163	169,435	71,499	97,936
Total Central Services	<u>5,618,523</u>	<u>5,862,000</u>	<u>5,391,216</u>	<u>470,784</u>
Student Transportation Services:				
Salaries	10,333,685	10,624,658	10,535,512	89,146
Employee Benefits	5,195,280	5,235,166	4,559,684	675,482
Purchased Services	1,445,962	1,448,237	1,249,574	198,663
Energy Services	2,700,913	1,743,985	1,367,164	376,821
Materials and Supplies	1,149,451	1,022,311	401,654	620,657
Capital Outlay	63,777	116,681	33,706	82,975
Other	11,750	4,525	955	3,570
Total Student Transportation Services	<u>20,900,818</u>	<u>20,195,563</u>	<u>18,148,249</u>	<u>2,047,314</u>
Operation of Plant:				
Salaries	8,861,820	8,964,545	8,207,138	757,407
Employee Benefits	4,005,696	4,066,212	3,560,213	505,999
Purchased Services	8,538,126	9,244,707	8,576,515	668,192
Energy Services	8,158,871	8,967,288	7,546,556	1,420,732
Materials and Supplies	129,703	1,379,965	1,160,283	219,682
Capital Outlay	183,539	205,575	122,927	82,648
Other	40,650	49,601	9,219	40,382
Total Operation of Plant	<u>29,918,405</u>	<u>32,877,893</u>	<u>29,182,851</u>	<u>3,695,042</u>
Maintenance of Plant:				
Salaries	5,251,435	5,409,338	5,279,786	129,552
Employee Benefits	2,069,799	2,083,822	1,875,898	207,924
Purchased Services	1,585,605	1,320,432	1,138,115	182,317
Energy Services	131,600	98,669	98,656	13
Materials and Supplies	1,265,651	1,365,421	1,316,897	48,524
Capital Outlay	110,370	333,247	38,527	294,720
Other	26,500	24,734	20,387	4,347
Total Maintenance of Plant	<u>10,440,960</u>	<u>10,635,663</u>	<u>9,768,266</u>	<u>867,397</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR FUND - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Concluded)**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Expenditures (concluded)				
Current Education (concluded):				
Administrative Technology Services:				
Salaries	\$ 1,621,605	\$ 1,616,144	\$ 1,447,930	\$ 168,214
Employee Benefits	530,473	533,198	452,450	80,748
Purchased Services	2,776,966	2,806,236	2,658,101	148,135
Energy Services	2,000	3,000	2,942	58
Materials and Supplies	20,950	30,995	20,717	10,278
Capital Outlay	120,232	110,040	33,857	76,183
Other	18,500	17,393	11,321	6,072
Total Administrative Technology Services	<u>5,090,726</u>	<u>5,117,006</u>	<u>4,627,318</u>	<u>489,688</u>
Community Services:				
Salaries	3,223,393	2,815,952	2,679,147	136,805
Employee Benefits	932,811	870,622	759,173	111,449
Purchased Services	182,650	166,988	102,826	64,162
Materials and Supplies	122,591	64,913	43,803	21,110
Capital Outlay	15,000	12,281	10,341	1,940
Other	18,800	153,202	132,801	20,401
Total Community Services	<u>4,495,245</u>	<u>4,083,958</u>	<u>3,728,091</u>	<u>355,867</u>
Capital Outlay:				
Facility Acquisition and Construction	332,530	332,530	332,530	-
Other Capital Outlay	2,565,026	2,565,026	2,565,026	-
Total Capital Outlay	<u>2,897,556</u>	<u>2,897,556</u>	<u>2,897,556</u>	<u>-</u>
Total Expenditures	<u>397,862,481</u>	<u>399,730,856</u>	<u>364,167,130</u>	<u>35,563,726</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(21,956,809)</u>	<u>(33,072,249)</u>	<u>4,139,664</u>	<u>(37,211,913)</u>
Other Financing Sources (Uses)				
Insurance Loss Recoveries	-	76,042	98,637	22,595
Transfers In	6,384,494	6,414,732	6,317,314	(97,418)
Transfers Out	(1,910,012)	(1,910,012)	(1,905,898)	4,114
Total Other Financing Sources	<u>4,474,482</u>	<u>4,580,762</u>	<u>4,510,053</u>	<u>(70,709)</u>
Net Change in Fund Balance	(17,482,327)	(28,491,487)	8,649,717	(37,141,204)
Fund Balance - Beginning	<u>56,957,199</u>	<u>56,957,199</u>	<u>56,957,199</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 39,474,872</u>	<u>\$ 28,465,712</u>	<u>\$ 65,606,916</u>	<u>\$ (37,141,204)</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Other Federal Programs Fund			Variance with Final Budget
	Original Budget	Final Budget	Actual	
Revenues				
Federal Direct				
Pell Grants	\$ 1,536,101	\$ 1,536,101	\$ 983,354	\$ (552,747)
Federal Through State and Local				
Career and Technical Education	843,817	968,496	762,243	(206,253)
Adult General Education	508,215	508,215	461,682	(46,533)
English Literacy and Civics Education	56,036	46,322	42,597	(3,725)
Education for Handicapped Act	13,411,873	13,715,974	10,468,778	(3,247,196)
Elementary and Secondary Education Act	21,587,985	23,397,104	17,221,196	(6,175,908)
Teacher and Principal Training and Recruiting	2,969,319	3,254,689	1,659,416	(1,595,273)
Language Instruction	314,295	404,510	329,357	(75,153)
Twenty-First Century Schools	1,635,641	1,705,083	1,235,328	(469,755)
Miscellaneous Federal Through State	1,495,632	4,026,556	1,604,003	(2,422,553)
Federal Through Local	-	118,794	84,548	(34,246)
Total Federal Through State and Local	<u>42,822,813</u>	<u>48,145,743</u>	<u>33,869,148</u>	<u>(14,276,595)</u>
State				
Miscellaneous State	579,087	3,548,620	192,971	(3,355,649)
Local				
Adult General Education Course Fees	-	24,934	24,934	-
			-	
Total Revenues	<u>44,938,001</u>	<u>53,255,398</u>	<u>35,070,407</u>	<u>(18,184,991)</u>
Expenditures				
Current Education:				
Instruction:				
Salaries	11,170,921	12,483,675	9,723,208	2,760,467
Employee Benefits	4,736,552	4,828,290	3,405,911	1,422,379
Purchased Services	2,901,759	3,490,406	2,256,778	1,233,628
Energy Services	4,500	4,901	206	4,695
Materials and Supplies	1,589,183	3,059,561	1,650,072	1,409,489
Capital Outlay	1,404,452	1,341,719	678,300	663,419
Other	83,477	97,513	19,050	78,463
Total Instruction	<u>21,890,844</u>	<u>25,306,065</u>	<u>17,733,525</u>	<u>7,572,540</u>
Student Personnel Services:				
Salaries	4,535,447	4,799,858	3,830,968	968,890
Employee Benefits	1,681,210	1,741,688	1,149,219	592,469
Purchased Services	150,252	161,617	82,506	79,111
Energy Services	7,438	8,997	399	8,598
Materials and Supplies	222,682	275,864	125,905	149,959
Capital Outlay	81,728	343,708	55,410	288,298
Other	1,500	8,084	-	8,084
Total Student Personnel Services	<u>\$ 6,680,257</u>	<u>\$ 7,339,816</u>	<u>\$ 5,244,407</u>	<u>\$ 2,095,409</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Concluded)**

	Other Federal Programs Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (concluded)				
Current Education (concluded):				
Instructional Media Services:				
Salaries	\$ 6,638	\$ 222	\$ 222	\$ -
Employee Benefits	1,246	1,246	31	1,215
Purchased Services	8,764	21,979	19,612	2,367
Materials and Supplies	3,112	5,618	4,538	1,080
Capital Outlay	10,691	77,393	49,525	27,868
Total Instructional Media Services	<u>30,451</u>	<u>106,458</u>	<u>73,928</u>	<u>32,530</u>
Instruction and Curriculum Development:				
Salaries	1,552,363	2,017,937	1,516,139	501,798
Employee Benefits	535,159	682,473	438,514	243,959
Purchased Services	107,292	121,872	72,836	49,036
Materials and Supplies	95,010	98,960	32,260	66,700
Capital Outlay	23,472	20,964	14,591	6,373
Other	167,450	170,089	71,181	98,908
Total Instruction and Curriculum Development	<u>2,480,746</u>	<u>3,112,295</u>	<u>2,145,521</u>	<u>966,774</u>
Instructional Staff Training Services:				
Salaries	4,812,313	4,356,991	4,088,765	268,226
Employee Benefits	1,860,473	1,795,334	1,303,077	492,257
Purchased Services	822,745	1,040,008	547,035	492,973
Materials and Supplies	45,759	196,570	30,373	166,197
Capital Outlay	5,000	5,572	4,366	1,206
Other	1,739,481	2,231,033	749,673	1,481,360
Total Instructional Staff Training Services	<u>9,285,771</u>	<u>9,625,508</u>	<u>6,723,289</u>	<u>2,902,219</u>
General Administration:				
Materials and Supplies	14,222	14,222	658	13,564
Capital Outlay	103	103	-	103
Other	1,764,849	1,872,849	1,393,646	479,203
Total General Administration	<u>1,779,174</u>	<u>1,887,174</u>	<u>1,394,304</u>	<u>492,870</u>
School Administration:				
Salaries	73,051	73,051	-	73,051
Employee Benefits	32,620	32,620	-	32,620
Total School Administration	<u>105,671</u>	<u>105,671</u>	<u>-</u>	<u>105,671</u>
Facility Services:				
Purchased Services	50,000	50,000	37,188	12,812
Capital Outlay	-	2,675,096	335	2,674,761
Total Facility Services	<u>50,000</u>	<u>2,725,096</u>	<u>37,523</u>	<u>2,687,573</u>
Central Services:				
Purchased Services	17,900	2,900	2,900	-
Student Transportation Services:				
Salaries	150,286	457,322	26,767	430,555
Employee Benefits	36,963	87,229	6,157	81,072
Purchased Services	51,265	36,368	-	36,368
Energy Services	198,236	282,819	47,189	235,630
Total Student Transportation Services	<u>436,750</u>	<u>863,738</u>	<u>80,113</u>	<u>783,625</u>
Operation of Plant:				
Purchased Services	-	240	-	240
Community Services:				
Other	1,500,000	1,500,000	954,460	545,540
Capital Outlay:				
Facilities Acquisition and Construction	64,677	64,677	64,677	-
Other Capital Outlay	615,760	615,760	615,760	-
Total Expenditures	<u>44,938,001</u>	<u>53,255,398</u>	<u>35,070,407</u>	<u>18,184,991</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Federal Education Stabilization Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Federal Through State and Local:				
Education Stabilization Funds - K12	\$ 15,314,634	\$ 16,547,428	\$ 10,312,266	\$ (6,235,162)
Education Stabilization Funds - Workforce	228,953	1,473,894	698,167	(775,727)
Total Revenues	15,543,587	18,021,322	11,010,433	(7,010,889)
Expenditures				
Current Education:				
Instruction:				
Salaries	1,702,926	3,245,979	2,058,037	(1,187,942)
Employee Benefits	320,001	759,530	517,245	(242,285)
Purchased Services	234,079	985,649	590,819	(394,830)
Materials and Supplies	4,674,495	1,785,915	1,054,608	(731,307)
Capital Outlay	3,692,968	3,919,724	3,303,976	(615,748)
Other	47,000	262,607	84,669	(177,938)
Total Instruction	10,671,469	10,959,404	7,609,354	(3,350,050)
Student Personnel Services:				
Salaries	125,477	210,776	148,571	(62,205)
Employee Benefits	22,382	40,071	28,168	(11,903)
Purchased Services	57,917	18,364	-	(18,364)
Materials and Supplies	-	202,453	7,011	(195,442)
Total Student Personnel Services	205,776	471,664	183,750	(287,914)
Instructional Media Services:				
Capital Outlay	-	60,605	-	(60,605)
Instruction and Curriculum Development:				
Salaries	11,200	223,753	17,195	(206,558)
Employee Benefits	1,944	89,482	4,872	(84,610)
Purchased Services	31,200	49,990	3,290	(46,700)
Materials and Supplies	-	3,863	1,059	(2,804)
Capital Outlay	195,000	191,706	191,706	-
Total Instruction and Curriculum Development	239,344	558,794	218,122	(340,672)
Instructional Staff Training Services:				
Employee Benefits	-	2,582	-	(2,582)
Purchased Services	133,715	100,715	91,715	(9,000)
Other	-	44,762	15,962	(28,800)
Total Instructional Staff Training Services	133,715	148,059	107,677	(40,382)
Instruction-Related Technology				
Salaries	-	70,803	24,410	(46,393)
Employee Benefits	-	13,858	4,729	(9,129)
Total Instruction-Related Technology	-	84,661	29,139	(55,522)
General Administration:				
Other	518,652	464,618	185,424	(279,194)
School Administration:				
Salaries	106,672	184,995	107,084	(77,911)
Employee Benefits	19,195	35,647	20,184	(15,463)
Purchased Services	-	5,150	5,150	-
Total School Administration	125,867	225,792	132,418	(93,374)
Central Services:				
Salaries	-	29,422	-	(29,422)
Employee Benefits	-	5,760	-	(5,760)
Total Central Services	-	35,182	-	(35,182)

MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Concluded)

	Federal Education Stabilization Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures (Concluded)				
Current Education (Concluded):				
Student Transportation Services:				
Salaries	\$ 565,540	\$ 445,972	\$ 284,532	\$ (161,440)
Employee Benefits	98,164	89,056	56,457	(32,599)
Purchased Services	-	13,650	-	(13,650)
Energy Services	-	242,830	112,829	(130,001)
Materials and Supplies	10,735	80,445	57,114	(23,331)
Total Student Transportation Services	<u>674,439</u>	<u>871,953</u>	<u>510,932</u>	<u>(361,021)</u>
Operation of Plant:				
Purchased Services	1,361,689	1,540,675	696,425	(844,250)
Materials and Supplies	19,028	953,670	203,650	(750,020)
Capital Outlay	-	540,528	84,057	(456,471)
Total Operation of Plant	<u>1,380,717</u>	<u>3,034,873</u>	<u>984,132</u>	<u>(2,050,741)</u>
Administrative Technology Services:				
Purchased Services	<u>758,753</u>	-	-	-
Community Services:				
Other	<u>-</u>	<u>270,862</u>	<u>214,630</u>	<u>(56,232)</u>
Capital Outlay:				
Other Capital Outlay	<u>834,855</u>	<u>834,855</u>	<u>834,855</u>	<u>-</u>
Total Expenditures	<u>15,543,587</u>	<u>18,021,322</u>	<u>11,010,433</u>	<u>(7,010,889)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Marion County District School Board
Required Supplementary Information**

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

Fiscal Year Ending June 30	District's Proportion of the FRS Net Pension Liability	District's Proportionate Share of the FRS Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the FRS Net Pension Liability as a Percentage of its Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2013	0.536352569%	\$ 92,330,148	\$ 202,248,189	45.65%	88.54%
2014	0.524521642%	32,003,534	203,238,439	15.75%	96.09%
2015	0.521988161%	67,421,772	208,929,545	32.27%	92.00%
2016	0.507447693%	128,130,941	223,856,707	57.24%	84.88%
2017	0.504575470%	149,250,038	229,899,245	64.92%	83.89%
2018	0.500254558%	150,679,266	237,064,100	63.56%	84.26%
2019	0.494246229%	170,211,520	238,892,291	71.25%	82.61%
2020	0.478667616%	207,461,599	242,094,532	85.69%	78.85%

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

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

Fiscal Year Ending June 30	FRS Contribution	Contribution	Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2014	\$ 11,489,250	\$ (11,489,250)	\$ -	\$ 203,238,439	5.65%
2015	12,726,515	(12,726,515)	-	208,929,545	6.09%
2016	12,450,461	(12,450,461)	-	223,856,707	5.56%
2017	13,201,646	(13,201,646)	-	229,899,245	5.74%
2018	14,269,459	(14,269,459)	-	237,064,100	6.02%
2019	15,325,199	(15,325,199)	-	238,892,291	6.42%
2020	16,106,008	(16,106,008)	-	242,094,532	6.65%
2021	20,107,233	(20,107,233)	-	247,699,118	8.12%

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

**Marion County District School Board
Required Supplementary Information**

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

Fiscal Year Ending June 30	District's Proportion of the HIS Net Pension Liability	District's Proportionate Share of the HIS Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the HIS Net Pension Liability as a Percentage of its Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2013	0.696145303%	\$ 60,608,602	\$ 202,248,189	29.97%	1.78%
2014	0.683926637%	63,945,809	203,238,439	31.46%	0.99%
2015	0.690189062%	70,388,427	208,929,545	33.69%	0.50%
2016	0.725308478%	84,531,698	223,856,707	37.76%	0.97%
2017	0.720509302%	77,040,179	229,899,245	33.51%	1.64%
2018	0.714200727%	75,591,807	237,064,100	31.89%	2.15%
2019	0.714222759%	79,914,379	238,892,291	33.45%	2.63%
2020	0.697511916%	85,165,069	242,094,532	35.18%	3.00%

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

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

Fiscal Year Ending June 30	HIS Contribution	Contribution	Deficiency (Excess)	Covered Payroll	Contribution as a Percentage of Covered Payroll
2014	\$ 2,342,903	\$ (2,342,903)	\$ -	\$ 203,238,439	1.15%
2015	2,638,332	(2,638,332)	-	208,929,545	1.26%
2016	3,716,021	(3,716,021)	-	223,856,707	1.66%
2017	3,816,327	(3,816,327)	-	229,899,245	1.66%
2018	3,877,158	(3,877,158)	-	237,064,100	1.64%
2019	3,966,010	(3,966,010)	-	238,892,291	1.66%
2020	4,018,755	(4,018,755)	-	242,094,532	1.66%
2021	4,111,805	(4,111,805)	-	247,699,118	1.66%

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

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Service Cost	\$ 914,478	\$ 1,240,787	\$ 1,261,070	\$ 1,371,357
Interest on the Total OPEB Plan Liability	629,336	1,018,392	982,553	840,553
Difference Between Expected and Actual Experience in OPEB Liability	-	(731,300)	-	-
Changes of Assumptions	1,148,531	(7,801,466)	(162,826)	(1,766,608)
Benefit Payments	<u>(1,292,245)</u>	<u>(1,559,524)</u>	<u>(1,496,366)</u>	<u>(1,546,160)</u>
Net Change in Total OPEB Plan Liability	1,400,100	(7,833,111)	584,431	(1,100,858)
Total OPEB Plan Liability, Beginning	<u>19,838,239</u>	<u>27,671,350</u>	<u>27,086,919</u>	<u>28,187,777</u>
Total OPEB Plan Liability, Ending	<u>\$ 21,238,339</u>	<u>\$ 19,838,239</u>	<u>\$ 27,671,350</u>	<u>\$ 27,086,919</u>
Total OPEB Plan Liability	\$ 21,238,339	\$ 19,838,239	\$ 27,671,350	\$ 27,086,919
Covered- Employee Payroll	\$ 211,342,507	\$ 203,546,197	\$ 208,920,616	\$ 201,855,668
Total OPEB Plan Liability as a Percentage of Covered-Employee Payroll	10.05%	9.75%	13.24%	13.42%

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

**MARION COUNTY DISTRICT SCHOOL BOARD
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

Budgetary Compliance and Accountability

The Board follows procedures established by Florida Statutes and SBE rules in establishing budget balances for governmental funds as described below.

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any School Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

Schedule of Net Pension Liability and Schedule of Contributions – Florida Retirement System Pension Plan

Changes of Assumptions. In 2020, the long-term expected rate of return was decreased from 6.9 percent to 6.8 percent.

Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes of Assumptions. In 2020, the municipal bond rate used to determine total pension liability was decreased from 3.5 percent to 2.21 percent, and the mortality assumption was updated.

Schedule of Changes in the District's Total Other Postemployment Benefits 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.

Changes of Assumptions. The changes of assumptions or other inputs was based on the following:

- A change in the discount rate from 3.13 percent as of the beginning of the measurement period to 2.45 percent as of June 30, 2020.
- The salary increase rates were changed to reflect revisions made by FRS for its July 1, 2020, Actuarial Valuation.
- The load for modeling the excise ("Cadillac") tax on healthcare plans was removed, as the excise tax no longer applies.

**MARION COUNTY DISTRICT SCHOOL BOARD
COMBINING BALANCE SHEET
NONMAJOR FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Special Revenue		Debt Service	
	Food Service Fund	Miscellaneous Special Revenue Fund	State Board of Education COBI Bonds Fund	Other Debt Service Fund
Assets				
Cash	\$ 1,818,298	\$ 3,168,047	\$ -	\$ 616,207
Investments	4,085,568	-	-	372
Accounts Receivable	7,699	-	-	-
Due From Other Agencies	447,217	-	-	-
Inventories	993,182	-	13,670	-
Prepaid Items	609	-	-	-
Total Assets	\$ 7,352,573	\$ 3,168,047	\$ 13,670	\$ 616,579
Liabilities and Fund Balances				
Liabilities				
Salaries and Benefits Payable	\$ 223,126	\$ 5,162	\$ -	\$ -
Accounts Payable	51,912	16,693	-	-
Deposits Payable	52,044	-	-	-
Construction Contracts Payable	-	6,053	-	-
Construction Contracts Payable - Retainage	-	-	-	-
Due to Other Agencies	52	-	-	-
Unearned Revenues	-	416,034	-	-
Total Liabilities	327,134	443,942	-	-
Fund Balances				
Nonspendable:				
Inventories	993,182	-	-	-
Prepaid Items	609	-	-	-
Total Nonspendable Fund Balance	993,791	-	-	-
Restricted for:				
Food Service	6,031,648	-	-	-
Debt Service	-	-	13,670	616,579
Capital Projects	-	-	-	-
Internal Accounts	-	2,724,105	-	-
Total Restricted Fund Balance	6,031,648	2,724,105	13,670	616,579
Total Fund Balances	7,025,439	2,724,105	13,670	616,579
Total Liabilities and Fund Balances	\$ 7,352,573	\$ 3,168,047	\$ 13,670	\$ 616,579

Capital Projects				
Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Other Capital Projects Fund	Total	
\$ -	\$ 2,745,378	\$ 410,405	\$	8,758,335
-	305	4,085,113		8,171,358
-	-	-		7,699
-	-	756,026		1,203,243
-	-	-		1,006,852
-	-	-		609
<u>\$ -</u>	<u>\$ 2,745,683</u>	<u>\$ 5,251,544</u>	<u>\$</u>	<u>19,148,096</u>
\$ -	\$ -	\$ -	\$	228,288
-	-	-		68,605
-	-	-		52,044
-	379,766	7,352		393,171
-	44,341	-		44,341
-	-	-		52
-	-	-		416,034
<u>-</u>	<u>424,107</u>	<u>7,352</u>	<u>\$</u>	<u>1,202,535</u>
-	-	-		993,182
-	-	-		609
<u>-</u>	<u>-</u>	<u>-</u>	<u>\$</u>	<u>993,791</u>
-	-	-		6,031,648
-	-	-		630,249
-	2,321,576	5,244,192		7,565,768
-	-	-		2,724,105
<u>-</u>	<u>2,321,576</u>	<u>5,244,192</u>	<u>\$</u>	<u>16,951,770</u>
<u>-</u>	<u>2,321,576</u>	<u>5,244,192</u>	<u>\$</u>	<u>17,945,561</u>
<u>\$ -</u>	<u>\$ 2,745,683</u>	<u>\$ 5,251,544</u>	<u>\$</u>	<u>19,148,096</u>

MARION COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Revenue		Debt Service	
	Food Service Fund	Miscellaneous Special Revenue Fund	State Board of Education COBI Bonds Fund	Other Debt Service Fund
Revenues				
Intergovernmental:				
Federal Direct	\$ -	\$ -	\$ -	\$ -
Federal through State	23,510,821	-	-	-
State	379,177	-	261,687	223,250
Local:				
Other	1,060,941	3,936,690	-	114
Total Revenues	<u>24,950,939</u>	<u>3,936,690</u>	<u>261,687</u>	<u>223,364</u>
Expenditures				
Instruction	-	217,240	-	-
Student Personnel Services	-	922	-	-
Instruction and Curriculum Development	-	269,555	-	-
Instructional Staff Training Services	-	996	-	-
Food Services	25,157,971	-	-	-
Community Services	-	3,186,289	-	-
Capital Outlay:				
Facilities Acquisition and Construction	-	285,613	-	-
Other Capital Outlay	11,177	13,266	-	-
Debt Service:				
Retirement of Principal	-	-	229,000	11,376,224
Interest and Fiscal Charges	-	-	38,722	2,390,659
Total Expenditures	<u>25,169,148</u>	<u>3,973,881</u>	<u>267,722</u>	<u>13,766,883</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(218,209)</u>	<u>(37,191)</u>	<u>(6,035)</u>	<u>(13,543,519)</u>
Other Financing Sources (Uses)				
Transfers In	15,886	-	-	13,564,405
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>15,886</u>	<u>-</u>	<u>-</u>	<u>13,564,405</u>
Net Change in Fund Balances	<u>(202,323)</u>	<u>(37,191)</u>	<u>(6,035)</u>	<u>20,886</u>
Fund Balances - Beginning, as Restated	<u>7,227,762</u>	<u>2,761,296</u>	<u>19,705</u>	<u>595,693</u>
Fund Balances - Ending	<u>\$ 7,025,439</u>	<u>\$ 2,724,105</u>	<u>\$ 13,670</u>	<u>\$ 616,579</u>

