



**POLK COUNTY**  
PUBLIC SCHOOLS

STUDENTS FIRST

# Annual Comprehensive Financial Report

# 2022

Fiscal Year Ending June 30, 2022

Frederick Heid, Superintendent



ANNUAL COMPREHENSIVE  
FINANCIAL REPORT

of

The School District of  
Polk County, Florida

For the

Fiscal Year Ended June 30, 2022



**POLK COUNTY**  
**PUBLIC SCHOOLS**

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Issued by:

Frederick Heid  
Superintendent of Schools

Prepared by:

Division of Business Services  
Heather Jenkins, Associate Superintendent, Chief Financial Officer  
Alain Nunez, Director, Accounting

The School District of Polk County, Florida  
1915 Floral Avenue  
Bartow, Florida 33830



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SCHOOL BOARD OF POLK COUNTY, FLORIDA  
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# Introductory Section



**POLK COUNTY**  
**PUBLIC SCHOOLS**

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**BOARD MEMBERS**

**Sara Beth Wyatt**  
*Board Chairman*  
District 4

**Dr. William Allen**  
*Board Vice-Chairman*  
District 1

**Lori Cunningham**  
District 2

**Rick Nolte**  
District 3

**Kay Fields**  
District 5

**Justin Sharpless**  
District 6

**Lisa Miller**  
District 7

**C. Wesley Bridges, II**  
*General Counsel*

**ADMINISTRATION**

**Frederick R. Heid**  
*Superintendent*

July 31, 2023

To the Members of the School Board of Polk County, Florida (Board) and residents of Polk County:

The Annual Comprehensive Financial Report (“ACFR”) of the School Board of Polk County, Florida (the District) for fiscal year ended June 30, 2022 is hereby submitted. These financial statements are presented in conformity with generally accepted accounting principles (GAAP) and are audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Government Auditing Standards issued by the Comptroller General of the United States by the Florida Auditor General.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District’s management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

The District’s financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed Certified Public Accountants. The objective of the independent audit is to provide reasonable assurance that the financial statements of the District for fiscal year ended June 30, 2022 are free of material misstatements. The independent audit involves examining, on a test basis

- evidence supporting the amounts and disclosures in the financial statements
- assessing the accounting principles used
- assessing significant estimates made by management
- and evaluating the overall financial statement presentation

The independent audit concluded that there was a reasonable basis for rendering unmodified opinions that the District’s financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A), which should be read in conjunction with the financial statements.

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The District's MD&A can be found immediately following the report of the independent auditor.

*Profile of the District*

The District, established in the 1880's is located in the central part of the State of Florida, along the "Interstate 4 Corridor". Geographically, the District covers a land area of 1,875 square miles, which is greater than the State of Rhode Island and comparable to the State of Delaware, and its boundaries are the same as those of Polk County, Florida. As a special-purpose local governmental entity, the District derives its existence from Section 4, Article IX, of the State Constitution. The Board is authorized by State law to levy property taxes for school operations, capital improvements, and debt service.

The State Board of Education ("SBE") is the chief implementing and coordinating body of public education in Florida. The SBE promulgates State Board Rules to further define and implement laws created by the Florida Legislature. The Commissioner of Education is the chief educational officer of the State and is responsible for assisting the SBE in enforcing compliance with the mission and goals of the education system. District School Boards are constitutionally and statutorily charged with the operation and control of public K-12 education. Policy-making and legislative authority are vested in a seven-member governing Board, whose responsibilities include adopting the budget, appointing committees, and hiring the District's superintendent. Additionally, the District's attorney and internal auditor report directly to the governing board. Each Board Member, although elected at large on a non-party basis, represents a distinct geographic area, and is required to have primary residence within that area. The District's Superintendent is responsible for carrying out the policies of the Board and for overseeing the day-to-day operations of the District.

The District provides a full range of educational services, including Pre-K, K-12, exceptional student education, career and vocational education, and adult education. During the fiscal year ending 2022, the District operated 171 sites throughout Polk County including 67 elementary schools; 5 elementary/middle schools; 9 elementary/middle/high schools; 20 middle schools; 4 middle/high schools; 17 high schools; 3 technical career centers; 2 adult schools; 11 alternative education/Department of Juvenile Justice sites; and 2 off-campus Head Start sites. The District is also financially accountable for a legally separate non-profit corporation organized as a foundation for the benefit of the District. This entity is reported separately within the District's financial statements. There are 31 charter schools as well. Additional information on these legally separate entities can be found in the notes to the financial statements.

Polk County is the seventh (7<sup>th</sup>) largest school district in Florida and is the twenty-eighth (28<sup>th</sup>) largest school district in the United States with approximately 109,476 K-12 students (as a perspective, there are over 14,000 independent school districts in the United States).

The District is required to adopt a final budget no later than the first Board meeting in September, after holding two public hearings on the proposed budget. This annual budget serves as the foundation for the District's financial planning and control. The budget is prepared by fund, function (e.g. instruction, maintenance, etc.), school/department, and object (e.g. salary, supplies, etc.). School principals, department heads, and other officials may make transfers of appropriations within the same fund. **A transfer of appropriations between funds requires approval of the Board. The District chooses to control appropriations at the object level within each functional activity and may be amended by resolution at any School Board meeting prior to approval of the District's Annual Financial Report at the end of each fiscal year. This is more restrictive than the legal level of budgetary control which is at the function level.**



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### ***Local Economy***

**Major industries with headquarters or divisions located within the District's boundaries include retail, healthcare, insurance, transportation, and phosphate processing. State and local governments also have a presence in the area that provides a large employment base. The majority of industries experienced an increase in annual growth in their job base during 2022. In 2022 Polk had the third-fastest annual job growth rate of all areas in the state for mining, logging, and construction. According to the Central Florida Development Council, over the next 10 years the fastest growing occupation group in the County is expected to be food preparation and serving related occupations. Additionally, transportation and material moving occupations remains the largest major occupation group in the County.**

The unemployment rate for Polk County was at a 10-year high in November 2010 at 12.6%, followed by a steady decrease to a low of 3.1% in December 2019. As a result of COVID-19, the unemployment rate spiked to a high of 17.6% in May 2020. As of June 30, 2022, the unemployment rate was down to 3.70%. The labor force as of June 2022 for the County was 51,577.

Local revenue for school support is derived almost entirely from ad-valorem property taxes, which are directly tied to property values. According to Realtor.com, the median listing home price in Polk County in August of 2022 was \$352,000. The median price of a sold home in August of 2022 was \$330,000. The median listing home showed an upward trend of 21.8% year-over-year, demonstrating a nationwide trend. As certified by the Polk County Property Appraiser, the 2022 tax roll increased from \$44.8 billion to \$48.7 billion, a 9% increase from last year's value.

The inflation rate reached a peak in the summer of 2022, at 9.1% according to the US Inflation Calculator.

### ***Long-term Financial Planning***

The assigned/unassigned ending fund balance in the general fund for the 2021-22 fiscal year is 9.61% of revenues in the general fund. This meets the policy guidelines set by the Board for budgetary and planning purposes, which states the contingency fund/unreserved/undesignated fund balance in the general should not be less than 5.0% of total general fund revenues. The 1.51% increase in fund balance over the prior fiscal year can be largely attributed to vacancies.

The population within the District's boundaries for calendar year 2022 is estimated by BEBR to be at 770,019, a growth rate of 2.89% over last year. During the 5-year period from 2019-2023, student enrollment grew by 3%, excluding enrollment at the adult schools and technical centers. For the upcoming fiscal year, enrollment is projected to increase by approximately 3,917 students, or 3.49%, and remain at a constant growth rate of approximately 1-2% over the next several years.

In November 2002, the voters of Florida amended the State Constitution to limit class-size. Reductions in class-size have been mandated since fiscal year 2003-04, although school districts had until fiscal year 2010-11 to fully comply. The amendment established the maximum number of students in core-curricula courses assigned to a teacher in each of the following three grade groupings: pre-kindergarten through grade three, 18 students; grades four through eight, 22 students; and grades nine through twelve, 25 students.

If the District's class-size is greater than the required maximum, the District must submit a class-size compliance plan, certified by the District School Board that describes the specific actions the District will take to fully comply with requirements by October of the following year, may be required to return funds to the State of Florida. It is anticipated that the District will continue to meet the constitutional maximums for the three grade groupings through staff allocation and facilities' planning.



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The District has continued to rely on re-locatable buildings to provide additional classroom space at most school campuses throughout Polk County. In addition to meeting class-size reduction requirements, individual re-locatable classrooms are utilized to address immediate needs related to student enrollment, displaced students because of renovations or remodeling in process, or for use as administrative/office space. The District continues to rely on portable buildings to provide classroom, administrative, and resource (educational and parental) space at most schools to meet local, state, and federal mandates. These units afford flexibility to provide the instructional program which allows all students to learn and achieve academic success.

Individual portable classrooms are allocated and/or relocated to schools to address immediate needs related to changes in student enrollment, ability of school sites to meet class size requirements, students temporarily displaced due to renovations or remodeling in process, or for use as administrative/office space. Currently, there are 823 portables in the county. These portable buildings provide approximately 15,764 student stations.

Repairs and renovations to portables are subject to approval by Facilities and Operations. The division has set an informal threshold of \$12,500. This threshold is used to help identify when a relocatable must be reviewed for possible replacement versus renovation.

The District expects an increase of around 3,917 in student enrollment for 2022-23. PECO repair and maintenance funds for 2021-22 were \$0 and was \$0 in 2020-21. Polk will receive \$0 in PECO maintenance funds for 2022-23. Our local half-cent sales tax revenues have recovered, and the district expects to receive \$62.7 million, and impact fee collections are increasing as well. Impact Fees are projected to bring \$35 million in capital revenues for 2021-22. Another source of funds for maintenance projects is local capital improvement millage (1.5 mills), which will bring in over \$86.1 million during fiscal year 2022-23.

To meet the District's student population growth and the demands placed on the District by the class-size amendment, the following new school capital projects are planned in the listed areas:

NEW SCHOOLS SCHEDULE				
SCHOOL	OPEN/AVAIL	CONST START	DESIGN START	PROP ACQ
Elementary (SW Lakeland)	TBD	TBD	TBD	Completed
Elementary 21" C" (SE Winter Haven)	8/22	11/21	1/21	Completed
Middle School (SW Lakeland)	TBD	TBD	TBD	Completed
High School 28 "BBB" (Poinciana)	TBD	TBD	TBD	TBD
Middle School (Davenport)	TBD	TBD	TBD	Completed
Elementary School (Davenport)	TBD	TBD	TBD	Completed

In projecting the District's student growth, charter schools provide an extra degree of uncertainty. Charter schools are public schools funded through Florida's program of public education and are intended to expand the capacity of the local school system, while offering unique opportunities for students. These schools are either new schools ("start-up charters") or schools that are converted from an existing public school ("conversion charters"). By the end of fiscal year 2022, there were 31 charter schools operating within the District (of which nine were conversion charter schools) reflecting approximately 17,374 students. For a site to become a charter school, a sponsor, which in the case of Polk County is the District, must approve an application submitted by the charter school. In addition, for an existing District school to convert to charter status, at least 50% of the teachers and parents must support such conversion. The State funds each charter school based on the number of students it serves. Funds provided by the State are first distributed to the District, which then disburses the funds to each charter school.

Health insurance costs to the District have risen considerably in the past few years, primarily due to the number of high cost claims. To ensure continued financial solvency of the self-funded health insurance



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plan, the Board increased its monthly per member contribution in 2020 and 2021 by \$60 each year. The Board will once again increase their contribution for the 2022 health plan by \$40 in an attempt to offset large claims, rising costs, and to stabilize the fund. This increase will bring the Board contribution to \$814.

In May 2016, the School Board contracted with Tom D Freijo, Ph.D. to facilitate a new strategic planning process that would culminate in the identification of specific long-term and short-term Board goals. Following several pre-planning meetings, the School Board Strategic Planning Retreat was held and resulted in the identification of five (5) goal areas. These were approved by the Board at its meeting on July 26, 2016. The 2022-2026 plan is currently being updated.

#### Goal 1

By 2020-21, Polk County will be designated an “A” district.

#### Goal 2

By 2020-21, Polk County will have a graduation rate at least as high as the average for the benchmark districts.

#### Goal 3

By 2020-21, Polk County will have a dropout rate at least as low as the average for the benchmark districts.