Capital Projects			
Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Other Capital Projects Fund	Total
\$ -	\$ -	\$ -	\$ -
250,710	1,332,021	630,735	23,510,821 3,077,580
1	401	12,095	5,010,242
<u>250,711</u>	<u>1,332,422</u>	<u>642,830</u>	<u>31,598,643</u>
-	-	-	217,240
-	-	-	922
-	-	-	269,555
-	-	-	996
-	-	-	25,157,971
-	-	-	3,186,289
189,311	1,356,028	2,214,556	4,045,508
-	-	-	24,443
-	-	-	11,605,224
-	1,760	-	2,431,141
<u>189,311</u>	<u>1,357,788</u>	<u>2,214,556</u>	<u>46,939,289</u>
61,400	(25,366)	(1,571,726)	(15,340,646)
-	-	-	13,580,291
(250,710)	-	(22,903)	(273,613)
<u>(250,710)</u>	<u>-</u>	<u>(22,903)</u>	<u>13,306,678</u>
(189,310)	(25,366)	(1,594,629)	(2,033,968)
189,310	2,346,942	6,838,821	19,979,529
<u>\$ -</u>	<u>\$ 2,321,576</u>	<u>\$ 5,244,192</u>	<u>\$ 17,945,561</u>

MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND - FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Food Service Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Federal Through State:			
National School Lunch Act	\$ 15,750,260	\$ 19,437,166	\$ 3,686,906
School Breakfast Program	3,972,740	4,073,655	100,915
Total Federal Through State	<u>19,723,000</u>	<u>23,510,821</u>	<u>3,787,821</u>
State:			
Breakfast Supplement	186,610	185,339	(1,271)
School Lunch Supplement	192,445	193,838	1,393
Total State	<u>379,055</u>	<u>379,177</u>	<u>122</u>
Local:			
Charges for Services - Food Service	1,070,837	992,963	(77,874)
Investment Income	120,330	19,123	(101,207)
Net Decrease in Fair Value of Investments	-	(11,243)	(11,243)
Other	36,936	60,098	23,162
Total Local	<u>1,228,103</u>	<u>1,060,941</u>	<u>(167,162)</u>
Total Revenues	<u>21,330,158</u>	<u>24,950,939</u>	<u>3,620,781</u>
Expenditures			
Current Education:			
Food Services:			
Salaries	8,154,305	8,073,656	80,649
Employee Benefits	4,472,721	3,334,372	1,138,349
Purchased Services	755,625	573,209	182,416
Energy Services	461,867	436,632	25,235
Materials and Supplies	12,015,430	12,015,430	-
Capital Outlay	333,250	10,426	322,824
Other	845,408	714,246	131,162
Total Food Services	<u>27,038,606</u>	<u>25,157,971</u>	<u>1,880,635</u>
Capital Outlay:			
Other Capital Outlay	11,177	11,177	-
Total Expenditures	<u>27,049,783</u>	<u>25,169,148</u>	<u>1,880,635</u>
Deficiency of Revenues Over Expenditures	(5,719,625)	(218,209)	1,740,146
Other Financing Uses			
Transfers In	20,000	15,886	(4,114)
Net Change in Fund Balance	(5,699,625)	(202,323)	1,736,032
Fund Balance - Beginning	<u>7,227,762</u>	<u>7,227,762</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 1,528,137</u>	<u>\$ 7,025,439</u>	<u>\$ 5,497,302</u>

MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Miscellaneous Special Revenue		
	Final Budget	Actual	Variance with Final Budget
Revenues			
Local:			
Gifts, Grants and Bequests	\$ 1,296,492	\$ 787,592	\$ (508,900)
Miscellaneous	3,186,289	3,149,098	(37,191)
Total Revenues	<u>4,482,781</u>	<u>3,936,690</u>	<u>(546,091)</u>
Expenditures			
Current Education:			
Instruction:			
Salaries	16,405	16,403	(2)
Employee Benefits	5,703	5,118	(585)
Purchased Services	49,310	47,287	(2,023)
Energy Services	220,542	114,059	(106,483)
Materials and Supplies	-	-	-
Capital Outlay	42,660	31,569	(11,091)
Other	2,804	2,804	-
Total Instruction	<u>337,424</u>	<u>217,240</u>	<u>(120,184)</u>
Student Personnel Services:			
Purchased Services	776	722	(54)
Materials and Supplies	200	200	-
Total Student Personnel Services	<u>976</u>	<u>922</u>	<u>(54)</u>
Instruction and Curriculum Development:			
Salaries	385,837	189,689	(196,148)
Employee Benefits	140,416	56,780	(83,636)
Purchased Services	20,564	8,578	(11,986)
Materials and Supplies	21,966	9,573	(12,393)
Capital Outlay	3,439	3,415	(24)
Other	1,520	1,520	-
Total Instruction and Curriculum Development	<u>573,742</u>	<u>269,555</u>	<u>(304,187)</u>
Instructional Staff Training Services:			
Employee Benefits	181	76	(105)
Purchased Services	12,460	-	(12,460)
Other	6,919	920	(5,999)
Total Instructional Staff Training Services	<u>19,560</u>	<u>996</u>	<u>(18,564)</u>
Facility Services:			
Capital Outlay	65,910	-	(65,910)
Community Services:			
Materials and Supplies	3,186,289	3,186,289	-
Capital Outlay:			
Facilities Acquisition and Construction	285,614	285,613	(1)
Other Capital Outlay	13,266	13,266	-
Total Expenditures	<u>4,482,781</u>	<u>3,973,881</u>	<u>(508,900)</u>
Net Change in Fund Balance	<u>-</u>	<u>(37,191)</u>	<u>(37,191)</u>
Fund Balance - Beginning, as Restated	<u>2,761,296</u>	<u>2,761,296</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 2,761,296</u>	<u>\$ 2,724,105</u>	<u>\$ (37,191)</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>State Board of Education COBI Bonds Fund</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
State:			
Debt Service for State Board of Education/COBI Bonds	\$ 278,700	\$ 261,669	\$ (17,031)
State Board of Education/COBI Bond Interest	-	18	18
Total Revenues	<u>278,700</u>	<u>261,687</u>	<u>(17,013)</u>
Expenditures			
Debt Service:			
Retirement of Principal	240,000	229,000	(11,000)
Interest and Fiscal Charges	38,700	38,722	(22)
Total Expenditures	<u>278,700</u>	<u>267,722</u>	<u>(11,022)</u>
Net Change in Fund Balance	-	(6,035)	6,035
Fund Balance - Beginning	<u>19,705</u>	<u>19,705</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 19,705</u>	<u>\$ 13,670</u>	<u>\$ (6,035)</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Other Debt Service Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
State:			
Sales Tax Distribution	\$ 223,250	\$ 223,250	\$ -
Local:			
Investment Income	900	114	(786)
Total Revenues	<u>224,150</u>	<u>223,364</u>	<u>(786)</u>
Expenditures			
Debt Service:			
Retirement of Principal	11,376,225	11,376,224	1
Interest and Fiscal Charges	2,392,834	2,390,659	2,175
Total Expenditures	<u>13,769,059</u>	<u>13,766,883</u>	<u>2,176</u>
Deficiency of Revenues Over Expenditures	<u>(13,544,909)</u>	<u>(13,543,519)</u>	<u>1,390</u>
Other Financing Sources			
Transfers In	13,565,980	13,564,405	(1,575)
Net Change in Fund Balance	21,071	20,886	(185)
Fund Balance - Beginning	<u>595,693</u>	<u>595,693</u>	<u>-</u>
Fund Balance - Ending	<u>\$ 616,764</u>	<u>\$ 616,579</u>	<u>\$ (185)</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Public Education Capital Outlay Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
State:			
Charter School Capital Outlay Funding	\$ 289,396	\$ 250,710	\$ (38,686)
Local:			
Investment Income	3	1	(2)
Total Revenues	289,399	250,711	(38,688)
Expenditures			
Capital Outlay:			
Facilities Acquisition and Construction:			
Improvements Other Than Buildings	4,625	4,625	-
Remodeling and Renovations	184,688	184,686	2
Total Expenditures	189,313	189,311	2
Deficiency of Revenues Over Expenditures	100,086	61,400	(38,686)
Other Financing Uses			
Transfers Out	(289,396)	(250,710)	38,686
Net Change in Fund Balance	(189,310)	(189,310)	-
Fund Balance - Beginning	189,310	189,310	-
Fund Balance - Ending	\$ -	\$ -	\$ -

**MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Capital Outlay and Debt Service Fund</u>		
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
State:			
Capital Outlay/Debt Service Distributed	\$ 1,368,190	\$ 1,305,604	\$ (62,586)
Interest on Undistributed Capital Outlay and Debt Service	<u>49,078</u>	<u>26,417</u>	<u>(22,661)</u>
Total State	<u>1,417,268</u>	<u>1,332,021</u>	<u>(85,247)</u>
Local:			
Investment Income	<u>-</u>	<u>401</u>	<u>401</u>
Total Revenues	<u>1,417,268</u>	<u>1,332,422</u>	<u>(84,846)</u>
Expenditures			
Capital Outlay:			
Facilities Acquisition and Construction:			
Remodeling and Renovations	3,762,450	1,356,028	2,406,422
Debt Service:			
Interest and Fiscal Charges	<u>1,760</u>	<u>1,760</u>	<u>-</u>
Total Expenditures	<u>3,764,210</u>	<u>1,357,788</u>	<u>2,406,422</u>
Net Change in Fund Balance	(2,346,942)	(25,366)	2,321,576
Fund Balance - Beginning	<u>2,346,942</u>	<u>2,346,942</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 2,321,576</u>	<u>\$ 2,321,576</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MAJOR CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Local Capital Improvement Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Local:				
District Local Capital Improvement Tax	\$ 32,553,900	\$ 32,428,973	\$ 32,544,920	\$ 115,947
Tax Redemptions	-	-	146,238	146,238
Investment Income	-	22,385	83,333	60,948
Net Increase in Fair Value of Investments	-	-	25,126	25,126
Total Revenues	<u>32,553,900</u>	<u>32,451,358</u>	<u>32,799,617</u>	<u>348,259</u>
Expenditures				
Capital Outlay:				
Facilities Acquisition and Construction:				
Buildings and Fixed Equipment	10,354,597	13,686,970	6,019,999	7,666,971
Land	2,251,741	2,251,741	-	2,251,741
Improvements Other Than Buildings	1,528,047	968,810	51,876	916,934
Remodeling and Renovations	18,239,504	15,433,356	4,604,291	10,829,065
Other Capital Outlay:				
Buses	712,431	712,431	651,004	61,427
Vehicles	934,400	864,868	521,820	343,048
Total Expenditures	<u>34,020,720</u>	<u>33,918,176</u>	<u>11,848,990</u>	<u>22,069,186</u>
Excess of Revenues Over Expenditures	<u>(1,466,820)</u>	<u>(1,466,818)</u>	<u>20,950,627</u>	<u>22,417,445</u>
Other Financing Uses				
Transfers Out	(19,609,679)	(19,609,681)	(19,608,106)	1,575
Net Change in Fund Balance	(21,076,499)	(21,076,499)	1,342,521	22,419,020
Fund Balance - Beginning	21,076,499	21,076,499	21,076,499	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,419,020</u>	<u>\$ 22,419,020</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
NONMAJOR CAPITAL PROJECTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Other Capital Projects Fund		
	Final Budget	Actual	Variance with Final Budget
Revenues			
State:			
Miscellaneous State	\$ 630,735	\$ 630,735	\$ -
Local:			
Investment Income	3	8,128	8,125
Impact Fees	-	3,967	3,967
Total Local:	3	12,095	12,092
Total Revenues	630,738	642,830	12,092
Expenditures			
Capital Outlay:			
Facilities Acquisition and Construction:			
Buildings and Fixed Equipment	35,034	35,033	1
Improvements Other Than Buildings	1,259,023	572,326	686,697
Remodeling and Renovations	1,751,416	1,607,197	144,219
Total Expenditures	3,045,473	2,214,556	830,917
Deficiency of Revenues Over Expenditures	(2,414,735)	(1,571,726)	843,009
Other Financing Uses			
Transfers Out	(81,635)	(22,903)	58,732
Net Change in Fund Balance	(2,496,370)	(1,594,629)	901,741
Fund Balance - Beginning	6,838,821	6,838,821	-
Fund Balance - Ending	\$ 4,342,451	\$ 5,244,192	\$ 901,741

**MARION COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	Governmental Activities Internal Service Funds		
	Property/Casualty and Workers' Compensation Program	Self-Funded Employee Health Insurance	Total Internal Service Funds
Assets			
Current Assets:			
Cash	\$ 2,567,657	\$ 7,859,211	\$ 10,426,868
Investments	10,807,166	5,000,000	15,807,166
Accounts Receivable	-	32,577	32,577
Deposits Receivable	140,000	-	140,000
Prepaid Items	6,401	-	6,401
Total Assets	<u>13,521,224</u>	<u>12,891,788</u>	<u>26,413,012</u>
Liabilities			
Current Liabilities:			
Salaries and Benefits Payable	10,776	5,069	15,845
Accounts Payable	10,949	4,900,650	4,911,599
Estimated Insurance Claims Payable	3,168,299	-	3,168,299
Total Current Liabilities	<u>3,190,024</u>	<u>4,905,719</u>	<u>8,095,743</u>
Noncurrent Liabilities:			
Estimated Insurance Claims Payable	7,106,153	2,535,000	9,641,153
Total Liabilities	<u>10,296,177</u>	<u>7,440,719</u>	<u>17,736,896</u>
Net Position			
Unrestricted	<u>3,225,047</u>	<u>5,451,069</u>	<u>\$ 8,676,116</u>