#### Goal 4

By 2020-21, Polk County will have a five-year Teacher Retention Rate at least five percentage points higher than the average for the benchmark districts.

#### Goal 5

By 2020-21, Polk County will improve public perception of the School District according to a target set of criteria after completion and analysis of a public opinion survey.

#### *Awards and Acknowledgements*

Government Finance Officers Association of the United States and Canada (“GFOA”) awarded a Certificate of Achievement for Excellence in Financial Reporting to Polk County Public Schools for its comprehensive financial report for the fiscal year ended June 30, 2021. This is the eleventh consecutive year the District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A



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Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report 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.

The preparation of the ACFR would not be possible without the efficient and dedicated services of the entire staff of the Finance Department. Appreciation is expressed to all members of the Department who assisted and contributed to the preparation of the ACFR.

Credit is also given to the District's governing board members for their interest and support in conducting the District's financial matters in a responsible and progressive manner.

Respectfully submitted,



Frederick Heid

Superintendent of Schools



Heather L. Jenkins

Associate Superintendent, CFO



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**THE SCHOOL BOARD OF POLK COUNTY, FLORIDA**

**PRINCIPAL OFFICIALS – ELECTED**

**BOARD MEMBERS – TERMS OF OFFICE  
AS OF JULY 1, 2022**

Ms. Sara Beth Wyatt, Chair	
Member from District 4	
Present term began	November, 2020
Present term expires	November, 2024
Began as a Board Member	November, 2016
Mr. William Allen	
Member from District 1	
Present term began	November, 2020
Present term expires	November, 2024
Began as a Board Member	November, 2020
Mrs. Lori Cunningham	
Member from District 2	
Present term began	November, 2020
Present term expires	November, 2024
Began as a Board Member	November, 2004
Ms. Sarah Fortney	
Member from District 2	
Present term began	November, 2018
Present term expires	November, 2022
Began as a Board Member	November, 2018
Mrs. Kay Fields	
Member from District 5	
Present term began	November, 2018
Present term expires	November, 2022
Began as a Board Member	November, 2002
Mr. Lynn Wilson	
Member from District 6	
Present term began	November, 2018
Present term expires	November, 2022
Began as a Board Member	November, 2014

**THE SCHOOL BOARD OF POLK COUNTY, FLORIDA**

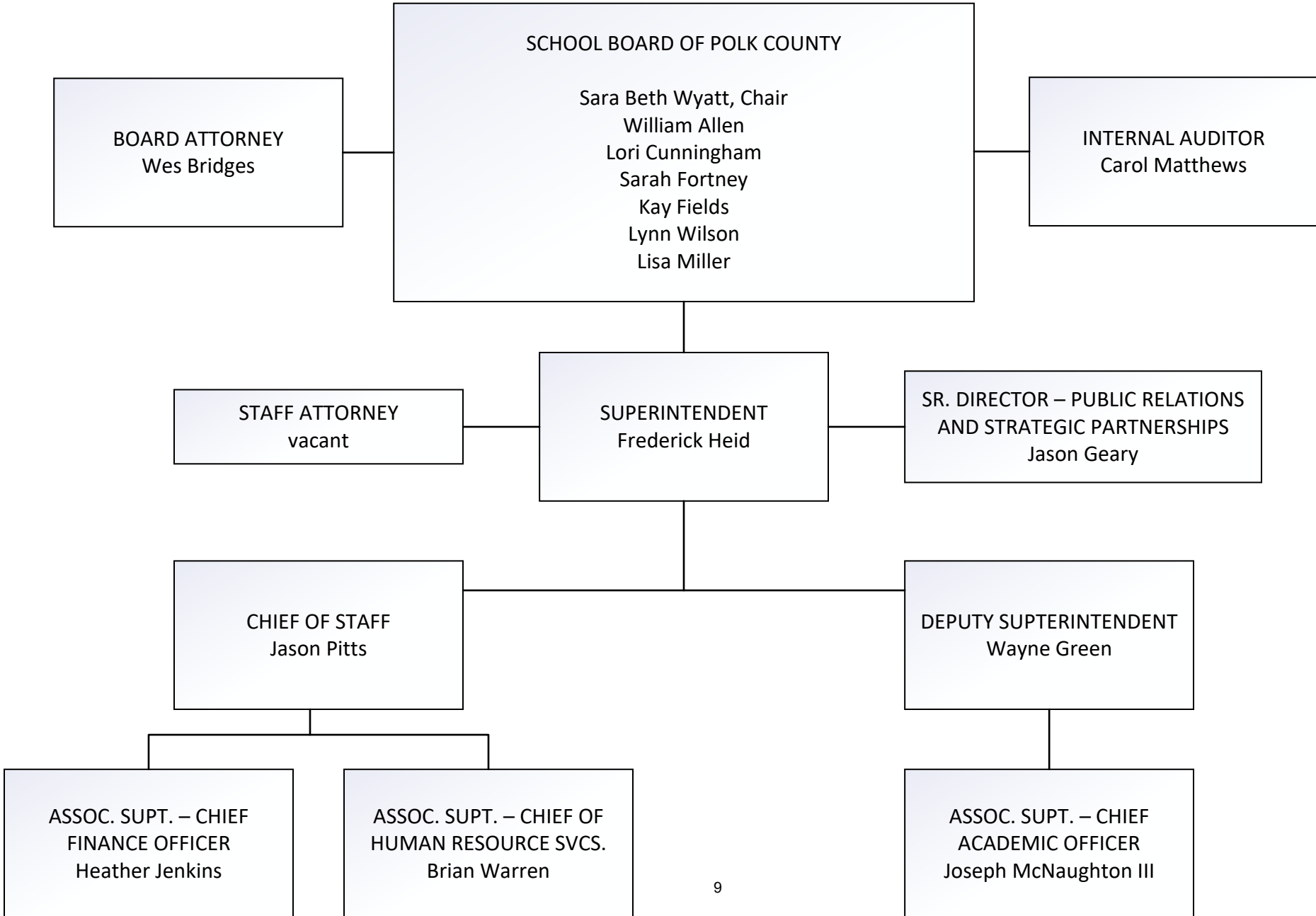
**OTHER PRINCIPAL OFFICIALS – APPOINTED  
AS OF JULY 1, 2022**

<u>Name</u>	<u>Title</u>
Frederick Heid	Superintendent of Schools
Wayne Green	Deputy Superintendent
Jason Pitts	Chief of Staff
Joseph McNaughton III	Associate Superintendent, Chief Academic Officer
Heather Jenkins	Associate Superintendent, Chief Financial Officer
Brian Warren	Associate Superintendent, Human Resource Services



THE SCHOOL DISTRICT OF POLK COUNTY, FLORIDA

ORGANIZATIONAL CHART  
AS OF JULY 1, 2022





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**The School Board of Polk County  
Florida**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

# Financial Section



**POLK COUNTY**  
**PUBLIC SCHOOLS**

STUDENTS FIRST



## INDEPENDENT AUDITORS' REPORT

The Honorable Members of the  
School Board of Polk County, Florida  
Bartow, Florida

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Polk County, Florida, ("the Board") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Board, as of June 30, 2022, and the respective changes in financial position, budgetary information, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the custodial fund, which represents 8.0 percent, 13.1 percent, and 2.8 percent, respectively, of the assets, net position, and revenues of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represent 100% of the transactions and account balances of the aggregate discretely presented component units. Those financial statements are audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the fiduciary funds and the discretely presented component units, are based solely on the reports of the other auditors.

#### *Basis for Opinions*

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

***Emphasis of Matter – Change in Accounting Principle***

As discussed in Note 1 to the financial statements, effective July 1, 2021, the Board adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and a corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinion are not modified with respect to this matter.

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

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

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

***Auditors’ Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board’s internal control. Accordingly, no such opinion is expressed.

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

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 25, and the required supplementary information on pages 87 – 90 as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Board's basic financial statements. The combining and individual fund statements and schedules and the schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the combining and individual fund statements and schedules and the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

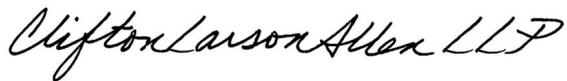
Management is responsible for the other information included in the annual report. The other information comprises the introductory section, combining and individual fund statements and schedules, and statistical section, as listed in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

The Honorable Members of the  
School Board of Polk County, Florida

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated July 31, 2023, on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Board's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Lakeland, Florida  
July 31, 2023

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

As management of the School Board of Polk County, Florida (Board), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022.

**Financial Highlights**

- The Board's total net position increased by \$147.8 million due to revenues exceeding expenditures.
- The assets of the Board exceeded its liabilities at the close of the most recent fiscal year, resulting in a net position of \$864.6 million.
- As of the close of the current fiscal year, the Board's governmental funds reported combined ending fund balances of \$452.2 million, an increase of \$104.9 million compared to the prior fiscal year. Approximately 17.7 percent of this total amount, \$79.8 million, is available for spending at the Board's discretion (assigned and unassigned fund balance).
- At the end of the current fiscal year, assigned and unassigned fund balance for the general fund was \$79.8 million, or 9.38 percent of total general fund revenues
- The Board's total long-term liabilities, net of premiums and discounts, decreased by \$288.7 million, or 29.5 percent during the current fiscal year.
- The Board's total capital assets, net of accumulated depreciation, increased by \$37.0 million.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. The Board's basic financial statements are comprised of three components:

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

This report also contains other supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the Board's finances, in a manner consistent to a private-sector business.



**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The statement of net position presents information on all of the Board's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Board is improving or deteriorating.

The statement of activities presents information showing how the Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying obligation/event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, other postemployment benefits, and earned but unused employee vacation and sick leave).

The government-wide financial statements include not only the Board itself (known as the primary government), but also a legally separate foundation and legally separate charter schools for which the Board is financially accountable (component units). Financial information for these component units are reported separately from the financial information presented for the primary government itself. The Financing Corporation for the School Board of Polk County, Florida ("Financing Corporation"), which was formed to facilitate acquisition of facilities and equipment, although legally separate, is included as an integral part of the primary government due to the substantive economic relationship between the Board and the Financing Corporation.

**Fund Financial Statements**

Traditional users of governmental financial statements will find the fund financial statements presentation to be more familiar. 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 Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds are established for various purposes and the fund financial statements allow for the demonstration of sources, uses, and/or budgetary compliance associated therewith. All funds of the Board can be divided into three categories:

- Governmental funds
- Proprietary funds
- Fiduciary (Custodial) fund

**Governmental Funds**

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

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of spendable resources is a clear and appropriate focus of any analysis of a government. Because the focus is narrower than that of government-wide financial statements, it is useful to compare it to the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Reconciliation between the government-wide and the governmental fund financial information is necessary because of the focus of the different measurements (current financial resources versus total economic resources); such reconciliation is reflected on the page following each statement. The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bonds and others) into the governmental activities column in the government-wide statements.

The Board maintains 15 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Other Capital Projects Fund, and Federal Education Stabilization Fund, which are considered to be major funds. Data from the other 12 governmental funds are combined into a single, aggregated presentation. Individual data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The Board adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the general and major special revenue funds to demonstrate compliance with this budget.

**Proprietary Funds**

The Board maintains one type of proprietary fund - internal services funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Board's various functions. The Board uses four internal service funds to account for its self-insurance programs including workers' compensation, general & fleet liability, error & omissions, and group health insurance. Because these services benefit the Board's governmental functions, they have been included within governmental activities in the government-wide financial statements.

The four internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for these internal service funds is provided in the form of combining statements elsewhere in this report.

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Fiduciary Funds**

Fiduciary (custodial) funds are used to account for resources held for the benefit of parties outside the government. The Board maintains one fiduciary fund to account for school internal funds related to co-curricular and extra-curricular activities. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Board's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to funding certain pension and postemployment retiree healthcare insurance benefits obligations.

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

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Board, net position was \$864.6 million at the close of the most recent fiscal year.