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

**MARION COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Governmental Activities Internal Service Funds		Total Internal Service Funds
	Property/Casualty and Workers' Compensation Program	Self-Funded Employee Health Insurance	
Operating Revenues			
Charges for Services	\$ 4,727,901	\$ 24,235,766	\$ 28,963,667
Operating Expenses			
Salaries	114,871	52,996	167,867
Employee Benefits	37,093	21,819	58,912
Purchased Services	2,359,247	2,631,941	4,991,188
Claim Expense	2,254,102	19,679,843	21,933,945
Total Operating Expenses	4,765,313	22,386,599	27,151,912
Operating Income	(37,412)	1,849,167	1,811,755
Nonoperating Revenue			
Investment Income	103,154	762	103,916
Decrease in Fair Market Value of Investments	(122,122)	-	(122,122)
Other Miscellaneous Local Sources	-	1,711,128	1,711,128
Total Nonoperating Revenue	(18,968)	1,711,890	1,692,922
Transfers In	-	1,890,012	1,890,012
Change in Net Position	(56,380)	5,451,069	5,394,689
Net Position - Beginning	3,281,427	-	3,281,427
Net Position - Ending	3,225,047	5,451,069	\$ 8,676,116

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

**MARION COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Governmental Activities Internal Service Funds		
	Property/Casualty and Workers' Compensation Program	Self-Funded Employee Health Insurance	Total Internal Service Funds
Cash Flows from Operating Activities			
Cash Received from Interfund Services Provided	\$ 4,727,901	\$ 24,235,766	\$ 28,963,667
Cash Payments to Suppliers for Goods and Services	(334,136)	(2,631,941)	(2,966,077)
Cash Payments to Employees for Services	(147,814)	(69,746)	(217,560)
Cash Payments for Insurance Claim Payments	(2,187,646)	(12,276,770)	(14,464,416)
Net Cash Received for Operating Activities	<u>2,058,305</u>	<u>9,257,309</u>	<u>11,315,614</u>
Cash Flows from Noncapital Financing Activities			
Cash Received from Health Insurance Carriers	-	1,711,128	1,711,128
Cash Received from General Fund Transfer	-	1,890,012	1,890,012
Net Cash Received for Noncapital Financing Activities	<u>-</u>	<u>3,601,140</u>	<u>3,601,140</u>
Cash Flows from Investing Activities			
Purchase of Investments	(342,442)	(5,000,000)	(5,342,442)
Investment Income	103,154	762	103,916
Net Cash Used in Investing Activities	<u>(239,288)</u>	<u>(4,999,238)</u>	<u>(5,238,526)</u>
Net Increase in Cash	<u>1,819,017</u>	<u>7,859,211</u>	<u>9,678,228</u>
Cash, Beginning of Year	<u>748,640</u>	<u>-</u>	<u>748,640</u>
Cash, End of Year	<u><u>2,567,657</u></u>	<u><u>7,859,211</u></u>	<u><u>\$ 10,426,868</u></u>
<u>Reconciliation of Operating Loss to Net Cash Used by Operating Activities</u>			
Operating Income (Loss)	(37,412)	1,849,167	\$ 1,811,755
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) in Accounts Receivable	-	(32,577)	(32,577)
Decrease in Prepaid Items	2,026,024	-	2,026,024
Increase in Salaries and Benefits Payable	4,772	5,069	9,841
Increase (Decrease) in Accounts Payable	(913)	4,900,650	4,899,737
Decrease in Due to Other Agencies	(622)	-	(622)
Increase in Estimated Insurance Claims Payable	66,456	2,535,000	2,601,456
Net Cash Used by Operating Activities	<u><u>2,058,305</u></u>	<u><u>9,257,309</u></u>	<u><u>\$ 11,315,614</u></u>

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

NONMAJOR COMPONENT UNITS

Foundation

Public Education Foundation of Marion County, Inc.

Charter Schools

Marion Charter School, Inc.
McIntosh Area Charter School, Incorporated
Ocali Charter Middle School, Inc.

**MARION COUNTY DISTRICT SCHOOL BOARD
NONMAJOR COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021**

	Public Education Foundation of Marion County, Inc.	Marion Charter School, Inc.
Assets		
Current Assets:		
Cash	\$ 413,567	\$ 552,492
Accounts Receivable	66,650	48,300
Deposits Receivable	-	1,600
Inventories	318,700	-
Prepaid Items	4,274	1,381
Total Current Assets	803,191	603,773
Noncurrent Assets:		
Assets Held by Others	1,983,639	-
Investments	705,208	-
Capital Assets Not Being Depreciated	-	248,319
Capital Assets Being Depreciated, Net	6,728	191,221
Total Noncurrent Assets	2,695,575	439,540
Total Assets	3,498,766	1,043,313
Deferred Outflows of Resources		
Deferred Amount on Pension Liability	-	439,927
Liabilities		
Current Liabilities:		
Salaries and Benefits Payable	-	-
Accounts Payable	54,801	752
Long-term Liabilities		
Due Within One Year	-	1,187,793
Total Current Liabilities	54,801	1,188,545
Noncurrent Liabilities		
Due After One Year	-	-
Total Noncurrent Liabilities	-	-
Total Liabilities	54,801	1,188,545
Deferred Inflows of Resources		
Deferred Revenue	-	64,801
Net Position		
Net Investment in Capital Assets	6,728	439,540
Restricted for:		
Scholarships	2,160,863	-
Capital Projects	-	102,004
Other Purposes	318,700	-
Permanent Endowments:		
Nonexpendable	134,518	-
Unrestricted (Deficit)	823,156	(311,650)
Total Net Position	\$ 3,443,965	\$ 229,894

McIntosh Area Charter School, Incorporated	Ocali Charter Middle School, Inc.	Total
\$ 273,380	\$ 13,525	\$ 1,252,964
7,378	13,413	135,741
-	14,306	15,906
-	-	318,700
4,341	-	9,996
<u>285,099</u>	<u>41,244</u>	<u>1,733,307</u>
-	-	1,983,639
-	-	705,208
116,514	-	364,833
<u>234,400</u>	<u>37,463</u>	<u>469,812</u>
<u>350,914</u>	<u>37,463</u>	<u>3,523,492</u>
<u>636,013</u>	<u>78,707</u>	<u>5,256,799</u>
-	-	439,927
2,652	19,018	21,670
-	-	55,553
<u>9,088</u>	<u>-</u>	<u>1,196,881</u>
<u>11,740</u>	<u>19,018</u>	<u>1,274,104</u>
<u>192,708</u>	<u>-</u>	<u>192,708</u>
<u>192,708</u>	<u>-</u>	<u>192,708</u>
<u>204,448</u>	<u>19,018</u>	<u>1,466,812</u>
-	-	64,801
350,914	37,463	834,645
-	-	2,160,863
33,686	-	135,690
-	14,306	333,006
-	-	134,518
<u>46,965</u>	<u>7,920</u>	<u>566,391</u>
<u>\$ 431,565</u>	<u>\$ 59,689</u>	<u>\$ 4,165,113</u>

**MARION COUNTY DISTRICT SCHOOL BOARD
NONMAJOR COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Public Education Foundation of Marion County, Inc.	Marion Charter School, Inc.
Expenses:		
Instruction	\$ -	\$ 1,327,065
Student Support Services	-	115,686
General Administration	318,774	537,286
Maintenance of Plant	-	-
Community Services	1,542,143	36,267
Total Expenses	1,860,917	2,016,304
Program Revenues:		
Charges for Services	-	49,518
Capital Grants and Contributions	-	136,394
Total Program Revenues	-	185,912
General Revenues:		
Grants and Contributions Not Restricted to Specific Programs	1,881,266	1,637,150
Unrestricted Investment Earnings	150,985	23
Miscellaneous	-	-
Total General Revenues	2,032,251	1,637,173
Change in Net Position	171,334	(193,219)
Net Position - Beginning	3,272,631	423,113
Net Position - Ending	\$ 3,443,965	\$ 229,894

McIntosh Area Charter School, Incorporated	Ocali Charter Middle School, Inc.	Total
\$ 305,748	\$ 754,367	\$ 2,387,180
-	-	115,686
223,304	607,689	1,687,053
11,238	602	11,840
-	1,662	1,580,072
<u>540,290</u>	<u>1,364,320</u>	<u>5,781,831</u>
9,128	-	58,646
36,966	81,710	255,070
<u>46,094</u>	<u>81,710</u>	<u>313,716</u>
533,266	1,149,020	5,200,702
-	-	151,008
-	57	57
<u>533,266</u>	<u>1,149,077</u>	<u>5,351,767</u>
-	39,070	(133,533)
	(133,533)	(116,348)
392,495	193,222	4,281,461
<u>\$ 431,565</u>	<u>\$ 59,689</u>	<u>\$ 4,165,113</u>

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**STATISTICAL SECTION
(UNAUDITED)**

Table 1

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in Capital Assets	\$ 401,984,084	\$ 424,639,560	\$ 421,531,025	\$ 424,703,252	\$ 427,231,115	\$ 430,615,015	\$ 437,935,375	\$ 423,039,762	\$ 436,909,134	\$ 447,024,967
Restricted	61,243,195	39,563,126	38,543,429	34,531,596	40,344,387	46,589,540	44,613,635	63,844,205	53,631,332	55,197,063
Unrestricted (Deficit)	(38,520,766)	(42,686,045)	(38,717,427)	(167,579,756)	(157,210,634)	(167,835,774)	(168,255,295)	(175,135,529)	(197,990,662)	(207,141,399)
Total Governmental Net Position	\$ 424,706,513	\$ 421,516,641	\$ 421,357,027	\$ 291,655,092	\$ 310,364,868	\$ 309,368,781	\$ 314,293,715	\$ 311,748,438	\$ 292,549,804	\$ 295,080,631

Note: Significant decrease was experienced in the 2015 fiscal year as a result of implementing GASB No. 68. Significant increase was experienced in the 2018 fiscal year as a result of implementing GASB No. 75. In the 2021 fiscal year the District implemented GASB No. 84 resulting in a restatement of beginning net position.