**District's Net Position  
Governmental Activities  
June 30, 2021 and June 30, 2022  
(In thousands of dollars)**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Current and other assets	\$ 586,645	\$ 495,304
Noncurrent assets	-	-
Capital assets	1,262,679	1,224,237
<b>Total assets</b>	<b>1,849,324</b>	<b>1,719,541</b>
Deferred outflows of resources	134,270	195,152
<b>Total assets and deferred outflows</b>	<b>\$ 1,983,594</b>	<b>\$ 1,914,693</b>
Long-term liabilities outstanding	\$ 708,801	\$ 1,036,177
Other liabilities	106,347	118,856
<b>Total liabilities</b>	<b>815,148</b>	<b>1,155,033</b>
Deferred inflows of resources	303,839	42,935
<b>Total liabilities and deferred inflows</b>	<b>\$ 1,118,987</b>	<b>\$ 1,197,968</b>
Net position:		
Net Investment in capital assets	\$ 937,302	\$ 867,688
Restricted	349,402	264,977
Unrestricted	(422,096)	(415,940)
<b>Total net position</b>	<b>\$ 864,608</b>	<b>\$ 716,725</b>

By far, the largest of the Board's net position is its \$937.3 million investment in capital assets (e.g., land, land improvements, buildings, furniture, equipment, motor vehicles, and software), less any related debt to acquire or construct those assets that remains outstanding. The Board uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Board's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the Board's net position, \$349.4 million (40.4 percent), represent resources that are subject to external restrictions on how they may be used. Of the restricted resources the majority, \$289.0 million (82.7%) is restricted primarily for the acquisition and construction of facilities. The remaining balance of total net position, unrestricted net position, of -\$422.1 million, is negative due to long-term liabilities.

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Compared to the prior fiscal year ending balances, net investment in capital assets increased by \$69.6 million and restricted net position increased by \$85.4 million. Unrestricted net position increased by \$6.2 million.

Total net position increased \$147.9 million compared to the prior fiscal year-end, driven by the following:

- Operational property taxes, which were included in general revenues, increased by \$13.5 million (7.0 percent) during the fiscal year, while property taxes for capital improvements and debt service, which were also included in general revenues, increased by \$7.4 million (11.6 percent) during the fiscal year. Increases were generally derived from increases in taxable property value.
- General revenues through non-specific program grants, including the Florida Education Finance Program (FEFP), increased by \$99.2 million (13.0 percent) during the fiscal year. This increase was driven by an increase in the State portion of the FEFP and the Federal Education Stabilization funding.
- Discretionary sales tax revenue and impact fees, which were included in general revenues, increased \$12.1 million (20.4 percent) during the year, which reflects the continued turnaround in the State and local economy.
- Program revenues increased by \$21.8 million (36.8 percent) during the fiscal year.
- Increases in expenses totaling \$93.8 million (8.1 percent) included increases in instructional and support services of \$28.3 million (3.4%). This increase is primarily due to salaries and related benefits.

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**District's Changes in Net Position  
Governmental Activities  
June 30, 2021 and June 30, 2022  
(In thousands of dollars)**

	<b>Governmental Activities</b>	
	<b>2022</b>	<b>2021</b>
Revenues:		
Program Revenues:		
Charges for services	\$ 3,988	\$ 3,193
Operating grants and contributions	68,004	48,040
Capital grants and contributions	8,997	7,967
General Revenues:		
Property taxes-operational	204,597	191,141
Property taxes-capital	71,094	63,714
Local sales tax	71,195	59,124
Grants and contributions not restricted to specific programs	862,746	763,551
Other	110,065	25,422
Total revenues	1,400,686	1,162,152
Expenses and special item:		
Instructional services	\$ 711,902	\$ 708,268
Instructional support services	148,497	123,828
Student transportation services	47,310	40,515
Operation and maintenance of plant	100,604	91,821
School administration	51,460	51,058
General administration	110,744	72,518
Food services	59,157	55,617
Community services and other	3,522	3,358
Unallocated interests on long-term debt	19,045	11,738
Unallocated depreciation expense *	562	260
Total expenses and special item	1,252,803	1,158,981
Change in net position	147,883	3,171
Net position - beginning	716,725	713,554
Net position - ending	\$ 864,608	\$ 716,725

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Financial Analysis of the Board's Funds**

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

**Governmental Funds**

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

At the end of the current fiscal year, the Board's governmental funds reported combined ending fund balances of \$452.2 million, an increase of \$104.8 million when compared to the prior fiscal year. Approximately 3.5 percent (\$15.9 million) of the ending fund balance represents inventories and prepaid items that are nonspendable. Approximately \$356.5 million (78.8 percent) are amounts which are restricted for State categorical programs, Federal and State grants, food service, debt service and capital projects. Assigned fund balance amounts are approximately \$1.5 million (0.3 percent) of the ending fund balance and reflect amounts that are set aside for school operations. The remaining \$78.3 million (17.3 percent) is spendable and has not been restricted or assigned for other purposes. However, unassigned fund balance includes funds that will be re-appropriated in the next fiscal year for carryovers and encumbrances.

**General Fund**

The General Fund is the chief operating fund of the Board. At the end of the current fiscal year, the General Fund had a fund balance of \$115.2 million. Of this, about \$78.3 million (68.0 percent) was unassigned. The remaining \$36.9 million (32.0 percent) of the overall fund balance in the General Fund was nonspendable, restricted, or assigned. As a measure of the General Fund's liquidity, it may be useful to compare its unassigned fund balance and its total fund balance to total General Fund revenues. These figures were 9.2 percent and 13.5 percent, respectively.

The fund balance of the Board's General Fund increased by \$15.5 million during the current fiscal year. Key factors affecting fund balance include the following:

- Total revenues of the General Fund increased by \$11.6 million (1.4 percent). The largest contributor consisted of a \$13.5 million (7.0 percent) increase in Ad Valorem Taxes.
- Expenditures in the General Fund increased by \$24.7 million (2.8 percent), primarily as a result of a \$4.0 million increase in instructional services.
- Although expenditures exceeded revenues by \$40.4 million, this was offset by \$55.9 million of other financing sources, primarily due to transfers in from the Capital Project Funds for maintenance related expenditures.

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Other Capital Projects**

Other Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and debt service. At the end of the current fiscal year, the total fund balance for Other Capital Projects Fund was \$247.4 million. The fund balance of the Other Capital Projects Fund increased over prior year by \$66.2 million. The increase resulted from a combination of an increase in revenues of \$93.0 million and a decrease in expenses of \$104.9 million during the current fiscal year.

**General Fund Budgetary Highlights**

The final budget projected a net decrease in fund balance of \$63.8 million from prior year. However, actual fund balance increased by \$15.5 million:

- Revenues were \$4.2 million (0.5 percent) less than budgetary estimates, primarily due to FEFP projections.
- Expenditures were \$82.3 million (9.2 percent) less than budgetary estimates, primarily due to the lapsing of appropriated expenditures.

**Capital Asset and Debt Administration**

**Capital Assets**

The Board's investment in capital assets, net of accumulated depreciation, as of June 30, 2022, amounted to \$1.3 billion. This investment in capital assets, net of accumulated depreciation, consists of 95.3 percent real property, such as land, building and fixed equipment, improvements other than buildings, and construction in progress. The remainder, which reflected 4.7 percent of the total, consisted of tangible property such as furniture, fixtures, equipment, right of use leases, motor vehicles, and software. The Board's investment in capital assets, net of accumulated depreciation, resulted in an increase of \$38.4 million compared to the prior year. Commitments remaining at fiscal year-end on existing construction contracts totaled \$3.8 million.



**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**District's Schedule of Capital Assets  
Net of Accumulated Depreciation  
(In thousands of dollars)**

	<u>2022</u>	<u>2021</u>
Land	\$ 111,925	\$ 111,925
Construction in progress	252,779	191,704
Improvements other than buildings	16,141	17,184
Buildings and fixed equipment	822,208	851,343
Right of Use - Buildings	237	-
Furniture, fixtures and equipment	28,090	23,748
Right of Use - Equipment	5,787	
Motor vehicles	25,354	27,631
Audio visual materials and computer software	158	702
Total	<u>\$ 1,262,679</u>	<u>\$ 1,224,237</u>

Additional information on the Board's capital assets can be found in the Notes to the Financial Statements, Note 6 – Changes in Capital Assets and Note 19 – Construction Contract Commitments.

**Long-term Debt**

At the end of the current fiscal year, the Board had total bonded debt outstanding of \$176.3 million. This included \$2.8 million of State school bonds issued on behalf of the Board by the State Board of Education and backed by the full faith and credit of the State of Florida, as well as, \$143.3 million of Sales Tax Bonds secured by a local option half cent sales tax. Additionally, the Board had \$144.3 million in certificates of participation in which the annually appropriated lease payments on the part of the Board are the pledged revenue stream.

**District's Long-Term Debt  
(In thousands of dollars)**

	<u>2022</u>	<u>2021</u>
Sales tax revenue bonds	\$ 143,285	\$ 151,860
Certificates of participation	144,311	154,997
Bonds payable	176,305	27,265
State school bonds	2,817	3,237
Total	<u>\$ 466,718</u>	<u>\$ 337,359</u>

**THE SCHOOL BOARD OF POLK COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

State statutes limit the amount of debt service on the certificates of participation to 75 percent of the local capital improvement tax receipts on certificates of participation entered into after June 30, 2009. If the debt limitation was applied to the Board, it would be \$53.3 million, which provides a debt service margin of \$35.8 million when compared to the Board's \$17.4 million debt service on the certificates of participation during the 2022-22 fiscal year.

Sales tax proceeds that can be applied towards sales tax bonds are estimated to be \$53.4 million, which provides a debt service margin of \$37.5 million when compared to the Board's \$16.0 million debt service on sales tax bonds during the 2021-22 fiscal year.

Additional information on the Board's long-term debt can be found in the Notes to the Financial Statements, Notes 7 through 11.

**Economic Factors and Next Year's Budget**

- The current local unemployment rate for Polk County is 3.7 percent, which is a decrease from the 6.6 percent reported for calendar year 2021.
- The Polk County Property Appraiser certified that the 2022 tax roll increased from \$44.8 billion to \$48.7 billion, representing a 9.0 percent increase from prior year.
- According to the U.S. Inflation Calculator, inflation rates rose to a peak of 9.1 percent during the summer of 2022.

Such factors, which reflect the continued turnaround in the local economy, were considered in preparing the District's budget for the 2022-2 fiscal year.

**Requests for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, the School Board of Polk County, Florida, P.O. Box 391, Bartow, Florida 33831.

# BASIC FINANCIAL STATEMENTS



**POLK COUNTY**  
**PUBLIC SCHOOLS**  
STUDENTS FIRST

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	<b>Primary Government</b>	
	<b>Governmental Activities</b>	<b>Component Units</b>
<b>ASSETS</b>		
Cash	\$ 41,472,522	\$ 36,702,422
Investments	450,581,228	7,632,479
Accounts and interest receivable	2,364,517	2,651,663
Lease Receivable	114,310	-
Due from other governmental agencies	76,215,690	11,273,111
Inventories	12,827,046	-
Prepaid items	3,070,082	2,186,608
Other assets	-	38,390,307
Capital Assets (net of accumulated depreciation):		
Land	111,924,782	6,414,338
Land improvements	-	550,468
Construction in progress	252,779,490	6,683,263
Improvements other than buildings	16,140,931	1,467,141
Buildings and fixed equipment	822,208,304	78,075,373
Right of Use - Buildings	237,437	-
Furniture, fixtures and equipment	28,089,784	3,801,623
Right of Use - Equipment	5,786,738	-
Motor vehicles	25,354,207	4,242,993
Audio visual materials and computer software	158,110	74,572
Total assets	1,849,325,066	200,472,307
Deferred outflows of resources:		
Pensions	116,670,552	25,495,740
Other Postemployment Benefits	17,599,262	-
Total assets and deferred outflows of resources	\$ 1,983,594,880	\$ 225,968,047
<b>LIABILITIES</b>		
Accounts payable	\$ 21,434,567	\$ 3,204,562
Lease liability due within one year	1,233,830	-
Construction and retainage payable	5,175,174	-
Salaries and wages payable	34,317,407	1,274,588
Payroll deductions and withholdings	4,339,397	39,890
Matured interest payable	8,873,781	-
Due to other governmental agencies	30,791,036	953,138
Sales tax payable	602	-
Unearned revenue	180,974	160,028
Other liabilities	-	3,042,221
Noncurrent liabilities:		
Due within one year	43,410,801	7,465,524
Lease liability	5,934,014	-
Due in more than one year	659,456,312	150,260,241
Total liabilities	815,147,783	166,400,192
Deferred inflows of resources:		
Pension	292,719,281	34,794,242
Other Postemployment Benefits	11,119,637	-
Total liabilities and deferred inflows of resources	\$ 1,118,986,701	\$ 201,194,434
<b>NET POSITION</b>		
Net Investment in capital assets	\$ 937,302,380	\$ 12,629,798
Restricted for:		
State required carryover programs	2,997,993	-
Debt service	20,846,664	1,489,216
Capital Projects	289,084,477	451,382
Food service	36,473,176	-
Endowment - nonexpendable	-	3,852,184
Other purposes	-	4,219,914
Unrestricted	(422,096,511)	2,131,119
Total net position	\$ 864,608,179	\$ 24,773,613

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
<b>Primary government:</b>						
Governmental activities:						
Instructional services	\$ 711,902,061	\$ 2,914,651	\$ -	\$ -	\$ (708,987,410)	\$ -
Instructional support services	148,497,196	-	-	-	(148,497,196)	-
Student transportation services	47,310,317	349,022	-	-	(46,961,295)	-
Operation and maintenance of plant	100,603,606	-	-	8,428,516	(92,175,090)	-
School administration	51,460,349	-	-	-	(51,460,349)	-
General administration	110,743,620	-	-	-	(110,743,620)	-
Food services	59,157,384	724,209	68,004,328	-	9,571,153	-
Community services and other	3,522,072	-	-	-	(3,522,072)	-
Unallocated interest on long-term debt	19,045,158	-	-	568,918	(18,476,240)	-
Unallocated fiscal charges on long-term debt	-	-	-	-	-	-
Unallocated depreciation expense *	561,675	-	-	-	(561,675)	-
Total governmental activities	<u>\$ 1,252,803,438</u>	<u>\$ 3,987,882</u>	<u>\$ 68,004,328</u>	<u>\$ 8,997,434</u>	<u>(1,171,813,794)</u>	<u>-</u>
<b>Component units:</b>						
Polk Education Foundation and Charter Schools	\$ 125,292,307	\$ -	\$ 1,855,867	\$ -	-	(123,436,440)
General Revenues:						
Property taxes, levied for operational purposes					204,597,187	-
Property taxes, levied for capital projects					71,093,962	-
Local sales taxes					71,194,716	-
Grants and contributions not restricted to specific programs					862,746,258	128,653,413
Investment earnings					219,758	1,800,065
Miscellaneous					18,492,306	2,657,711
Impact fees					91,353,105	-
Total general revenues					<u>1,319,697,292</u>	<u>133,111,189</u>
Change in net position					147,883,498	9,674,749
Net position - beginning, as restated					716,724,681	15,098,864
Net position - ending					<u>\$ 864,608,179</u>	<u>\$ 24,773,613</u>

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

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	General	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 20,721,165	\$ 15,740,619	\$ 4,345,539	\$ 40,807,323
Investments	104,538,404	257,933,555	44,493,799	406,965,758
Investments, restricted	-	-	-	-
Accounts and interest receivable	1,878,982	1,544	73,939	1,954,465
Lease Receivable	7,444	-	-	7,444
Due from other governmental agencies	6,565,615	13,655,687	55,994,388	76,215,690
Due from other funds	42,603,597	49,753,929	37,653,594	130,011,120
Inventories	9,837,319	-	2,989,727	12,827,046
Prepaid Items	3,046,692	-	23,390	3,070,082
Total assets	<u>\$ 189,199,218</u>	<u>\$ 337,085,334</u>	<u>\$ 145,574,376</u>	<u>\$ 671,858,928</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	4,827,884	\$ 707,452	\$ 3,456,662	\$ 8,991,998
Construction contracts and retainage payable	297,361	4,877,813	-	5,175,174
Salaries and wages payable	34,278,807	-	38,600	34,317,407
Payroll deductions and withholdings	4,153,605	-	(8,812)	4,144,793
Due to other funds	-	84,149,732	50,063,659	134,213,391
Due to other governmental agencies	30,434,050	-	355,606	30,789,656
Sales tax payable	194	-	408	602
Unearned revenue	-	-	180,974	180,974
Matured interest payable	-	-	1,798,771	1,798,771
Total liabilities	<u>73,991,901</u>	<u>89,734,997</u>	<u>55,885,868</u>	<u>219,612,766</u>
Deferred inflows of resources:				
Leases	9,019	-	-	9,019
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Nonspendable:				
Inventories	9,837,319	-	2,989,727	12,827,046
Prepaid amounts	3,046,692	-	23,390	3,070,082
Restricted:				
Federal & state grants	19,485,182	-	16,987,994	36,473,176
State required carryover programs	2,997,993	-	-	2,997,993
Special revenues	-	-	31,583	31,583
Debt service	-	-	27,921,674	27,921,674
Capital projects	-	247,350,337	41,734,140	289,084,477
Assigned:				
Other	1,494,780	-	-	1,494,780
Unassigned	78,345,351	-	-	78,345,351
Total fund balances	<u>115,207,317</u>	<u>247,350,337</u>	<u>89,688,508</u>	<u>452,246,162</u>
Total liabilities and fund balances	<u>\$ 189,199,218</u>	<u>\$ 337,085,334</u>	<u>\$ 145,574,376</u>	<u>\$ 671,858,928</u>

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2022**

<b>Total Fund Balances - Governmental Funds</b>		<b>\$ 452,246,162</b>
Amounts reported for <i>governmental activities</i> 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.		1,261,299,534
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. This is the net position in internal funds, net of investment in capital assets.		17,281,758
The deferred outflows and deferred inflows related to pensions and other postemployment benefits (OPEB) are applicable to future periods and, therefore, are not reported in the governmental funds.		
	Deferred outflows related to pensions:	\$ 116,670,552
	Deferred outflows related to OPEB	17,599,262
	Deferred inflows related to pensions:	(292,719,281)
	Deferred inflows related to OPEB	(11,119,637)
		(169,569,104)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:		
	Bonds Payable	\$ (146,102,000)
	Certificates of Participation Payable	(131,066,000)
	Compensated Absences Payable	(62,230,295)
	Net Pension Liability	(250,868,681)
	Total OPEB Liability	(48,799,141)
	Lease Liability	(7,060,978)
	Premiums and Discounts on Debt	(43,448,066)
		(689,575,161)
Accrued interest on long-term liabilities is not due and payable in the current period and, therefore, is not reported as liabilities in the governmental funds. This is the amount of accrued interest in excess of the matured interest payable recorded in governmental funds.		(7,075,010)
<b>Total Net Position - Governmental Activities</b>		<b>\$ 864,608,179</b>

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>General</u>	<u>Other Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 204,597,187	\$ -	\$ 71,093,962	\$ 275,691,149
Local sales tax	-	71,194,716	-	71,194,716
Impact fees	-	91,217,584	-	91,217,584
Food services	-	-	724,209	724,209
Other	21,578,440	(208,756)	606,053	21,975,737
Total local sources	<u>226,175,627</u>	<u>162,203,544</u>	<u>72,424,224</u>	<u>460,803,395</u>
State sources:				
Florida education finance program	498,909,992	-	-	498,909,992
Categorical programs	112,497,306	-	-	112,497,306
Workforce development	7,801,670	-	-	7,801,670
Food services	-	-	797,411	797,411
Charter school capital outlay	-	4,863,300	-	4,863,300
Other	1,364,409	-	4,072,756	5,437,165
Total state sources	<u>620,573,377</u>	<u>4,863,300</u>	<u>4,870,167</u>	<u>630,306,844</u>
Federal sources:				
Federal grants direct	1,136,770	-	11,870,061	13,006,831
Federal grants through state and local	3,217,934	-	119,373,213	122,591,147
Food services	-	-	67,206,917	67,206,917
Other	-	-	106,636,281	106,636,281
Total federal sources	<u>4,354,704</u>	<u>-</u>	<u>305,086,472</u>	<u>309,441,176</u>
Total revenues	<u>851,103,708</u>	<u>167,066,844</u>	<u>382,380,863</u>	<u>1,400,551,415</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	590,539,327	-	92,022,725	682,562,052
Student personnel services	40,738,355	-	10,432,898	51,171,253
Instructional media services	7,699,490	-	571,772	8,271,262
Instruction and curriculum development services	6,471,666	-	7,338,577	13,810,243
Instructional staff training services	2,887,749	-	6,781,739	9,669,488
Instructional related technology	15,305,412	-	45,091,755	60,397,167
Board	1,814,048	-	-	1,814,048
General administration	3,492,212	-	11,794,439	15,286,651
School administration	49,083,742	-	191,803	49,275,545
Non capitalizable facilities acquisition and construction	10,274,071	7,987,562	33,810,426	52,072,059
Fiscal services	2,830,362	-	66,566	2,896,928
Food services	119,061	-	56,525,134	56,644,195
Central services	11,774,665	-	11,613,213	23,387,878
Student transportation services	43,149,336	-	2,418,541	45,567,877
Operation of plant	66,942,285	-	5,170,676	72,112,961
Maintenance of plant	24,595,911	-	168,446	24,764,357
Administrative technology services	6,927,410	-	-	6,927,410
Community services and other	478,193	-	2,888,937	3,367,130
Debt service:				
Principal retirement	-	-	22,183,000	22,183,000
Interest	963,025	-	12,917,660	13,880,685
Dues, fees and other	136,382	-	103,169	239,551
Capital outlay:				
Facilities acquisition and construction	1,705,087	66,588,003	465,878	68,758,968
Other capital outlay	3,592,128	-	8,547,466	12,139,594
Total expenditures	<u>891,519,917</u>	<u>74,575,565</u>	<u>331,104,820</u>	<u>1,297,200,302</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,416,209)</u>	<u>92,491,279</u>	<u>51,276,043</u>	<u>103,351,113</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of refunding bonds	-	-	15,850,000	15,850,000
Proceeds from sale of capital assets	400,000	-	-	400,000
Payments to refunded bond escrow agent	-	-	(15,776,000)	(15,776,000)
Lease Proceeds	960,840	-	-	960,840
Transfers in	54,508,251	-	36,441,868	90,950,119
Transfers out	(112)	(26,299,414)	(64,650,593)	(90,950,119)
Total other financing sources and uses	<u>55,868,979</u>	<u>(26,299,414)</u>	<u>(28,134,725)</u>	<u>1,434,840</u>
Net change in fund balances	15,452,770	66,191,865	23,141,318	104,785,953
Fund balances - beginning	99,754,547	181,158,472	66,547,190	347,460,209
Fund balances - ending	<u>\$ 115,207,317</u>	<u>\$ 247,350,337</u>	<u>\$ 89,688,508</u>	<u>\$ 452,246,162</u>

See accompanying Notes to Financial Statements.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Net Change in Fund Balances - Total Governmental Funds** \$ 104,785,953

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense less than capitalized expenditures during the current period. 27,917,790

The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include all proceeds from these sales. Thus, the change in net position differs by the book value of assets sold. (135,521)

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the statement of net position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This represents the net long-term debt reduction in excess of other financing sources/uses in governmental funds. 22,933,786

Premiums and discounts on debt issued are reported in the governmental funds in the year debt is issued, but are deferred and amortized over the life of the debt in the statement of activities. This is the amount of additions to premiums and discounts, net of amortization during the current period. (5,365,742)

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 compensated absences earned in excess of the amount paid in the current fiscal year. (2,828,074)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 377,974

Governmental funds report District OPEB contributions as expenditures. However, in the statement of activities, the cost of OPEB benefits earned net of employee contributions, as determined through an actuarial valuation, is reported as an OPEB expense.

(Increase) in Total OPEB Liability	\$	(13,417,698)	
Increase in Deferred Outflows of Resources - OPEB		12,093,183	
Decrease in Deferred Inflows of Resources - OPEB		4,590,458	
			3,265,943

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.