Source: Marion County District School Board, Finance Department Records

Table 2

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Functions/Program Expenses:										
Instruction	\$ 195,573,215	\$ 193,104,354	\$ 204,444,783	\$ 218,354,709	\$ 222,627,462	\$ 240,181,428	\$ 246,324,171	\$ 258,092,892	\$ 268,339,463	\$ 274,724,517
Student Personnel Services	22,088,150	22,318,281	23,229,985	23,950,509	26,921,637	28,752,565	30,277,096	32,571,703	32,023,172	33,080,645
Instructional Media Services	4,265,084	4,085,164	3,723,590	3,911,410	4,950,533	5,185,913	4,423,914	4,440,743	4,983,809	4,719,476
Instruction and Curriculum Development	7,019,856	6,273,460	5,645,058	5,829,576	5,614,973	5,917,941	6,221,103	7,224,920	7,766,711	7,986,796
Instructional Staff Training Services	7,872,397	7,165,977	7,194,947	8,055,859	9,031,233	9,123,124	7,665,780	11,091,720	10,853,527	10,579,815
Instructional Related Technology	2,246,830	2,089,873	2,229,226	2,500,438	2,669,681	2,742,411	2,858,681	2,553,752	2,696,383	2,686,068
Board of Education	609,104	610,546	634,052	590,682	693,524	683,341	764,160	851,172	1,116,072	819,394
General Administration	2,235,331	2,357,108	2,316,446	2,789,387	2,847,397	3,331,174	3,090,996	3,301,361	3,454,028	3,667,305
School Administration	16,562,768	17,063,273	17,249,608	18,929,426	18,132,771	20,596,270	21,672,130	21,449,659	23,974,881	23,977,751
Facility Services	9,623,561	4,411,906	3,848,722	1,138,582	1,602,808	1,042,232	2,971,111	2,687,241	4,474,895	874,759
Fiscal Services	2,509,716	2,528,497	2,464,671	3,236,667	2,752,024	2,997,915	3,152,753	3,447,126	3,447,126	3,883,438
Food Services	21,649,060	22,368,022	23,066,934	25,092,665	27,389,859	28,409,893	29,176,087	29,537,513	27,592,616	26,381,209
Central Services	3,973,337	3,819,998	3,987,410	5,973,248	4,001,834	4,504,301	4,770,172	5,332,555	5,606,928	5,695,528
Student Transportation Services	18,990,431	18,604,907	21,274,194	20,088,339	20,774,721	22,290,992	22,828,958	22,661,212	22,628,422	21,926,717
Operation of Plant	23,026,130	22,464,976	23,861,211	24,035,990	23,055,086	23,429,974	24,668,869	25,018,755	29,457,066	31,045,173
Maintenance of Plant	8,982,975	8,577,801	8,848,764	9,740,872	9,133,472	9,877,571	10,075,905	10,068,853	11,241,356	10,728,118
Administrative Technology Services	3,985,071	4,868,187	4,157,489	5,275,929	5,049,540	5,480,488	5,517,426	5,055,202	5,171,426	5,381,432
Community Services	3,818,043	3,759,890	4,416,678	4,643,795	4,629,729	4,665,597	5,069,742	5,655,715	5,569,166	8,014,579
Unallocated Interest on Long-term Debt	7,020,315	5,965,804	5,679,051	4,432,956	3,989,079	3,415,034	3,004,016	2,762,058	2,674,342	2,286,926
Unallocated Depreciation Expense (a)	12,299,937	-	-	-	-	-	-	-	-	-
Loss on Disposal of Capital Assets	-	246,664	18,286	193,054	387,768	-	117,594	69,053	-	-
Total Functions/Program Expenses	374,361,311	365,334,022	368,355,105	388,764,083	396,255,131	422,851,164	434,801,360	453,588,832	473,171,389	478,457,646
Program Revenues:										
Charges for Services:										
Instruction	5,393,459	6,640,861	6,448,549	7,241,668	7,257,853	7,955,731	7,213,358	7,480,881	6,349,546	6,177,738
Food Services	4,586,357	4,394,926	3,226,221	2,646,279	2,583,097	2,353,988	2,009,270	2,069,602	1,615,654	992,963
Student Transportation Services	153,100	146,869	127,208	190,060	159,872	195,592	156,337	184,525	114,296	60,046
Operating Grants and Contributions:										
Food Services	18,524,571	19,095,554	20,831,097	23,120,564	25,323,451	25,895,664	25,693,570	26,435,943	22,108,361	23,950,096
Capital Grants and Contributions:										
Facility Services	292,553	450,199	539,517	727,911	1,273,724	1,365,151	1,232,080	1,540,670	1,703,302	1,586,698
Maintenance of Plant	-	-	-	824,100	917,392	1,378,965	914,171	895,910	-	-
Unallocated Interest on Long-term Debt	1,285,599	1,273,182	1,266,075	898,176	481,012	445,954	440,816	340,510	279,155	261,687
Total Functions/Program Revenues	30,235,639	32,001,591	32,438,667	35,648,758	37,996,401	39,591,045	37,659,602	38,948,041	32,170,314	33,029,228
Net Expense	344,125,672	333,332,431	335,916,438	353,115,325	358,258,730	383,060,119	397,141,758	414,620,791	441,001,075	445,428,418
General Revenues:										
Property Taxes Levied for:										
Operational Purposes	99,086,319	91,929,027	86,908,625	89,283,913	106,567,311	107,214,742	107,111,618	110,053,950	114,954,917	120,297,916
Capital Projects	23,954,343	22,351,178	22,325,029	23,097,597	23,979,076	25,125,064	26,507,997	28,361,978	30,332,362	32,691,158
Grants and Contributions Not Restricted to Specific Programs	196,381,947	204,350,332	222,724,894	232,050,823	239,340,767	243,054,631	254,121,661	262,511,580	267,735,554	285,889,161
Unrestricted Investment Earnings	968,085	984,783	322,748	254,671	403,219	678,134	998,125	3,233,404	2,800,887	332,416
Miscellaneous	6,190,912	6,463,438	5,402,788	6,127,797	6,678,133	5,991,461	6,329,627	7,914,602	5,978,721	5,987,298
Total Revenues	326,581,606	326,078,758	337,684,084	350,814,801	376,968,506	382,064,032	395,069,028	412,075,514	421,802,441	445,197,949
Change in Net Position	\$ (17,544,066)	\$ (7,253,673)	\$ 1,767,646	\$ (2,300,524)	\$ 18,709,776	\$ (996,087)	\$ (2,072,730)	\$ (2,545,277)	\$ (19,198,634)	\$ (230,469)

Source: Marion County District School Board, Finance Department Records

(a) Prior to 2014 the District's accounting system did not allocate all depreciation to the various functions. Beginning in 2014 the District was able to allocate depreciation to all of the applicable functions.

Table 3

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Federal Direct	\$ 2,072,312	\$ 2,148,187	\$ 1,942,361	\$ 1,728,450	\$ 1,619,918	\$ 1,695,939	\$ 1,935,630	\$ 2,192,109	\$ 1,977,481	\$ 1,570,053
Federal Through State and Local	53,587,286	50,650,806	51,211,480	58,177,326	60,105,303	59,417,244	62,274,217	66,136,254	57,892,957	70,676,402
State	160,825,072	172,104,392	192,098,173	197,617,736	205,444,106	210,760,097	217,584,733	222,914,151	231,137,702	235,415,500
Local	141,567,810	133,017,132	124,723,947	128,796,860	147,665,723	149,667,704	150,743,259	158,341,735	162,576,956	171,123,939
Total Revenues	358,052,480	357,920,317	369,975,961	386,320,372	414,835,050	421,540,984	432,537,839	449,584,249	453,585,096	478,785,894
Expenditures										
Current - Education:										
Instruction	193,742,555	190,865,971	188,985,303	200,451,377	211,215,617	218,901,901	224,983,150	235,667,732	234,953,000	247,222,571
Student Personnel Services	22,044,740	22,230,371	23,014,906	23,516,829	27,396,622	27,983,666	29,544,224	31,707,586	29,938,885	31,609,183
Instructional Media Services	4,295,754	4,070,111	3,641,443	3,783,824	5,044,413	4,938,520	4,162,027	4,156,326	4,370,134	4,228,784
Instruction and Curriculum Development	7,024,155	6,248,797	5,570,332	5,693,019	5,731,587	5,694,710	5,992,125	6,970,744	7,167,168	7,547,580
Instructional Staff Training Services	7,850,706	7,137,393	7,135,820	7,906,553	9,160,984	8,894,799	7,441,654	10,826,576	10,346,383	10,155,433
Instruction Related Technology	2,241,295	2,082,139	2,141,157	2,484,038	2,684,933	2,609,382	2,727,366	2,411,458	2,374,452	2,445,293
Board of Education	599,619	601,336	627,489	583,585	695,662	680,803	766,962	850,932	1,111,752	826,502
General Administration	2,219,000	2,342,176	2,291,020	2,714,189	2,909,358	3,221,316	2,979,108	3,175,321	3,157,950	3,510,352
School Administration	16,527,237	16,969,889	16,935,587	17,196,999	18,847,423	19,373,799	20,294,615	19,967,731	20,513,753	21,181,367
Facility Services	6,425,156	733,226	2,597,831	792,509	725,667	984,702	766,708	809,658	1,143,669	339,535
Fiscal Services	2,489,566	2,504,775	2,423,416	2,603,285	2,810,974	2,886,882	3,190,641	3,025,322	3,103,714	3,664,077
Food Services	21,418,705	22,125,473	22,381,865	24,787,895	26,928,146	27,304,381	28,176,095	28,400,316	25,922,994	25,157,971
Central Services	3,800,660	3,639,891	3,919,053	4,363,118	4,105,026	4,266,224	4,514,340	5,057,046	4,925,847	5,394,116
Student Transportation Services	18,901,755	18,496,270	19,526,977	19,701,949	19,463,264	20,275,772	20,866,047	20,907,665	19,334,622	18,739,294
Operation of Plant	22,888,806	22,316,850	23,531,438	23,679,291	23,277,751	22,915,330	24,201,971	24,434,515	28,124,776	30,166,983
Maintenance of Plant	8,956,293	8,489,604	8,684,861	9,340,531	9,333,033	9,394,718	9,569,186	9,519,233	10,069,095	9,768,266
Administrative Technology Services	3,853,533	4,723,110	3,971,669	5,132,497	4,897,878	4,854,618	4,822,408	4,334,060	4,242,234	4,627,318
Community Services	3,804,867	3,741,872	4,384,158	4,608,861	4,644,010	4,648,267	5,088,335	5,653,608	5,547,053	8,083,470
Capital Outlay:										
Facilities Acquisition and Construction	13,410,419	24,002,370	4,554,498	5,635,924	6,596,918	6,593,742	6,740,055	7,455,087	9,245,963	15,118,881
Other Capital Outlay	1,636,109	1,410,753	2,483,145	7,688,250	5,384,987	4,977,042	8,528,084	2,641,099	18,956,778	5,212,908
Debt Service:										
Principal	10,275,000	10,145,000	10,479,000	11,065,000	11,915,500	12,228,000	12,531,000	10,576,000	12,288,917	11,605,224
Interest and Fiscal Charges	6,992,311	5,906,887	5,567,168	4,300,873	3,505,439	3,544,310	3,137,518	2,716,343	2,765,131	2,416,839
Dues, Fees and Issuance Costs	75,916	70,035	215,027	134,022	424,808	19,271	16,824	51,636	36,817	14,302
Total Expenditures	381,474,157	380,854,299	365,063,163	388,164,418	407,700,000	417,192,155	431,040,443	441,315,994	459,641,087	469,036,249
Excess (Deficiency) of Revenues Over Expenditures	(23,421,677)	(22,933,982)	4,912,798	(1,844,046)	7,135,050	4,348,829	1,497,396	8,268,255	(6,055,991)	9,749,645

Table 3

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Certificates of Participation Issued	\$ -	\$ -	\$ 37,380,000	\$ -	\$ 32,860,000	\$ -	\$ -	\$ -	\$ -	\$ -
Loans Incurred	-	-	-	4,946,000	-	-	-	15,839,901	-	-
Bonds Issued	25,845,000	-	3,620,500	7,371,000	-	-	-	-	-	-
Premium on Debt	300,397	-	137,879	35,955	4,327,462	-	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-	-	-	-	24,000	-
Premium on Refunding Bonds	-	-	-	-	-	-	-	-	1,293	-
Payments to Refunded Debt Escrow Agent	(24,875,279)	(1,158,933)	(39,919,642)	(8,349,299)	(36,775,929)	-	-	158,718	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	-	-
Insurance Loss Recoveries	108,500	58,443	108,571	74,416	81,895	50,296	131,221	82,797	150,065	98,637
Transfers In	21,754,970	20,844,390	21,603,700	20,860,316	20,654,704	20,988,281	20,713,572	18,658,764	20,277,720	19,897,605
Transfers Out	(21,754,970)	(20,844,390)	(21,603,700)	(20,860,316)	(20,654,704)	(20,988,281)	(20,713,572)	(18,658,764)	(20,277,720)	(21,787,617)
Total Other Financing Sources (Uses)	1,378,618	(1,100,490)	1,327,308	4,078,072	493,428	50,296	131,221	16,081,416	175,358	(1,791,375)
Net Change in Fund Balances	(22,043,059)	(24,034,472)	6,240,106	2,234,026	7,628,478	4,399,125	1,628,617	24,349,671	(5,880,633)	7,958,270
Fund Balances - Beginning, As Restated (1)	100,730,072	78,687,013	54,652,541	60,892,647	63,126,673	70,755,151	75,154,276	76,782,893	101,132,564	98,013,227
Fund Balances - Ending	78,687,013	54,652,541	60,892,647	63,126,673	70,755,151	75,154,276	76,782,893	101,132,564	95,251,931	105,971,497
Debt Service as a Percentage of Noncapital Expenditures	4.71%	4.52%	4.48%	4.10%	3.90%	3.89%	3.77%	3.08%	3.49%	3.13%

(1) In the 2021 fiscal year the District implemented GASB No. 84 resulting in a restatement of beginning net position.