FRS Pension Contribution	\$	39,970,250	
HIS Pension Contribution		8,335,114	
FRS Pension Expense		(38,784,999)	
HIS Pension Expense		(11,546,897)	
			(2,026,532)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. (1,042,079)

**Change in Net Position of Governmental Activities** **\$ 147,883,498**

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 202,416,038	\$ 202,416,038	204,597,187	\$ 2,181,149
Other	9,849,871	9,849,871	21,578,440	11,728,569
Total local sources	<u>212,265,909</u>	<u>212,265,909</u>	<u>226,175,627</u>	<u>13,909,718</u>
State sources:				
Florida education finance program	518,375,831	518,375,831	498,909,992	(19,465,839)
Categorical programs	112,055,648	112,055,648	112,497,306	441,658
Workforce development	7,590,670	7,590,670	7,801,670	211,000
Other	1,215,000	1,215,000	1,364,409	149,409
Total state sources	<u>639,237,149</u>	<u>639,237,149</u>	<u>620,573,377</u>	<u>(18,663,772)</u>
Federal sources:				
Federal direct	1,010,000	1,010,000	1,136,770	126,770
Federal through state and local	2,750,000	2,750,000	3,217,934	467,934
Total federal sources	<u>3,760,000</u>	<u>3,760,000</u>	<u>4,354,704</u>	<u>594,704</u>
Total revenues	<u>855,263,058</u>	<u>855,263,058</u>	<u>851,103,708</u>	<u>(4,159,350)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	639,373,160	639,373,160	590,539,327	48,833,833
Student personnel services	39,124,157	39,124,157	40,738,355	(1,614,198)
Instructional media services	8,641,763	8,641,763	7,699,490	942,273
Instruction and curriculum development services	5,982,078	5,982,078	6,471,666	(489,588)
Instruction staff training services	1,701,724	1,701,724	2,887,749	(1,186,025)
Instruction related technology	7,273,419	7,273,419	15,305,412	(8,031,993)
Board	2,128,436	2,128,436	1,814,048	314,388
General administration	3,611,833	3,611,833	3,492,212	119,621
School administration	55,019,409	55,019,409	49,083,742	5,935,667
Non capitalizable facilities acquisition and construction	29,543,535	29,543,535	10,274,071	19,269,464
Fiscal services	4,753,238	4,753,238	2,830,362	1,922,876
Food service	47,738	47,738	119,061	(71,323)
Central services	15,112,071	15,112,071	11,774,665	3,337,406
Student transportation	39,590,785	39,590,785	43,149,336	(3,558,551)
Operation of plant	71,145,259	71,145,259	66,942,285	4,202,974
Maintenance of plant	17,568,653	17,568,653	24,595,911	(7,027,258)
Administrative technology services	6,854,178	6,854,178	6,927,410	(73,232)
Community services	327,143	327,143	478,193	(151,050)
Debt Service:				
Principal retirement	-	-	963,025	(963,025)
Interest	-	-	136,382	(136,382)
Capital outlay:				
Facilities acquisition and construction	986,335	986,335	1,705,087	(718,752)
Other capital outlay	25,008,711	25,008,711	3,592,128	21,416,583
Total expenditures	<u>973,793,625</u>	<u>973,793,625</u>	<u>891,519,917</u>	<u>82,273,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(118,530,567)</u>	<u>(118,530,567)</u>	<u>(40,416,209)</u>	<u>78,114,358</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	400,000	400,000
Lease Proceeds	-	-	960,840	960,840
Transfers in	-	-	54,508,251	54,508,251
Transfers out	-	-	(112)	(112)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>55,868,979</u>	<u>55,868,979</u>
Net change in fund balances	(118,530,567)	(118,530,567)	15,452,770	133,983,337
Fund balances - beginning	99,754,547	99,754,547	99,754,547	-
Fund balances - ending	<u>\$ (18,776,020)</u>	<u>\$ (18,776,020)</u>	<u>\$ 115,207,317</u>	<u>\$ 133,983,337</u>

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2022**

	<b>Governmental Activities - Internal Service Funds</b>
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 665,199
Investments	43,615,470
Accounts receivable	410,052
Lease receivable	106,866
Due from other funds	4,202,271
Total current assets	48,999,858
Noncurrent Assets:	
Capital assets, net of accumulated depreciation	1,745,956
Total assets	\$ 50,745,814
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 12,442,569
Lease liability	57,817
Payroll deductions and withholdings	194,604
Due to other agencies	1,380
Estimated liability for claims	7,665,896
Total current liabilities	20,362,266
Noncurrent liabilities:	
Estimated liability for claims	13,052,741
Lease liability	49,049
Total noncurrent liabilities	13,101,790
Total liabilities	\$ 33,415,007
<b>NET POSITION</b>	
Net investment in capital assets	\$ 1,745,956
Unrestricted	15,535,802
Total net position	\$ 17,281,758

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<b>Governmental Activities - Internal Service Funds</b>
<b>OPERATING REVENUES:</b>	
Premium revenue from other funds	\$ 127,866,307
Other revenue	574,611
Total operating revenues	128,440,918
<b>OPERATING EXPENSES:</b>	
Salaries	287,262
Benefits	244,894
Purchased services	2,470,264
Energy services	17,943
Materials and supplies	149,145
Depreciation	130,370
Claims	126,482,280
Total operating expenses	129,782,158
Operating loss	(1,341,240)
<b>NON-OPERATING REVENUE(EXPENSES):</b>	
Principal	(57,800)
Interest	(605,282)
Loss recoveries	831,873
Total non-operating revenue	168,791
Loss before transfers	(1,172,449)
Transfers in	716,045
Transfers out	(716,045)
Change in net position	(1,172,449)
Total net position - beginning	18,454,207
Total net position - ending	\$ 17,281,758

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<b>Governmental Activities - Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from interfund services provided	\$ 123,243,792
Payment to suppliers	(2,637,352)
Payment/premium to employees	(337,552)
Insurance claims payments	189,482
Payments for interfund services used	(125,282,586)
Other receipts (payments)	574,611
Net cash used by operating activities	<u>(4,249,605)</u>
<b>CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Transfers from other funds	716,045
Transfers to other funds	(716,045)
Net cash used by noncapital and related financing activities	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Proceeds from disposition of capital assets	831,873
Net cash provided by capital and related financing activities	<u>831,873</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Purchases of investments	2,791,893
Principal and interest payments on debt	(663,083)
Net cash provided by investing activities	<u>2,128,810</u>
Net decrease in cash and cash equivalents	(1,288,922)
Cash and cash equivalents - beginning of year	1,954,121
Cash and cash equivalents - end of year	<u>\$ 665,199</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>	
Operating loss	\$ (1,341,240)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation expense	130,370
Change in assets and liabilities:	
Accounts receivable	(313,378)
Due from other funds	(4,202,271)
Accounts payable	424,448
Payroll deductions and withholdings	194,604
Due to other agencies	1,380
Estimated liability for claims	856,482
Total adjustments	<u>(2,908,365)</u>
Net cash used by operating activities	<u>\$ (4,249,605)</u>

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
JUNE 30, 2022**

	<b>Custodial Fund</b>
<b>ASSETS</b>	
Cash	\$ 2,428,882
Investments	8,697,618
Accounts receivable	22,786
Inventory	559,059
Total assets	\$ 11,708,345
 <b>LIABILITIES</b>	
Accounts payable	\$ 43,577
Due to other funds	101,462
Total liabilities	145,039
 <b>NET POSITION</b>	
Restricted for individuals and organizations	11,563,306
Total liabilities and net position	\$ 11,708,345

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Custodial Fund</b>
<b>ADDITIONS</b>	
Student group collections	\$ 10,757,360
Investment earnings	<u>(37,342)</u>
<b>Total Additions</b>	<u>10,720,018</u>
<b>DEDUCTIONS</b>	
Student group disbursements	<u>9,685,528</u>
<b>Total Deductions</b>	<u>9,685,528</u>
Change in net position	1,034,490
Net Position - Beginning	<u>10,528,816</u>
<b>Net Position - Ending</b>	<u><u>\$ 11,563,306</u></u>

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Polk County District School Board (“Board”) has direct responsibility for the operation, control, and supervision of District Schools and is considered a primary government for financial reporting. The School District of Polk County, Florida (“District”) is considered part of the Florida system of public education.

The governing body of the District is the Board, which is comprised of seven elected members. The appointed Superintendent of Schools is the executive officer of the School Board. Geographic boundaries of the District correspond with those of Polk County, Florida.

The accompanying basic financial statements present the Board and its discretely presented component units, entities for which the District is considered financially accountable. The District’s discretely presented component units are combined into a single column in the government-wide financial statements to emphasize that they are legally separate from the District.

Criteria for determining if other entities are potential component units which should be reported within the Board’s basic financial statements are identified and described in the Governmental Accounting Standards Board’s (“GASB”) Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600 and amended by Statement No. 61 – *The financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*. The application of these criteria provides for identification of any entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the Board’s basic financial statements to be misleading or incomplete.

Based on the application of these criteria, the following component units are included within the District School Board’s entity:

Blended Component Unit – The Financing Corporation for the School Board of Polk County, Florida (“Financing Corporation”) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in a subsequent note on certificates of participation. Since the Financing Corporation provides its services entirely for the benefit of the District and the Financing Corporation and the District have the same board of directors, the financial activities of the Financing Corporation are included in the accompanying basic financial statements as a blended component unit. Separate financial statements for the Financing Corporation are not published.

Discretely Presented Component Units – The Polk Education Foundation and the Business Partnership, Inc. (“Foundation”) is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, and administer property and to make expenditures for the benefit of students within the District as well as the District itself. The Foundation is a component unit of the District because it would be misleading to exclude the Foundation due to its operational and inter-relationships with the District. An audit of the Foundation’s financial statements is conducted by independent certified public accountants and is filed in the District’s administrative office.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

Complete financial statements of the Foundation can be obtained from their administrative office at:

Polk Education Foundation  
1530 Shumate Drive  
Bartow, FL 33830

Charter Schools – Charter Schools are separate, not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. Each Charter School operates under a charter approved by its sponsor, the Polk County District School Board. The District used guidance provided by the Florida Department of Education for inclusion of the charter schools in the District's reporting entity, in part due to exclusion being considered misleading. In addition, they create a financial burden on the District because the charter school' full time equivalent (FTE) student enrollment is the basis for the District to provide funding to the charter schools. An audit of each Charter School for the fiscal year ended June 30, 2022, is required and is filed at the District's administrative office.

Complete audited financial statements of the individual charter schools can be obtained from their administrative offices. These schools include:

Dale R. Fair Babson Park Elementary  
815 N. Scenic MWY  
Babson Park, FL 33827

Edward W. Bok Academy  
13895 HWY 27  
Lake Wales, FL 33853

Berkley Elementary Charter School  
5240 Berkley Road  
Auburndale, FL 33823

Edward W. Bok Academy North  
338 E. Central Avenue  
Lake Wales, FL 33853

Berkley Accelerated Middle  
5316 Berkley Road  
Auburndale, FL 33823

Hartridge Academy  
1400 HWY 92 W.  
Winter Haven, FL 33881

Compass Charter Middle School  
550 E. Clower Street  
Bartow, FL 33830

Hillcrest Elementary  
1051 State Rd. 60 E  
Lake Wales, FL 33853

Cypress Junction Montessori  
220 5th Street SW  
Winter Haven, FL 33880

Janie Howard Wilson Elementary  
306 Florida Avenue  
Lake Wales, FL 33853

Discovery Academy of Lake Alfred  
1000 Buena Vista Dr.  
Lake Alfred, FL 33850

Lake Wales High School  
#1 Highlander Way  
Lake Wales, FL 33853

Discovery High School  
1000 Buena Vista Dr.  
Lake Alfred, FL 33850

Lakeland Montessori Middle  
800 E. Palmetto  
Lakeland, FL 33805

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Reporting Entity (Continued)**

Language and Literacy Academy  
for Learning  
330 Avenue C South East  
Winter Haven, FL 33880

Magnolia Montessori Academy  
815 S. Central Ave.  
Lakeland, FL 33815

McKeel Charter System  
411 N. Florida Avenue  
Lakeland, FL 33801

Navigator Academy of Leadership  
495 Holly Hill Rd  
Davenport, FL 33837

Mi Escuela Montessori  
6129 Bartow Road  
Lakeland, FL 33812

New Beginnings High School  
250 Magnolia Ave, Suite 200  
Winter Haven, FL 33880

Polk Avenue Elementary  
110 E. Polk Avenue  
Lake Wales, FL 33853

Polk Pre-Collegiate Academy  
5316 Berkley Road  
Auburndale, FL 33823

Ridgeview Global Studies Academy  
1000 Dunson Rd  
Davenport, FL 33896

Victory Ridge Academy  
501 Burns Ave  
Winter Haven, FL 33853

**Basis of Presentation**

**Government-wide Financial Statements** – Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School District as a whole. These statements include the non-fiduciary financial activity of the primary government and its component units. The statements distinguish between governmental activities of the District and those that are considered business-type activities.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and are, thereby, clearly identifiable to a particular function or segment. 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 meet the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues, with certain exceptions.

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

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

Fund Financial Statements – Governmental fund financial statements are prepared using the current financial resources measurement focus, whereas, the proprietary and fiduciary fund financial statements are prepared using the economic resources measurement focus. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Non-major governmental funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The Board reports the following major governmental funds:

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

Capital Projects–Other Funds – accounts for and reports on other miscellaneous funds from various sources used for capital outlay as follows: Proceeds from Certificates of Participation Bonds; Sales Tax Revenues; Sales Tax Bond Proceeds; Land Sale Proceeds; Impact Fee Revenue; State Class Size Reduction Funds; State Classroom First Lottery Bond Proceeds; State SIT Awards; and Charter School Capital Outlay.

Additionally, the Board reports the following fund types:

Internal Service Funds – accounts for the self-insured programs for employee group health, casualty, liability, and workers' compensation coverage for the Board.

Custodial Funds – accounts for resources held by the schools, which are collected for and used by student and school athletic, class, and club activities.

**Basis of Accounting**

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

The government-wide financial statements are prepared using the accrual basis of accounting, as are the internal service and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues 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.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting (Continued)**

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Property taxes, interest and certain general fund program grants associated with the current fiscal year are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal year. For this purpose, the Board 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, revenues are recognized at the time the expenditures are made, provided receipt of funds is considered available.

Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. The principal exceptions to this general rule are: (1) interest on general long-term debt is recognized as expenditures when due and (2) expenditures related to liabilities reported as general long-term debt are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The major operating revenues of the Board's internal service funds are from charges for employee health insurance premiums.

The major operating expenses for the internal service funds include administrative expenses, claims and insurance premiums for excess coverage. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

The Foundation and Charter schools, shown as discretely presented component units, are presented under the economic resources measurement focus and the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deposits and Investments**

Banks qualified as public depositories under State of Florida ("State") law hold cash deposits. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The Annual Comprehensive Financial Report ("ACFR") considers cash as those accounts used as demand deposit accounts. In addition, the statement of cash flows for proprietary funds considers as cash and cash equivalents those accounts used as demand deposit accounts, all highly liquid investments with an original maturity of three months or less, and cash held by fiscal agents.

The Board invests in money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at amortized cost.

The Board also has investment management agreements with the Florida Fixed Income Trust, the Florida Public Assets for Liquidity Management (FL PALM) and the Florida Cooperative Liquid Assets Security Systems (FLCLASS), which are reported at net asset value. Investments made locally consist of debt securities, United States Treasury Securities, Federal notes and Corporate Notes which are reported at fair value.

The Board categorizes its fair value measurements with the fair value hierarchy established in accordance with generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. Types and amounts of investment held at fiscal year-end are described in a subsequent note.

**Interfund Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "due to/from other funds" in the fund financial statements.

**Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption in the course of District operations. All inventories are stated on a moving-average basis except that United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used (consumption method), rather than when purchased. Prepaid items consist of payment of items which will benefit future accounting periods and are recognized when incurred (purchase method), such as property insurance.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of \$1,000 or more and an estimated useful life of one year or more.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets (Continued)**

Such assets, except land acquired prior to 1977 and buildings and fixed equipment acquired prior to 1976, are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated acquisition value at the date of donation.

The value of land acquired prior to 1977 is reported at the assessed value recorded by the Polk County Property Appraiser as of March 10, 1977. Buildings and fixed equipment acquired prior to 1976 are reported at replacement cost at June 30, 1976, as determined for insurance purposes at that time.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred during the construction phase of capital assets are not capitalized as part of the cost of construction.

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

<u>Description</u>	<u>Estimated Useful Lives</u>
Improvements Other Than Buildings	20 Years
Buildings and Fixed Equipment	50 Years
Furniture, Fixtures & Equipment	5-7 Years
Motor Vehicles	10 Years
Audio Visual Material and Comp Software	3-5 Years

Current year information relative to changes in capital assets is described in a subsequent note.

**Leases**

**Lessee Arrangements**

The District determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the Board's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized as the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the Board's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

**Lessee Arrangements (Continued)**

The lease term may include options to extend or terminate the lease when it is reasonably certain that the Board will exercise that option.

The Board recognized payments for short-term leases with a lease term of 12 month or less as expenses are incurred, and these leases are not included as lease liabilities or right-of-use lease assets in the statement of net position.

Significant lease terms are disclosed in Note 9.

The Board accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for a lease and nonlease components, and it is impractical to estimate the price of such components, the Board treats the component as a single lease unit.

**Lessor Arrangements**

The Board determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position and fund financial statements.

Lease receivables represent the Board's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner of the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The District recognized payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statement of net position and fund financial statements.

Significant lease terms are disclosed in Note 9.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

**Lessor Arrangements (Continued)**

The Board accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the Board treats the components as a single lease unit.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and therefore will not be recognized as an outflow of resources (expense) until that time. The Board has two items that qualify for reporting in this category. They are pensions and other postemployment benefits ("OPEB"), reported in the government-wide statement of net position and discussed in subsequent notes.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and therefore will not be recognized as an inflow of resources (revenue) until that time. The Board has two items that qualify for reporting in this category. They are accumulated increases in pensions and OPEB.

**Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds and are reported as liabilities in the government-wide statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bond payables are reported net of the applicable bond premium or discount.

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

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.

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



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (“Department”) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the Board 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 Board.

The Board is permitted to amend its original reporting during specified time periods 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 Board’s compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended on for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the general fund. A portion of the fund balance of the general fund is reserved for the unexpended balance of categorical educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay (“PECO”) money, to the Board on an annual basis. The Board is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department. A schedule of revenue from State sources for the current year is presented in a subsequent note.

**Property Taxes – Revenue Recognition**

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

Property taxes consist of ad-valorem taxes on real and personal property within the District. The Polk County Property Appraiser determines property values and property taxes are collected by the Polk County Tax Collector.

The Board adopted the 2020 tax levy on September 8, 2020. Taxes become an enforceable lien on property as of January 1; 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 four percent for early payment.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Taxes – Revenue Recognition (Continued)**

Taxes become delinquent on April 1 of the year following the year of assessment and 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 the June 30 fiscal year-end.

Property tax revenue is recognized when the District receives taxes; however, revenue is accrued for taxes collected by the Polk County Tax Collector at fiscal year-end but not yet remitted to the District. Because of any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued and no delinquent tax revenue deferral is recorded.

Millages and taxes levied for the current year are presented in a subsequent note.

**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 approve by, various grantor 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.

**Use of Estimates**

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the report amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**Pensions**

In the government-wide statement of net position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System ("FRS") defined benefit plan and the Health Insurance Subsidy ("HIS") defined benefit plan and additions to/deductions from the FRS's and the HIS's 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. The District's retirement plans and related amounts are described in a subsequent note.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Other Postemployment Benefits**

The Board administers and contributes to a single-employer defined-benefit healthcare plan. The postretirement benefits are funded on a pay-as-you-go basis (i.e. the District funds on a cash basis as benefits are paid). The District follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

**Adoption of New Accounting Standards**

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Board adopted the requirements of the guidance effective July 1, 2021 and has elected to apply the provisions of this standard to the beginning of the period of adoption.

**NOTE 2 DIFFERENCES BETWEEN GOVERNMENT-WIDE FINANCIAL STATEMENTS AND GOVERNMENTAL FUND STATEMENTS**

The governmental funds balance sheet includes a reconciliation between total fund balances-governmental funds and total net position-governmental activities reported on the statement of net position. One element of that reconciliation explains “Long-term liabilities are not due and payables in the current period and, therefore, are not reported as liabilities in the governmental funds”.

The details of this \$732,291,813 difference are as follows:

Bonds Payable, Including Premium	\$ 176,304,649
Certificates of Participation, Net of Discount and Deferred Amount	143,945,710
Compensated Absences Payable	62,230,295
Net Pension Liability	250,868,681
Other Post-Employment Benefits	48,799,141
Lease Liability	7,060,978
Premiums and Discounts on Debt	<u>43,448,066</u>
Net adjustment to reduce Total Fund Balances-Total Governmental Funds to Total Net Position-Governmental Activities	<u><u>\$ 732,657,520</u></u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 3 BUDGETARY COMPLIANCE ACCOUNTABILITY**

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each function (e.g., instruction, pupil 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.
- The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund-function level. The School Board made several supplemental budgetary appropriations throughout the year. Supplemental budgetary appropriations are presented in budget and actual comparison statements by original budget and final budget amounts.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 4 INVESTMENTS**

As of June 30, 2022, the Board has the following investments and maturities:

<b>Investment</b>	<b>Average Maturity</b>	<b>Fair Value</b>	<b>Valuation Measurement Method/Level</b>
<b>Money Market Funds</b>			
Bank of Central Florida Insured Cash Sweep Purchases	No Maturity	\$ 6,187,524	Amortized Costs
JP Morgan Prime Money Market Portfolio Class I (Held by Wells Fargo)	57 Days	25,300,619	Amortized Costs
Federated Prime Cash Obligations Money Market Fund (Held by Fifth Third Bank)	28 Days	2,042,957	Amortized Costs
Wells Fargo Heritage Money Market Fund	45 Days	1,001,059	Amortized Costs
Synovus Money Markets	No Maturity	<u>5,712,291</u>	Amortized Costs
Total Money Market Funds		<u>40,244,450</u>	
<b>Other Investments</b>			
Florida Public Assets for Liquidity Management (FL PALM)	56 Days	634,582	Net Asset Value
FL Cooperative Liquid Assets Security Systems (FLCLASS)	47 Days	521,430	Net Asset Value
Florida Fixed Income Trust-CP Pool	97 Days	138,517,638	Net Asset Value
Ultra-short Income Portfolio (Held by Morgan Stanley)	299 Days	10,300,311	Net Asset Value
Florida Fixed Income - Enhanced Cash Pool	80 Days	<u>120,641,164</u>	Net Asset Value
		<u>270,615,125</u>	
State Board of Administration - Debt Service Account	6 Months	4,317	Fair Value Level 1
Metropolitan Life Insurance Company Contract	5 Years 7 Months	14,709,477	Fair Value Level 2
United States Treasury Notes	2 to 7 Years	57,129,865	Fair Value Level 2
Trust Fund Investment US Bank United States Treasury Notes	3 to 7 Years	9,950,950	Fair Value Level 2
Federal Agency Notes - Various	3 to 4 Years	3,844,940	Fair Value Level 2
Corporate Notes - Various	2 to 10 Years	<u>62,779,722</u>	Fair Value Level 2
		148,419,271	
		<u>\$ 459,278,846</u>	
Investments are reflected in the financial statements as follows:			
Governmental Funds		\$ 406,965,758	
Internal Service Funds		<u>43,615,470</u>	
Governmental Activities		450,581,228	
Fiduciary Funds		<u>8,697,618</u>	
		<u>\$ 459,278,846</u>	

Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Investments classified under the net asset value ("NAV") classification include the Intergovernmental investment pool funds, which are held with FL PALM, FLCLASS, and Florida Fixed Income Trust pools, which are valued using a NAV of \$1.00 per share. These funds have no unfunded commitments and allows unlimited daily redemption and investments with a 1-day minimum holding period. These funds have investments in negotiable certificate of deposits, commercial paper, repurchase agreements, certificate of deposit – FHLB LOC, Federal Agencies, Municipal Bonds, Corporate Notes, and U.S. Treasury Notes.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 INVESTMENTS (CONTINUED)**

**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 Board's investment policy limits investments to a maximum of five years, unless specifically matched with cash flow needs as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Board has a formal investment policy as authorized by Section 218.415, Florida Statutes, that generally limits investments to a maximum of five years, but which allows investments to exceed five years when there is opportunity to achieve a greater return and/or the average life is expected to be less.

**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 Board will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Section 218.415(18), Florida Statutes, requires the Board to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a secured vault. The Board does not have a formal investment policy that addresses custodial credit risk.

The Board has \$62.8 million of underlying securities in corporate notes that are held by the investment's counterparty, not in the name of the Board.

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to the SBA's Florida Prime, or any other intergovernmental investment pool authorized pursuant to the Florida inter-local Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 4 INVESTMENTS (CONTINUED)**

**Credit Risk (Continued)**

The Board's investment policy allows for investments in certificates of deposit, time deposits, United States Government Securities, United States Government Agency Securities, United States Government Enterprises and Instrumentalities Securities, money market funds that are rated "AAAm" or "AAAm-G" or better by Standard & Poor's ("S&P") or the equivalent by another rating agency, and other forms of authorized investments described in the Florida Statutes.

As of June 30, 2022, the Board's investment in United States Treasury Notes and Federal Agency Notes are rated AA+ by S&P and Aaa by Moody's. The Trust Fund Investment US Bank United States Treasury notes was rated Aaa by Moody's.