Source: Marion County District School Board, Finance Department Records

Table 4

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 2,258,504	\$ 2,262,561	\$ 2,644,114	\$ 2,423,202	\$ 3,158,561	\$ 2,297,751	\$ 4,209,538	\$ 2,582,526	\$ 2,963,328	\$ 4,072,208
Spendable:										
Restricted	2,240,303	3,007,480	4,422,676	3,745,725	8,423,116	12,015,801	15,044,294	12,385,071	13,297,631	11,962,709
Assigned	4,843,480	-	7,547,747	5,977,547	11,347,442	11,880,177	13,122,249	14,077,840	10,943,402	21,902,351
Unassigned	9,250,956	11,241,171	11,469,003	17,996,211	15,425,636	15,956,637	15,755,436	20,565,133	29,752,838	27,669,648
Total General Fund	\$ 18,593,243	\$ 16,511,212	\$ 26,083,540	\$ 30,142,685	\$ 38,354,755	\$ 42,150,366	\$ 48,131,517	\$ 49,610,570	\$ 56,957,199	\$ 65,606,916
All Other Government Funds										
Nonspendable	\$ 822,146	\$ 761,754	\$ 1,439,665	\$ 828,337	\$ 895,462	\$ 1,046,420	\$ 710,755	\$ 753,345	\$ 1,638,419	\$ 1,011,979
Spendable:										
Restricted	59,332,102	37,432,904	33,384,745	32,155,651	31,519,483	31,957,490	27,943,836	50,773,974	36,701,818	39,370,790
Unassigned (a)	(60,478)	(53,329)	(15,303)	-	(14,549)	-	(3,215)	(5,325)	(45,505)	(18,188)
Total All Other Governmental Funds	\$ 60,093,770	\$ 38,141,329	\$ 34,809,107	\$ 32,983,988	\$ 32,400,396	\$ 33,003,910	\$ 28,651,376	\$ 51,521,994	\$ 38,294,732	\$ 40,364,581
Combined Governmental Funds	\$ 78,687,013	\$ 54,652,541	\$ 60,892,647	\$ 63,126,673	\$ 70,755,151	\$ 75,154,276	\$ 76,782,893	\$ 101,132,564	\$ 95,251,931	\$ 105,971,497

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

Source: Marion County District School Board, Finance Department Records

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

Fiscal Year Ending June 30,	Property Taxes			Impact Fees (a)	Total
	Operational Purposes	Capital Projects			
2012	\$ 99,086,319	\$ 23,954,343	\$	220,642	\$ 123,261,304
2013	91,929,027	22,351,178		57,874	114,338,079
2014	86,908,625	22,325,029		26,953	109,260,607
2015	89,283,913	23,097,598		20,790	112,402,301
2016	106,567,312	23,979,076		3,967	130,550,355
2017	107,214,742	25,125,064		14,417	132,354,223
2018	107,111,618	26,507,997		7,934	133,627,549
2019	110,053,950	28,361,978		-	138,415,928
2020	114,954,919	30,332,362		-	145,287,281
2021	120,297,915	32,691,158		3,967	152,993,040

(a) In response to the growing population and new home sales in Marion County, the Marion County Board of County Commissioners approved an impact fee on new home sales to begin on October 1, 2006, to aid funding for new schools. Due to a downturn in the local housing market, impact fees significantly declined in 2010. In 2011, the School Board suspended the collection of the fees.

Source: Marion County District School Board, Finance Department Records

Table 6

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

Fiscal Year Ending June 30,	Real Property	Tangible Property	Railroad Property	Less:		Total Taxable Assessed Value (a)	Total Direct Tax Rate
				Tax-Exempt Property	Property		
2012	\$ 24,124,431,238	\$ 1,372,246,797	\$ 15,044,813	\$ 9,006,785,016	\$ 16,504,937,832	7.708	
2013	21,713,674,702	1,325,660,677	18,381,187	7,642,130,994	15,415,585,572	7.671	
2014	21,662,690,013	1,365,147,480	19,153,005	7,689,024,236	15,357,966,262	7.339	
2015	22,545,666,860	1,421,016,339	20,017,720	8,095,173,721	15,891,527,198	7.298	
2016	22,946,649,486	1,515,661,515	20,342,991	7,952,550,884	16,530,103,108	8.172	
2017	24,484,911,443	1,516,452,408	21,820,066	8,770,140,613	17,253,043,304	7.902	
2018	25,621,844,589	1,619,744,735	22,705,975	9,030,530,606	18,233,764,693	7.560	
2019	27,451,399,920	1,767,960,000	24,223,011	9,717,810,402	19,525,772,529	7.319	
2020	29,642,255,792	1,855,737,335	22,087,858	10,582,883,701	20,937,197,284	7.184	
2021	31,780,005,607	2,014,416,546	25,891,069	11,261,723,187	22,558,590,035	7.018	

(a) Assessed values are as of January 1.

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

Table 7

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Direct										
Marion County District School Board										
General Fund (Required Local Effort)	5.4600	5.4230	5.0910	5.0500	4.9240	4.6540	4.3120	4.0710	3.9360	3.7700
General Fund (Discretionary)	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
General Fund (Additional Voted Millage)	-	-	-	-	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Capital Projects Fund	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Total School Board	7.7080	7.6710	7.3390	7.2980	8.1720	7.9020	7.5600	7.3190	7.1840	7.0180
Overlapping										
Board of County Commissioners										
General Fund	3.1900	3.1900	3.1900	3.1900	3.1900	3.1900	3.3300	3.3300	3.4500	3.4500
Fine and Forfeiture Fund	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.8500	0.8500
Parks and Land Acquisition Debt Service Fund	0.0500	0.0500	0.0600	0.0600	0.0600	0.0500	0.0400	-	-	-
Marion County Health Department Fund	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200	0.1200
Total General County	3.8900	3.8900	3.9000	3.9000	3.9000	3.8900	4.0200	3.9800	4.4200	4.4200
Total County-Wide	11.5980	11.5610	11.2390	11.1980	12.0720	11.7920	11.5800	11.2990	11.6040	11.4380
Special Districts										
Rainbow Lakes Estates MSD (b)	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500	2.2500
Rainbow Lakes Estates MSTU (c)	0.3800	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700	0.4700
Marion Oaks MSTU For Fire Protection (c)	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200
MSTU for Law Enforcement (c)	2.8100	2.8100	3.2100	3.4700	3.4700	3.4700	3.4700	3.7200	3.7200	3.7200
MSTU for EMS (c)	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700	0.7700	1.1100	1.1100
Silver Springs Shores Special Tax District	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000	3.0000
Hills of Ocala MSTU for Recreation (c)	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800	0.1800
Southwest Florida Water Management District	0.3928	0.3928	0.3818	0.3658	0.3488	0.3317	0.3131	0.2955	0.2801	0.2669
St. Johns River Water Management District	0.3313	0.3313	0.3283	0.3164	0.3023	0.2885	0.2724	0.2562	0.2414	0.2287
Municipalities										
Ocala	5.9332	6.1502	6.2502	6.1638	6.6177	6.6177	6.6177	6.6177	6.6177	6.6170
Ocala (Downtown Development District "A")	1.5862	1.6461	1.5967	1.4966	1.4966	1.7185	1.7185	1.7185	1.7185	1.7185
Ocala (Downtown Development District "B")	1.6191	1.6542	1.7013	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332	1.6332
Ocala (Downtown Development District "C")	1.1772	1.2332	1.2810	1.2825	1.2825	1.5091	1.5091	1.5091	1.4699	1.4699
Bellevue	3.9912	3.9912	3.9912	3.9912	4.5000	4.5000	5.0000	5.0000	5.0000	5.0000
Dunnellon	7.1408	6.8013	7.1408	7.5000	7.5000	7.5000	6.5000	6.5000	6.5000	6.5000
McIntosh	2.2988	2.5546	2.5198	2.4087	2.3175	2.2078	2.2078	2.2078	2.2078	2.1107

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

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

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

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

Fiscal Year Ending June 30,	Overlapping	
	Marion County Board of County Commissioner (a)	State of Florida Sales Tax (b)
2012	-	6.0%
2013	-	6.0%
2014	-	6.0%
2015	-	6.0%
2016	-	6.0%
2017	0.01	6.0%
2018	1.0%	6.0%
2019	1.0%	6.0%
2020	1.0%	6.0%
2021	1.0%	6.0%

(a) The Marion County Board of County Commissioner tax commenced January 1, 2017 and expires December 31, 2020.

Source: Florida Department of Revenue - <http://floridarevenue.com>

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

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

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

<u>Taxpayer</u>	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Duke Energy (Progress Energy)	\$ 241,493,529	1	1.07%	\$ 158,351,160	1	0.96%
Sumter Electric Cooperative, Inc.	142,519,368	2	0.63%	105,125,594	2	0.64%
Marion Community Hospital	105,364,870	3	0.47%	45,856,814	7	0.28%
Sabal Trail Transmission, LLC	93,845,215	4	0.42%			
Wal Mart	84,608,472	5	0.38%	70,345,322	4	0.43%
FedEx Ground Package System, Inc.	81,144,571	6	0.36%			
On Top of the World Communities, LLC	78,707,621	7	0.35%	48,230,322	6	0.29%
Cardinal LG Company	78,546,087	8	0.35%			
655 West 52 Avenue, LLC	58,513,531	9	0.26%			
Embarq (formerly Sprint-Florida, Inc.)	55,599,153	10	0.25%			
Paddock Mall, LLC				99,100,365	3	0.60%
Florida Gas Transmission, Co.				35,524,006	8	0.22%
Clay Electric Cooperative, Inc.				32,154,984	9	0.20%
K-Mart				31,599,716	10	0.19%
Total Principal Taxpayers	1,020,342,417		4.51%	680,777,996		4.14%
All Other Taxpayers	21,538,247,618		95.48%	15,785,330,449		95.87%
Total Taxable Valuation	\$ 22,558,590,035		100.00%	\$ 16,466,108,445		100.00%

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

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

Fiscal Year Ending June 30,	Taxes Levied for the Fiscal Year (a)	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount (b)	Percentage of Levy		Amount (a)	Percentage of Levy
2012	\$ 127,785,556	\$ 122,361,191	95.76%	\$ 679,471	\$ 123,040,662	96.29%
2013	118,252,957	113,380,571	95.88%	899,634	114,280,205	96.64%
2014	112,712,184	108,509,196	96.27%	724,458	109,233,654	96.91%
2015	115,976,561	111,543,948	96.18%	646,105	112,190,053	96.74%
2016	135,084,154	129,816,507	96.10%	729,881	130,546,388	96.64%
2017	136,333,724	131,319,706	96.32%	1,020,100	132,339,806	97.07%
2018	137,847,456	132,792,498	96.33%	827,117	133,619,615	96.93%
2019	142,909,361	137,709,971	96.36%	705,957	138,415,928	96.86%
2020	150,412,993	144,841,201	96.30%	446,080	145,287,281	96.59%
2021	158,316,448	152,266,646	96.18%	722,427	152,989,073	96.63%

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

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

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

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

Fiscal Year Ending June 30,	Bonds Payable			Certificates of Participation		Notes Payable	Deferred Amounts	Total	Total Debt Per Capita (a)	Total Debt as a Percentage of Personal Income (b)
2012	\$ 9,425,000	\$ 131,360,000	\$ -	\$ 2,098,067	\$ 142,883,067	\$ 429	1.38%			
2013	7,185,000	122,335,000	-	1,965,489	131,485,489	392	1.21%			
2014	6,966,500	115,075,000	-	196,175	122,237,675	362	1.03%			
2015	5,057,500	105,135,000	4,946,000	1,784,586	116,923,086	343	1.01%			
2016	4,584,000	93,700,000	3,949,000	4,290,577	106,523,577	308	0.96%			
2017	4,116,000	82,905,000	2,984,000	3,877,967	93,882,967	269	0.81%			
2018	3,634,000	71,835,000	2,005,000	3,465,357	80,939,357	229	0.67%			
2019	3,228,000	62,660,000	16,849,901	3,052,747	85,790,648	239	0.68%			
2020	2,867,000	53,175,000	14,430,984	2,634,570	73,107,554	201	0.55%			
2021	2,504,000	43,365,000	12,998,760	2,231,374	61,099,134	163	0.44%			

(a) See Table 12 for Population.

(b) See Table 16 for Personal Income.

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

Table 12

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

Fiscal Year Ending June 30,	Population (a)	Assessed Value (b)	Bonds Payable	Certificates of Participation	Deferred Amounts	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita	Net Bonded Debt as a Percentage of Personal Income (c)
2012	332,989	\$ 16,504,937,832	\$ 9,425,000	\$ 131,360,000	\$ 2,098,067	\$ 142,883,067	\$ 1,102,538	\$ 141,780,529	0.86%	\$ 425.78	1.37%
2013	335,008	15,415,585,572	7,185,000	122,335,000	1,965,489	131,485,489	-	131,485,489	0.85%	392.48	1.21%
2014	337,455	15,357,966,262	6,966,500	115,075,000	196,175	122,237,675	1,116,930	121,120,745	0.79%	358.92	1.02%
2015	341,205	15,891,527,198	5,057,500	105,135,000	1,784,586	111,977,086	131,035	111,846,051	0.70%	327.80	0.96%
2016	345,749	16,530,103,108	4,584,000	93,700,000	4,290,577	102,574,577	202,753	102,371,824	0.62%	296.09	0.93%
2017	349,267	17,253,043,304	4,116,000	82,905,000	3,877,967	90,898,967	243,089	90,655,878	0.53%	259.56	0.78%
2018	353,898	18,233,764,693	3,634,000	71,835,000	3,465,357	78,934,357	307,891	78,626,466	0.43%	222.17	0.65%
2019	358,821	19,525,772,529	3,228,000	62,660,000	3,052,747	68,940,747	232,445	68,708,302	0.35%	191.48	0.54%
2020	363,726	20,937,197,284	2,867,000	53,175,000	2,634,570	58,676,570	296,651	58,379,919	0.28%	160.51	0.44%
2021	374,628	22,558,590,035	2,504,000	43,365,000	2,231,374	48,100,374	358,377	47,741,997	0.21%	127.44	0.34%

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

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

(c) See Table 16 for Personal Income.