As of June 30, 2022, the Ultra Short Income Portfolio Class I Bond Fund held by Morgan Stanley was rated AAAf/S1 by Fitch. JP Morgan Prime Money Market Portfolio Class I, held by Wells Fargo Securities, was rated AAAm by S&P. The Florida Cooperative Liquid Assets Security System ("FLCLASS") and the Florida Public Assets for Liquidity Management ("FL PALM"), which is an intergovernmental Investment Pool, was rated AAAm by S&P. The Federated Prime Cash Obligation Money Market, held by Fifth Third Bank, was rated AAAAm by S&P and the Florida Fixed Income Trust, which is an inter-local governmental agreement in the Cash Pool and an Enhanced Cash Pool was rated AAAf/S1 by Fitch. Metropolitan Life Insurance Company contract was not rated.

As of June 30, 2022, the Board's investment in various corporate notes was by S&P between AA and BBB+ and by Moody's between A1 and A3.

**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 Board is not at risk for the corporate notes held by the Board, which represent 13.7 percent of total investments. The remainder of the investments are issued or explicitly guaranteed by the United States Government or are in mutual funds, external investment pool, other pooled investments or are less than five percent of total investments, which do not require disclosure for concentration credit risk.

**Foreign Currency Risk**

The Board has no exposure to foreign currency.

The Board's investment policy does not permit investment in foreign currency.

**NOTE 5 ACCOUNTS RECEIVABLE**

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivables are considered to be fully collectible.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 6 CHANGES IN CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2022 was as follows:

<b>Governmental Activities</b>	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 111,924,782	\$ -	\$ -	\$ 111,924,782
Construction in Progress	191,704,050	65,762,168	(4,686,728)	252,779,490
Total capital assets, not being depreciated	<u>303,628,832</u>	<u>65,762,168</u>	<u>(4,686,728)</u>	<u>364,704,272</u>
Capital assets, being depreciated:				
Improvements Other Than Buildings	61,593,707	657,167	-	62,250,874
Buildings and Fixed Equipment	1,579,666,049	6,139,881	-	1,585,805,930
Right of Use - Buildings*	313,566	4,146	-	317,712
Furniture, Fixtures, and Equipment	94,810,424	11,834,514	(6,396,438)	100,248,500
Right of Use - Equipment*	5,786,572	956,694	-	6,743,266
Motor Vehicles	85,778,082	2,747,775	-	88,525,857
Audio Visual Materials and Computer Software	11,522,422	5,600	(94,394)	11,433,628
Total capital assets, being depreciated	<u>1,839,470,822</u>	<u>22,345,777</u>	<u>(6,490,832)</u>	<u>1,855,325,767</u>
Less accumulated depreciation for:				
Improvements Other Than Buildings	44,409,294	1,700,649	-	46,109,943
Buildings and Fixed Equipment	728,322,518	35,275,108	-	763,597,626
Right of Use - Buildings*	-	80,275	-	80,275
Furniture, Fixtures, and Equipment	71,062,489	7,358,176	(6,261,949)	72,158,716
Right of Use - Equipment*	-	956,528	-	956,528
Motor Vehicles	58,147,051	5,024,599	-	63,171,650
Audio Visual Materials and Computer Software	10,820,580	548,300	(93,362)	11,275,518
Total Accumulated Depreciation	<u>912,761,932</u>	<u>50,943,635</u>	<u>(6,355,311)</u>	<u>957,350,256</u>
Total Capital Assets Being Depreciated/ Total capital assets, being depreciated, net	<u>926,708,890</u>	<u>(28,597,858)</u>	<u>(135,521)</u>	<u>897,975,511</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,230,337,722</u>	<u>\$ 37,164,310</u>	<u>\$ (4,822,249)</u>	<u>\$ 1,262,679,783</u>

\* - Restated due to GASB 87 Implementation

Depreciation expense was charged to functions as follows:

Instructional	\$ 27,871,175
Student Personnel Services	1,969,837
Media Services	375,240
Curriculum Development	648,858
Instructional Training	1,099,195
Instructional Technology Support	776,238
Board	101,860
General Administration	256,919
School Administration	2,078,766
Facilities & Construction	1,161,560
Fiscal Services	130,870
Food Services	2,391,294
Central Services	5,911,250
Student Transportation	1,644,381
Operation of Plant	2,488,522
Maintenance of Plant	1,029,293
Administrative Technology Support	299,005
Community Services	147,697
Unallocated	561,675
Total Depreciation Expense	<u>\$ 50,943,635</u>



**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION**

The Certificates of Participation (“COPS” or “Certificates”) are instruments issued to finance lease purchase agreements in accordance with Section 235.056, Florida Statutes. US Bank, N.A. is the trustee for the certificates and makes all interest, principal, and fee payments, invest idle funds, and complies with the requirements for the issue documents. The certificates mature serially and the debt service is funded by transfers from Capital Improvement Fund (Section 236.25). The following is a description of the COPS:

**Series 2009C-QSCB/COPS**

The Board entered into a financing arrangement on December 30, 2009, which was characterized as a lease-purchase agreement in the form of Qualified School Construction Bonds, with the Financing Corporation. The financing was accomplished through the issuance of COPS Series 2009C, totaling \$20,543,000, to be repaid from the proceeds of rents paid by the Board.

As a condition of the 2009 financing arrangement, the Board has given a ground lease on District property to the Financing Corporation for the School Board of Polk County, Florida, with a rental fee of \$10 per year. The initial term of the lease is for the period commencing on December 30, 2009, and ending on the earlier of: (a) the date on which the Series 2009C Certificates and all other amounts due in respect of the Trust Agreement or the Lease Agreement have been paid in full or (b) December 15, 2024 (both dates inclusive). 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 Board fails to renew the lease and to provide for the rent payments through to term, the Board may be required to make accelerated payments or 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 arrangement, which may be up to approximately 25 years from the date of inception of the arrangement.

The District properties included in the ground lease under this arrangement include lands on which the Series 2009C project is located. The Series 2009C project was for the reconstruction of the Mulberry Middle School.

The lease payments are payable by the Board into a sinking fund on an annual basis, and interest at a rate of 1.95 percent is paid quarterly. Sinking fund proceeds are invested and accumulate over the life of the bonds, ending in a lump sum repayment to the bondholders at bond maturity. The interest earnings of the sinking fund are estimated. Therefore, the final principal payment will be adjusted as required based upon final interest earned. Bondholders earn federal tax credits in lieu of interest.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

**Series 2009C-QSCB/COPS (Continued)**

The following is a schedule of required sinking fund deposits and estimated earnings to accumulate through maturity in the sinking fund:

Payment Due Date (FY)	Principal	Interest Earned Sinking Fund	Estimated Sinking Fund Balance
2011	\$ 1,104,527	\$ -	\$ 1,104,527
2012	1,104,527	33,136	2,242,190
2013	1,104,527	67,266	3,413,983
2014	1,104,527	102,420	4,620,930
2015	1,104,527	138,628	5,864,085
2016	1,104,527	175,923	7,144,535
2017	1,104,527	214,336	8,463,398
2018	1,104,527	253,902	9,821,827
2019	1,104,527	294,655	11,221,009
2020	1,104,527	336,630	12,662,166
2021	1,104,527	379,865	14,146,558
2022	1,104,527	424,397	15,675,482
2023	1,104,527	470,264	17,250,273
2024	1,104,526	517,507	18,872,306
2025	1,104,526	566,168	20,543,000
	<u>\$ 16,567,903</u>	<u>\$ 3,975,097</u>	<u>\$ 20,543,000</u>

**Series 2010C-QSCB/COPS**

The Board entered into a financing arrangement on November 22, 2010, which was characterized as a lease-purchase agreement in the form of Qualified School Construction Bonds, with the Financing Corporation for the School Board of Polk County, Florida. The financing was accomplished through the issuance of COPS, Series 2010C, totaling \$21,223,000, to be repaid from the proceeds of rents paid by the Board.

The Board has elected to receive a refundable credit from the United States Department of Treasury in accordance with Section 6431(f) of the Internal Revenue Code of 1986, as amended, equal to the lesser of the amount of interest payable with respect to the Certificates on such date or the amount of interest which would have been payable with respect to the Certificates on such date if such interest were determined at the tax credit rate set by the Department of Treasury on November 18, 2010 (5.49 percent) exceeds the interest rate on the Certificates (5.38 percent), the interest rate applicable to the Certificates is the maximum allowable interest rate credit, which will be paid to the District with respect to the Certificates (the "Subsidy Payments").

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

**Series 2010C-QSCB/COPS (Continued)**

As a condition of the 2010 financing arrangement, the Board has given a ground lease on District property to the Financing Corporation, with a rental fee of \$10 per year. The initial term of the lease is for the period commencing on November 1, 2010 and ending on the earlier of: (a) the date on which the Series 2010C Certificates and all other amounts due in respect of the Trust Agreement or the Lease Agreement have been paid in full or (b) November 1, 2029 (both dates inclusive). The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the Board.

If the Board fails to renew the lease and to provide for the rent payments through to term, the Board may be required to make accelerated payments or 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 arrangement, which may be up to approximately 25 years from the date of inception of the arrangement.

The District properties included in the ground lease under this arrangement include land on which the Series 2010C Project is located. The Series 2010C Project was for the construction of the Freshman Academy at Winter Haven High School Master Plan Phase II.

The lease payments are payable by the Board into a sinking fund on an annual basis, and interest at a rate of 2.75 percent is paid quarterly. Sinking fund proceeds are invested and accumulate over the life of the bonds, ending up in a lump sum repayment to the bondholders at bond maturity. The interest earnings of the sinking fund are estimated. Therefore, the final principal payment will be adjusted as required based upon final interest earned. Bondholders earn federal tax credits in lieu of interest.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

**Series 2010C-QSCB/COPS (Continued)**

The following is a schedule of required sinking fund deposits and estimated earnings to accumulate through maturity in the sinking fund:

Payment Due Date (FY)	Principal	Interest Earned Sinking Fund	Estimated Sinking Fund Balance
2012	\$ 1,117,000	\$ 11,434	\$ 1,128,434
2013	1,093,040	37,323	2,258,797
2014	1,067,130	62,269	3,388,196
2015	1,041,777	87,071	4,517,044
2016	1,017,539	112,411	5,646,994
2017	992,673	136,725	6,776,392
2018	967,390	162,009	7,905,791
2019	942,455	186,944	9,035,190
2020	917,520	211,879	10,164,589
2021	891,958	238,130	11,294,677
2022	868,346	261,121	12,424,144
2023	842,715	285,926	13,552,785
2024	817,780	311,619	14,682,184
2025	792,845	336,554	15,811,583
2026	765,959	361,373	16,938,915
2027	744,019	388,548	18,071,482
2028	719,154	409,143	19,199,779
2029	693,104	436,294	20,329,177
2030	669,423	224,400	21,223,000
	<u>\$ 16,961,827</u>	<u>\$ 4,261,173</u>	<u>\$ 21,223,000</u>

**Series 2019A**

The Board entered into a refunding arrangement on February 3, 2020, to advance refund the COPS Series 2015A (formally Series 2012A, 2009A and 2003A). The refunding was accomplished through the issuance of COPS, Series 2019A, totaling \$45,845,547, to be repaid from the proceeds of rents paid by the Board.

As a condition of the 2019A financing arrangement, the Board has given a ground lease on District property to the Financing Corporation, with a rental fee of \$10 per year. The initial term of the lease is for the period commencing on February 3, 2020 and ending on the earlier of: (a) the date on which the Series 2019A Certificates and all other amounts due in respect of the Trust Agreement or the Lease Agreement have been paid in full or (b) January 1, 2028 (both dates inclusive). The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the Board.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

**Series 2019A (Continued)**

If the Board fails to renew the lease and to provide for the rent payments through to term, the Board may be required to make accelerated payments or 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 arrangement, which may be up to approximately 25 years from the date of inception of the arrangement.

The District properties included in the ground lease under this arrangement include land on which the original Series 2003A Projects are located. The following five schools are in this arrangement: Chain of Lakes Elementary, Ridge Community High School, Sandhill Elementary Classroom Addition, Ridgeview Elementary Classroom Addition, and Haines City High School Administrative Suite/Media Center.

The net proceeds of the Series 2019A Certificates were used to currently refund the Series 2015A Certificates.