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

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

Marion County District School Board, Finance Department Records

Table 13

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assessed Value (a)	\$ 16,504,937,832	\$ 15,415,585,572	\$ 15,357,966,262	\$ 15,891,527,198	\$ 16,530,103,108	\$ 17,253,043,304	\$ 18,233,764,693	\$ 19,525,772,529	\$ 20,937,197,284	\$ 22,558,590,035
Debt Limit on Assessed Value (b)	\$ 16,504,937,832	\$ 15,415,585,572	\$ 15,357,966,262	\$ 15,891,527,198	\$ 16,530,103,108	\$ 17,253,043,304	\$ 18,233,764,693	\$ 19,525,772,529	\$ 20,937,197,284	\$ 22,558,590,035
Amount of Debt Applicable to Debt Limit:										
Bonds Payable (c)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Amount Available for Debt Service	-	-	-	-	-	-	-	-	-	-
Total Debt Applicable to the Debt Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 16,504,937,832	\$ 15,415,585,572	\$ 15,357,966,262	\$ 15,891,527,198	\$ 16,530,103,108	\$ 17,253,043,304	\$ 18,233,764,693	\$ 19,525,772,529	\$ 20,937,197,284	\$ 22,558,590,035
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(a) Assessed value is as of January 1.

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

(c) Includes General Obligation Bonds only.

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

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

Fiscal Year Ending June 30,	Taxable Assessed Value (a)	Annual Lease Payment	Millage Levy Required (b)
2012	\$ 16,504,938	\$ 15,572,720	0.99
2013	15,415,586	14,543,870	0.99
2014	15,357,966	14,424,705	0.98
2015	15,891,527	14,251,527	0.93
2016	16,530,103	12,526,916	0.79
2017	17,253,043	14,092,738	0.85
2018	18,233,765	13,997,052	0.80
2019	19,525,773	11,718,593	0.63
2020	20,937,197	11,721,857	0.58
2021	22,558,590	11,728,626	0.54

(a) In thousands as of January 1.

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

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

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

Marion County District School Board, Finance Department Records

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

Fiscal Year Ending June 30,	District Revenue Bonds					
	Sales Tax Distribution	Miscellaneous Revenue	Debt Service		Other	
			Principal	Interest	Dues & Fees	Coverage
2012	223,250	1,398	80,000	137,375	539	1.03
2013	223,250	1,379	85,000	133,805	539	1.02
2014 (a)	223,250	776	94,000	104,207	350	1.13
2015	223,250	1,417	109,000	93,748	350	1.11
2016	223,250	1,073	108,500	90,251	350	1.13
2017	223,250	1,075	113,000	86,285	350	1.12
2018	223,250	964	117,000	82,076	350	1.12
2019	223,250	7,186	121,000	77,720	385	1.16
2020	223,250	5,363	125,000	73,218	385	1.15
2021	223,250	114	134,000	68,479	385	1.10

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

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

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

Fiscal Year Ending June 30,	Personal Income (a)		Personal Income (b) (in thousands)	Per Capita Personal Income	Unemployment Rate (c)		
	Population	Income			Marion County	Florida	United States
2012	332,989	\$ 10,351,583	\$	31,087	10.5%	9.3%	8.2%
2013	335,008	10,876,674		32,467	7.8%	7.0%	7.6%
2014	337,455	11,920,530		35,325	7.8%	6.7%	6.1%
2015	341,205	11,617,618		34,049	6.6%	5.6%	5.3%
2016	345,749	11,047,141		31,951	5.8%	4.7%	4.9%
2017	349,267	11,601,952		33,218	4.8%	4.1%	4.4%
2018	353,898	12,133,659		34,286	4.5%	3.7%	4.1%
2019	358,821	12,708,667		35,418	4.1%	3.5%	4.0%
2020	363,726	13,318,148		36,616	8.5%	10.7%	11.2%
2021	374,628	13,999,019		37,368	5.5%	5.1%	5.7%

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

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

(c) The unemployment rates are as of July.

Sources: Florida Department of Economic Opportunity - <http://www.floridajobs.org/workforce-statistics/data-center/statistical-programs/local-area-unemployment-statistics>
National Conference of State Legislatures
Florida Demographic Estimating Conference, <http://www.edr.state.fl.us/content/population-demographics/data/county-population>
Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Statistics
Bureau of Economic Analysis

Table 17

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

	2021			2012		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
<u>Employer</u>						
Marion County Public Schools	5,951	1	4.27%	5,625	1	4.68%
Ocala Health (Ocala Regional Medical Center & West Marion Community Hospital)	2,712	2	1.95%	1,725	5	1.44%
AdventHealth Ocala (Former Munroe Regional Medical Center)	2,648	3	1.90%	2,648	2	2.20%
State of Florida (all departments)	2,600	4	1.87%	2,600	3	2.16%
Wal-Mart (Combined)	2,583	5	1.85%	2,370	4	1.97%
Lockheed Martin	1,600	6	1.15%	929	10	0.77%
FedEx Ground	1,500	7	1.08%			
Publix Supermarkets (combined)	1,488	8	1.07%	1,488	6	1.24%
Marion County Board of County Commissioners	1,368	9	0.98%	1,452	7	1.21%
Emergency One, Inc.	1,200	10	0.86%	994	9	0.83%
City of Ocala (all departments)				1,000	8	0.83%
AT&T						
Totals	23,650		16.98%	20,831		17.33%
All Others	115,642		83.02%	99,336		82.67%
Total Employment	<u>139,292</u>		<u>100.00%</u>	<u>120,167</u>		<u>100%</u>

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

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Instructors	2,852	2,811	2,734	2,749	2,947	2,903	2,894	2,856	2,927	2,882
Administrators	165	165	169	173	188	200	206	210	206	204
Non-Instructional	1,004	965	1,028	1,099	1,131	1,128	1,120	1,118	1,135	1,261
Educational Support	1,674	1,684	1,673	1,690	1,794	1,816	1,794	1,710	1,812	1,604
Total Full Time Employees	5,695	5,625	5,604	5,711	6,060	6,047	6,014	5,894	6,080	5,951

Source: Marion County District School Board, Payroll Department records

Table 19

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

Fiscal Year Ending June 30,	Number of Schools	Expenditures (a)		Student Membership (b)	Cost Per Student	Percentage Change	Total All Employees	Teaching Staff	Student/ Teacher Ratio	Student Attendance Percentage (c)	Unweighted FTE (d)	Ratio of FTE to Instructors	Ratio of FTE to All Employees
		\$	\$										
2012	49	310,639,993	41,415	\$ 7,501	n/a	5,695	2,852	14.5	93.39%	41,689	14.62	7.32	
2013	49	308,758,317	41,589	7,424	-1.02%	5,625	2,811	14.8	93.34%	41,544	14.78	7.39	
2014	49	313,829,453	41,632	7,538	1.54%	5,604	2,734	15.2	92.99%	41,407	15.15	7.39	
2015	49	329,666,943	42,194	7,813	3.65%	5,711	2,749	15.3	93.33%	41,756	15.19	7.31	
2016	49	352,048,821	42,474	8,289	6.09%	6,060	2,947	14.4	93.62%	42,192	14.32	6.96	
2017	49	361,711,365	42,893	8,433	1.74%	6,047	2,903	14.8	93.34%	42,260	14.56	6.99	
2018	49	368,310,853	42,881	8,589	1.85%	6,014	2,894	14.8	92.90%	42,808	14.79	7.12	
2019	49	382,533,849	42,818	8,934	4.01%	5,894	2,856	15.0	92.92%	42,957	15.04	7.29	
2020	49	385,206,101	43,008	8,957	0.25%	6,080	2,927	14.7	94.07%	43,208	14.76	7.11	
2021	49	389,336,279	41,324	9,422	5.19%	5,951	2,882	14.3	90.17%	41,993	14.57	7.06	

(a) Expenditures are General Fund and Special Revenue - Food Service Fund.

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

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

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

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

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Table 20

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

	Fiscal Year Ending June 30:									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	180	180	180	180	180	180	180	180	180	180
Days Meals Were Served	7,108,030	7,002,247	6,814,409	7,314,008	7,732,274	7,800,545	7,694,557	7,822,153	6,188,102	5,623,059
Average Number of Free and Reduced Meals Served Daily	39,489	38,901	37,858	40,633	42,957	43,336	42,748	43,456	34,378	33,077
Number of Free and Reduced Meals Served	7,108,030	7,002,247	6,814,409	7,314,008	7,732,274	7,800,545	7,694,557	7,822,153	6,188,102	5,623,059
Average Daily Subsidy	\$ 95,717	\$ 99,581	\$ 107,516	\$ 119,137	\$ 128,714	\$ 134,018	\$ 132,461	\$ 136,443	\$ 114,048	\$ 124,334
Total Subsidy Received	\$ 17,229,038	\$ 17,924,530	\$ 19,352,795	\$ 21,444,731	\$ 23,168,602	\$ 24,123,199	\$ 23,842,990	\$ 24,559,824	\$ 20,528,596	\$ 22,380,147
Average Number of Meals Served Daily	48,868	47,342	49,658	50,407	46,282	46,968	45,522	47,197	37,265	32,228
Number of Meals Served	8,796,166	8,521,536	8,938,373	9,073,235	8,330,762	8,454,244	8,194,017	8,495,466	6,707,759	5,801,003
Percentage of Free and Reduced Meals Served to Total Meals Served	81%	82%	76%	81%	93%	92%	94%	92%	92%	97%
Average Daily Sales	\$ 128,579	\$ 130,665	\$ 133,740	\$ 143,356	\$ 155,188	\$ 157,171	\$ 154,298	\$ 159,349	\$ 132,386	\$ 138,616
Total Revenue	\$ 23,144,141	\$ 23,519,665	\$ 24,073,189	\$ 25,804,156	\$ 27,933,893	\$ 28,290,738	\$ 27,773,703	\$ 28,682,875	\$ 23,829,423	\$ 24,950,939
Average Daily Costs	\$ 124,341	\$ 125,570	\$ 135,218	\$ 148,114	\$ 154,023	\$ 154,894	\$ 161,523	\$ 161,349	\$ 145,128	\$ 139,829
Total Costs	\$ 22,381,392	\$ 22,602,560	\$ 24,339,287	\$ 26,660,543	\$ 27,724,111	\$ 27,880,978	\$ 29,074,135	\$ 29,042,817	\$ 26,123,008	\$ 25,169,148

Source: Marion County District School Board, Finance Department records

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

Year Acquired (a)	Square Footage (b)	Student Membership (c) Fiscal Year Ending June 30:									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Elementary Schools											
1925	57,628	357	361	340	343	394	385	377	436	434	388
1963	67,530	659	693	728	661	656	661	712	688	634	604
1953	112,560	782	752	548	535	559	556	544	513	535	520
1993	124,473	753	744	761	776	826	852	832	821	695	781
1959	107,211	740	712	648	648	643	649	662	682	699	731
1993	103,758	706	686	718	706	600	573	594	554	589	586
1974	84,726	748	725	687	695	669	700	699	674	596	596
1914	35,591	342	322	342	334	398	416	416	407	395	382
1988	89,976	611	671	653	647	679	630	600	663	679	630
1988	111,305	584	596	580	573	544	551	600	405	402	256
1953	65,757	489	506	490	503	491	474	465	427	425	382
1986	177,679	524	520	530	514	533	521	490	551	537	483
1995	122,462	927	919	720	726	756	742	724	711	683	677
2004	95,679	805	781	776	746	792	853	845	822	845	775
1991	115,704	727	683	755	816	800	862	841	848	805	776
1988	190,765	153	149	141	157	158	157	134	212	156	166
2011	103,987	-	-	593	703	727	712	791	828	805	746
1949	56,624	459	452	417	397	432	448	448	444	451	451
1990	130,536	838	818	712	738	783	781	797	761	803	796
2010	129,446	804	766	784	844	888	887	898	895	909	867
1952	113,941	828	716	753	784	777	673	614	532	518	480
1985	92,444	601	584	599	648	616	611	638	675	680	624
1935	107,162	386	375	349	334	298	382	399	399	426	383
1991	112,182	789	738	756	726	708	731	763	763	718	688
1998	129,949	766	823	835	897	871	822	896	919	969	898
1985	103,723	622	600	611	658	665	721	657	678	629	571
1955	102,767	664	703	668	711	664	681	665	714	718	697
1964	53,327	359	343	359	357	348	377	347	408	372	340
1955	74,253	511	499	494	533	595	594	575	518	548	496
1987	114,540	679	741	742	822	888	808	846	881	830	834
1959	104,006	796	771	772	855	851	865	880	853	841	798
1948	71,395	541	608	662	685	649	721	602	560	536	583
		19,450	19,357	19,523	20,027	20,171	20,312	20,312	20,286	19,940	18,985
Total Elementary Schools											
1992	188,723	1,092	1,067	1,015	944	1,047	1,135	1,262	1,303	1,401	1,401
1936	117,731	648	646	619	653	611	638	613	633	641	612
1962	124,328	1,131	1,121	1,083	1,032	1,058	1,072	1,087	1,062	1,056	1,082
1986	177,679	514	494	493	483	471	500	516	511	477	474
1988	190,765	642	673	675	662	617	680	656	631	738	722
1954	165,397	1,025	1,125	1,211	1,181	1,096	1,050	1,050	1,040	1,059	1,011
1953	163,567	1,263	1,272	1,311	1,297	1,213	1,085	1,094	1,073	1,137	1,127
2005	195,448	1,036	1,131	1,083	1,132	1,127	1,164	1,278	1,296	1,339	1,315
1973	160,380	792	823	816	784	812	810	846	792	845	741
1924	91,248	947	955	938	909	893	938	936	958	960	960
		9,090	9,307	9,244	9,077	8,945	9,072	9,338	9,299	9,691	9,445
Total Middle Schools											

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

	Year Acquired (a)	Square Footage (b)	Student Membership (c) Fiscal Year Ending June 30:									
			2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
High Schools												
Bellevue	1992	235,758	1,395	1,360	1,425	1,448	1,486	1,535	1,516	1,552	1,592	1,616
Dunnellon	1980	145,849	1,072	1,018	1,005	975	1,052	1,076	1,136	1,145	1,179	1,105
Forest	2001	302,822	2,012	2,014	1,964	1,984	2,066	2,057	2,110	2,133	2,167	2,178
Lake Weir	1974	236,533	1,523	1,555	1,557	1,562	1,474	1,482	1,455	1,401	1,452	1,286
Marion Technical Institute	1955	183,174	340	306	286	277	239	217	24	73	166	33
North Marion	1963	200,970	1,249	1,249	1,192	1,245	1,279	1,274	1,230	1,262	1,345	1,290
Vanguard	1969	201,774	1,687	1,596	1,616	1,571	1,607	1,627	1,644	1,589	1,596	1,530
West Port	1999	401,724	2,091	2,225	2,397	2,472	2,502	2,511	2,648	2,578	2,651	2,661
Total High Schools			11,369	11,323	11,442	11,534	11,705	11,779	11,763	11,733	12,148	11,699
Charter Schools												
Francis Marion Military Academy	n/a	n/a	167	150	134	94	104	175	156	161	-	-
Marion Technical Institute	n/a	n/a	-	-	-	76	112	103	138	141	160	158
Ocali Charter (Francis Marion Charter)	n/a	n/a	92	91	86	83	78	79	77	67	63	56
McIntosh Charter	n/a	n/a	167	157	187	185	202	204	213	210	208	202
Marion Charter	n/a	n/a	426	398	407	438	496	561	584	579	431	457
Total Charter Schools												
Special Programs												
ARC (Age 3) PK	n/a	n/a	37	37	40	36	37	32	25	21	-	-
Drop Back In Academy	n/a	n/a	-	168	102	128	144	147	-	-	-	-
Hillcrest School	1971	50,214	154	164	176	168	170	177	186	191	176	154
New Leaf (Kingsbury Academy)	n/a	n/a	188	182	165	185	159	138	169	179	164	138
Marion County Jail	n/a	n/a	17	14	15	25	21	21	19	-	-	-
Ocala Center for Success (M.Y.D.C.)	n/a	n/a	40	35	36	42	39	42	45	60	51	35
MJDC	n/a	n/a	14	10	14	20	11	29	34	27	-	30
Pace Center for Girls	n/a	n/a	54	59	56	67	64	73	71	60	52	51
ELC PK ESE (Pre-K Program ESE)	n/a	n/a	149	117	103	101	99	88	40	27	34	29
Silver River Marine Institute	1995	17,363	264	307	267	304	309	314	249	294	285	247
Student Services (Homebound)	n/a	n/a	119	86	21	27	83	83	29	-	-	-
Teen Parent/Comm. Ed	n/a	n/a	12	4	5	4	7	-	11	-	-	3
Marion Youth Academy	n/a	n/a	-	-	-	-	-	-	-	43	-	30
MCSO Adults	n/a	n/a	-	-	-	-	-	-	-	4	14	17
Teen Parent PK	n/a	n/a	32	21	16	11	14	25	6	15	22	4
Total Special Programs			1,080	1,204	1,016	1,118	1,157	1,169	884	921	798	738
Total District			41,415	41,589	41,632	42,194	42,474	42,893	42,881	42,818	43,008	41,324

(a) Year acquired is generally the land acquisition year.
 (b) The square footage is for permanent buildings only and does not include relocatable units.
 (c) Student membership is based on the 180 day count.
 (d) Fort McCoy and Horizon Academy at Marion Oaks are both elementary and middle schools. The square footage is presented on both lines. The student enrollment is presented at each school individually.

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

**DISTRICT SCHOOL BOARD OF MARION COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
Clustered				
Child Nutrition Cluster				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	20002	\$ -	\$ 4,073,655
National School Lunch Program	10.555	20001, 20003	-	10,854,893
COVID-19 National School Lunch Program	10.555		-	2,176,148
Summer Food Service Program for Children	10.559	19006, 19007, 20006, 20007	-	447,217
COVID-19 Summer Food Service Program for Children	10.559		-	5,323,742
Total Child Nutrition Cluster			-	22,875,655
Child Care and Development Block Grant				
United States Department of Health and Human Services:				
Child Care and Development Block Grant	93.575		-	84,548
Education Stabilization Fund Cluster				
United States Department of Education:				
COVID-19 Higher Education Emergency Relief Funds Student Portion:	84.425E			214,630
COVID-19 Higher Education Emergency Relief Funds Institutional Portion:	84.425F			318,354
Florida Department of Education:				
COVID-19 Elementary and Secondary School Emergency Relief Fund	84.425D	1240		8,443,408
COVID-19 Governor's Emergency Education Relief Fund (GEER)	84.425C	1230		1,834,044
			-	10,810,437
Forest Service Schools and Roads Cluster				
United States Department of Agriculture:				
Florida Department of Financial Services:				
Schools and Roads - Grants to States	10.665	None	-	215,034
Student Financial Assistance Cluster				
United States Department of Education:				
Federal Pell Grant Program	84.063	N/A	-	954,460
Special Education Cluster				
United States Department of Education:				
Florida Department of Education:				
Special Education - Grants to States	84.027	262, 263	60,505	10,232,935
Special Education - Preschool Grants	84.173	266, 267	-	235,843
Total Special Education Cluster			60,505	10,468,778
Temporary Assistance for Needy Families Cluster				
United States Department of Health and Human Services:				
University of South Florida:				
Temporary Assistance for Needy Families	93.558	5830-1539-21-E	-	81,453.91
Not Clustered				
United States Department of Agriculture				
Florida Department of Health:				
Child and Adult Care Food Program	10.558	A-4502	-	113,478
Florida Department of Agriculture and Consumer Services:				
Fresh Fruit and Vegetable Program	10.582	20004	-	521,689
Total United States Department of Agriculture			-	635,167
United States Department of Defense				
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	-	273,108
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	222,321
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	91,270
Total United States Department of Defense			-	586,699
United States Department of Treasury				
Marion County Board of County Commissioners:				
COVID-19 - Coronavirus Relief Fund	21.019		-	199,996
National Endowment for the Humanities				
Museum Grants for African American History and Culture	45.309	MH-00-19-0034-19	-	28,893

**DISTRICT SCHOOL BOARD OF MARION COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(Concluded)**

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
United States Department of Education				
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	-	504,279
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	-	16,809,441
Migrant Education - State Grant Program	84.011	217	-	67,980
Career and Technical Education - Basic Grants to States	84.048	161	-	762,244
Education for Homeless Children and Youth	84.196	127	-	138,715
Charter Schools	84.282	2,987	-	166,159
Twenty-First Century Community Learning Centers	84.287	244	-	1,235,328
English Language Acquisition State Grants	84.365	102	-	329,357
Supporting Effective Instruction State Grants	84.367	224	-	1,659,416
School Improvement Grants	84.377	126	-	343,774
Student Support and Academic Enrichment Program	84.424	241	-	1,213,816
Assistance for Homeless Children and Youth	84.938B	107	-	3,858
Total United States Department of Education			-	23,234,367
Total Expenditures of Federal Awards			\$ 60,505	\$ 70,175,488

The accompanying notes are an integral part of this Schedule

- (1) Basis of Presentation. The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Marion County District School Board under programs of the Federal government for the fiscal year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
- (2) Summary of Significant Accounting Policies. Expenditures on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) Indirect Cost Rate. The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance:
 - (A) National School Lunch Program - Includes \$1,509,851 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.

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**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**

Marion County District School Board and
Superintendent
Ocala, Florida

We have audited, 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 financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Marion County District School Board (the District) as of and for the year ended June 30, 2021, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated November 30, 2021. Other auditors audited the financial statements of the Marion Charter School and the McIntosh Area School, which represent 32%, 16%, and 42%, respectively, of the total assets, net position, and revenues of the aggregate discretely presented component units. This report does not include the results of the other auditor’s 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 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 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 District’s financial statements will not be prevented and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less than a material weakness, yet important enough to merit attention by those charged with governance.

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Ocala, Florida

**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**

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is 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.



November 30, 2021
Ocala, Florida

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

Marion County District School Board and
Superintendent
Ocala, Florida

Report on Compliance for Each Major Federal Program

We have audited the Marion County District School Board's (the District) compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards 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 the *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 Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance 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.

Opinion on Each Major Federal Program

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

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

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 above. In planning and performing our audit of compliance, we considered the District’s internal control over compliance with the types of compliance 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 the District’s 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, non-compliance 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 non-compliance 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 the 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 requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



November 30, 2021
Ocala, Florida

**MARION COUNTY DISTRICT SCHOOL BOARD - OCALA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Summary of Audit Results

Financial Statements

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified:	No
Significant deficiency(ies) identified:	None reported
Non-compliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major programs:

Child Nutrition Cluster:

United States Department of Agriculture:	
Florida Department of Agriculture and Consumer Services:	
School Breakfast Program	CFDA 10.553
National School Lunch Program	CFDA 10.555
COVID-19 National School Lunch Program	CFDA 10.555
Summer Food Service Program for Children	CFDA 10.559
COVID-19 Summer Food Service Program for Children	CFDA 10.559

Education Stabilization Fund Cluster:

United States Department of Education:	
COVID-19 Higher Education Emergency Relief Funds Student Portion	CFDA 84.425E
COVID-19 Higher Education Emergency Relief Funds Institutional Portion	CFDA 84.425F

Florida Department of Education:

COVID-19 Elementary and Secondary School Emergency Relief Fund	CFDA 84.425D
COVID-19 Governor’s Emergency Education Relief Fund (GEER)	CFDA 84.425C

**MARION COUNTY DISTRICT SCHOOL BOARD - OCALA, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Dollar threshold used to distinguish between Type A and Type B Federal Programs:	\$2,105,265
Audit qualified as a low-risk auditee pursuant to the Uniform Guidance?	Yes

Other Issues

No Summary Schedule of Prior Audit Findings is required because there are no prior audit findings related to Federal programs.

MANAGEMENT LETTER

Marion County District School Board and
Superintendent
Ocala, Florida

Report on the Financial Statements

We have audited the basic financial statements of the Marion County District School Board (the District) as of and for the fiscal year ended June 30, 2021, and have issued our report thereon November 30, 2021. Other auditors audited the financial statements of two of the aggregate discretely presented component units, as described in our report on the District's financial statements. This letter does not include the results of the other auditor's and such information related to that audit is reported on separately by those auditors.

Auditor's Responsibility

We conducted our audit 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; 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance For Each Major Program and on Internal Control over Compliance required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and our Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.800, *Rules of the Auditor General*. Disclosures in those reports and schedule, with are dated November 30, 2021, 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. There were no prior year findings.

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MANAGEMENT LETTER

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 to identify the specific conditions(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 for the District. 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 the financial information provided by same.

Section 10.804(1)(f)3., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have such recommendations.

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 Web site the information specified in Section 1011.035, Florida Statutes (Section 1011.035, Florida Statutes, provides the district school boards shall prominently post on their Web site a plain language version of each proposed, tentative, and official budget that described each budget item in terms that are easily understandable to the public). In connection with our audit, we determined that the District maintained on its Web site 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 non-compliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention with 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.



November 30, 2021
Ocala, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

Marion County District School Board and
Superintendent
Ocala, Florida

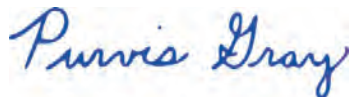
We have examined the Marion County District School Board (the District) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended June 30, 2021, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion 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 complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment on the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis of 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, 2021.

This report 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, the District, its management, and is not intended to be, and should not be, used by anyone other than these specified parties.



November 30, 2021
Ocala, Florida

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 512 SE 3rd Street • Ocala FL 34471-2212
 PO Box 670 • Ocala FL 34478-0670
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MARION COUNTY
 DISTRICT SCHOOL BOARD
 SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS – FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2021

<u>Audit Report No. and Federal Awards Finding No.</u>	<u>Program/Area</u>	<u>Brief Description</u>	<u>Status</u>	<u>Comments</u>
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There were no Federal Awards or financial reporting findings in the June 30, 2020, audit.

Dr. Diane Gullett Superintendent	Allison Campbell District 1	Don Browning District 2	Eric Cummings District 3	Nancy Thrower District 4	Kelly King District 5
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