The Series 2019A Certificates include serial certificates maturing through 2028 and term certificates maturing in 2028. The lease payments on the Series 2019A Certificates are payable by the Board, annually, on January 1. The lease payments are payable by the District, monthly, at an interest rate of 4.565 percent.

**Series 2019B**

The Board entered into a refunding arrangement on February 3, 2020, to advance refund the COPS Series 2015B (formerly known as 2010D, and 2001A). The refunding was accomplished through the issuance of COPS, Series 2019B, totaling \$41,968,119, to be repaid by the proceeds of rents paid by the Board.

As a condition of the 2019B financing arrangement, the Board has given a ground lease on District property to the Financing Corporation, with a rental fee of \$10 per year. The initial term of the lease is for the period commencing on February 3, 2020 and ending on the earlier of: (a) the date on which the Series 2019B Certificates and all other amounts due in respect of the Trust Agreement or the Lease Agreement have been paid in full or (b) January 1, 2026 (both dates inclusive). The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the Board.

If the Board fails to renew the lease and to provide for the rent payments through to term, the Board may be required to make accelerated payments or 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 arrangement, which may be up to approximately 25 years from the date of inception of the arrangement.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

**Series 2019B (Continued)**

The District properties included in the ground lease under this arrangement include land on which the original Series 2001A projects are located. The following ten schools are in this arrangement: Elementary Schools E & F (N.E. Roberts Elementary and R. Bruce Wagner Elementary), Auditorium Lake Gibson High School, Homer K. Addair Academy (formerly known as the Lake Alfred Career Development Academy), Classroom Wing Jewett Elementary, Agri Science Center/Gym Auburndale Senior High, New Cafeteria/Remodel Bartow Senior & Haines City High Schools, Administration Building, Kathleen Elementary, and Quad Classroom Lewis Elementary.

The net proceeds of the 2019B Certificates were used to currently refund the Series 2015B Certificates.

The Lease payments are payable by the Board, monthly, on the first (1<sup>st</sup>) day each month, at an interest rate of 5.49 percent.

**Series 2016A**

The Board entered into a partial refunding arrangement on April 4, 2016, to current refund the COPS, Series 2012B (formerly Series 2009B, 2008A, and 1998). The refunding was accomplished through the issuance of COPS, Series 2016A, totaling \$33,725,000, to be repaid from the proceeds of rents paid by the Board.

As a condition of the financing arrangement associated with the Series 2016A Certificates, the Board has given a ground lease on District property to the Financing Corporation, with a rental fee of \$10 per year. By a master lease-purchase agreement, the properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the Board.

The initial term of the lease is for the period commencing on April 4, 2016, and ending on the earlier of: (a) the date on which the Series 2016A Certificates and all other amounts due in respect of the Trust Agreement or the Lease Agreement have been paid in full or (b) January 1, 2023 (both dates inclusive).

If the Board fails to renew the master lease-purchase agreement and to provide for the rent payments through to term, the Board may be required to make accelerated payments or surrender the site included under the Ground Lease Agreement, together with improvements thereon, to the Trustee for the benefit of the securers of the Certificates for a period of time specified by the arrangement, which may be up to approximately 25 years from the date of inception of the arrangement.

The District property included in the 2016A ground lease under this arrangement includes the land on which the Series 1998 Project is located. The Series 1998 Project was for the construction of Sleepy Hill Middle School and Dundee Ridge Middle School.

The net proceeds of the Series 2016A Certificates were used to partially refund the Series 2012B Certificates.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

**Series 2016A (Continued)**

The Series 2016A Certificates include serial certificates maturing through 2023, and term certificates maturing in 2023. The lease payments on the Series 2016A Certificates are payable by the Board annually on January 1 at an interest rate of 1.70 percent.

**Series 2017A**

The Board entered into a refunding arrangement on June 30, 2017, to partially advance refund the COPS, Series 2010A (formally Series 1999A). The refunding was accomplished through the issuance of Certificates of Participation, Series 2017A, totaling \$26,331,000, to be repaid by the proceeds of rents paid by the Board.

As a condition of the financing arrangement associated with the Series 2017A Certificates, the Board has given a ground lease on District property to the Financing Corporation, with a rental fee of \$10 per year. By a master lease-purchase agreement, the properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the Board. The initial term of the lease is for the period commencing on June 30, 2017, and ending on the earlier of: (a) the date on which the Series 2017A Certificates and all other amounts due in respect of the Trust Agreement or the Lease Agreement have been paid in full or (b) January 1, 2024 (both dates inclusive).

If the Board fails to renew the master lease-purchase agreement and to provide for the rent payments through to term, the Board may be required to make accelerated payments or surrender the site included under the Ground Lease Agreement, together with improvements thereon, to the trustee for the benefit of the securers of the Certificates for a period of time specified by the arrangement, which may be up to approximately 25 years from the date of inception of the arrangement.

The District property included in the 2017A ground lease under this arrangement includes the land on which the Series 2010A (formerly 1999A) projects are located. The Series 2010A Project was for the construction Sandhill Elementary, Pinewood Elementary, Berkley Elementary and Ridgeview Elementary Schools, and an addition to Lakeland Senior High School.

The lease payments are payable by the Board, semiannually, on the fifteenth (15<sup>th</sup>) day proceeding January 1<sup>st</sup> and July 1<sup>st</sup>, at an interest rate of 1.95 percent.

The following is a summary of Certificates of Participation payable:

<b><u>COPS from Direct Borrowings of Debt:</u></b>	Balance at 06/30/2022
Series 2019A (Refinances 2015A), \$42,360,000, Issued 10/30/2015	\$ 35,510,000
Series 2019B (Refinances 2015B), \$42,850,000, Issued 10/30/2015	31,900,000
Series 2016A (Partial Refinance 2012B), \$33,725,000, Issued 04/04/2016	6,040,000
Series 2021A (Partial Refinance 2017A), \$15,850,000, Issued 12/16/2021	15,850,000
Series 2009C, \$20,543,000, Issued 12/30/2009	20,543,000
Series 2010C, \$21,223,000, Issued 11/22/2010	<u>21,223,000</u>
Total Certificates of Participation	<u>\$ 131,066,000</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)**

The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value minimum lease payments as of June 30, 2022:

Fiscal Year Ended June 30	Total	Principal	Interest
2023	\$ 17,444,321	\$ 13,605,000	\$ 3,839,321
2024	17,353,412	13,760,000	3,593,412
2025	37,956,756	35,028,000	2,928,756
2026	17,143,750	15,150,000	1,993,750
2027-2031	55,162,250	53,523,000	1,639,250
Grand Totals	<u>\$ 145,060,489</u>	<u>\$ 131,066,000</u>	<u>\$ 13,994,489</u>

**NOTE 8 BONDS AND NOTES PAYABLE**

The following is a description of debt issues, each of which was derived through public offerings:

**State School Bonds**

These bonds are issued by the State Board of Education (“SBE”) on behalf of the Board. The bonds mature serially and are secured by a pledge of part of the Board’s portion of State-assessed motor vehicle license tax. The State’s full faith and credit is also pledged as security for these issues. Principal and interest payments, investment of debt service fund resources, and compliance with reserve requirements are administered by the SBE.

**Sales Tax Bonds**

These bonds are authorized by the Constitution of Laws of the State of Florida, particularly Chapter 1010, Florida Statutes, Chapter 212, Part I, Florida Statutes, and other applicable provisions of law. The bonds are secured by a pledge of the proceeds received pursuant to a Local Option Half-Cent Sales Tax passed by Polk County voters which commenced January 1, 2019 for a period not to exceed fifteen (15) years. Sales tax received for the current year was \$71,051,215. For the fiscal year, the amount of interest on Sales Tax Bonds was \$7,378,625.

If the Board fails to make timely payments of the principal or interest on these bonds, or the Board shall dissolve or file for bankruptcy, a trustee may be assigned by a vote of at least 25% of the principal holders to apply all pledged funds to the defaulted payment.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)**

The following is a summary of bonds payable at June 30, 2022:

<u>State School Bonds</u>	<u>Amount</u>
Series 2011-A, \$440,000, Issued 01/05/12, Matures Serially to 01/01/23, Interest Rates Ranging from 2.0 to 5.0 Percent. Payable in Future Annual Installments Ranging from \$20,000 to \$35,000, Semiannual Interest Payments Range from \$525 to \$2,850.	\$ 35,000
Series 2014-A, \$900,000, Issued 05/22/14, Matures Serially to 01/01/25, Interest Rates Ranging from 2.0 to 5.0 Percent. Payable in Future Annual Installments Ranging from \$82,000 to \$110,000, Semiannual Interest Payments Range from \$1,230 to \$15,605.	297,000
Series 2017-A, \$1,035,000, Issued 04/29/17, This refunds 2006-A, Matures Serially to 01/01/26, Interest Rates Ranging from 3.0 to 5.0 Percent. Payable in Future Annual Installments Ranging from \$46,000 to \$86,000, Semiannual Interest Payments Range from \$2,150 to	304,000
Series 2019-A, \$2,752,000, Issued 01/27/19, This refunds 2009-A, Matures Serially to 01/01/29, Interest Rate of 5.0 Percent. Payable in Future Annual Installments Ranging from \$173,000 to \$412,000, Semiannual Interest Payments Range from \$10,300 to \$68,800.	<u>2,181,000</u>
Total State School Bonds	<u>2,817,000</u>
<u>Sales Tax Bonds:</u>	
	<u>Balance at 06/30/2022</u>
Series 2019, \$160,025,000, issued 6/06/19 matures serially to 10/01/33; interest rate is 5.0 percent; payable in a future annual installments ranging from \$8,165,000 to \$15,395,000, semiannual interest payments ranging from \$384,875 to \$4,000,625.	<u>143,285,000</u>
Total Sales Tax Bonds	<u>143,285,000</u>
Total Bonds Payable	<u><u>\$ 146,102,000</u></u>

The various bonds were issued to finance capital outlay projects of the Board.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)**

Annual requirements to amortize all bonded debt outstanding as of June 30, 2022 are as follows:

<u>State School Bonds</u>			
Fiscal Year Ended June 30	Total	Principal	Interest
2023	\$ 568,885	\$ 433,000	\$ 135,885
2024	545,810	431,000	114,810
2025	528,780	434,000	94,780
2026	462,950	387,000	75,950
2027	395,600	339,000	56,600
2028-2029	853,250	793,000	60,250
Total	<u>\$ 3,355,275</u>	<u>\$ 2,817,000</u>	<u>\$ 538,275</u>

<u>Sales Tax Bonds</u>			
Fiscal Year Ended June 30	Total	Principal	Interest
2023	\$ 15,944,125	\$ 9,005,000	\$ 6,939,125
2024	15,927,750	9,450,000	6,477,750
2025	15,918,375	9,925,000	5,993,375
2026	15,904,750	10,420,000	5,484,750
2027	15,890,750	10,940,000	4,950,750
2028-2032	79,244,875	63,485,000	15,759,875
2033-2034	31,581,250	30,060,000	1,521,250
Total	<u>\$ 190,411,875</u>	<u>\$ 143,285,000</u>	<u>\$ 47,126,875</u>

State School Bonds	\$ 2,817,000
Sales Tax Bonds	143,285,000
Sub Total Bonds	<u>146,102,000</u>
Plus Unamortized Bond Premium/Discount	30,202,649
Total Bonds Payable	<u>\$ 176,304,649</u>

**NOTE 9 LEASES**

**Lessee Arrangements**

The Board leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2037.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 9 LEASES (CONTINUED)**

**Lessee Arrangements (Continued)**

Total future minimum lease payments under lease agreements are as follows:

	Governmental Activities		Total
	Principal	Interest	
2023	\$ 1,176,013	\$ 124,383	\$ 1,300,396
2024	550,257	108,575	658,832
2025	505,571	98,417	603,988
2026	439,579	89,372	528,951
2027	399,545	81,208	480,753
2028-2032	2,104,467	286,474	2,390,941
2033-2037	10,885,545	72,840	10,958,385
Total Minimum Lease Payments	<u>\$ 16,060,977</u>	<u>\$ 861,269</u>	<u>\$ 16,922,246</u>

Right-of-use assets acquired through outstanding leases are shown below, by underlying asset class:

	Governmental Activities
Equipment	\$ 6,743,266
Buildings	317,712
Less: Accumulated Amortization	(1,036,803)
Total	<u>\$ 6,024,175</u>

**Lessor Arrangements**

The Board, acting as a lessor, leases office space under long-term, noncancelable lease agreements. The lease expires through 2027. During the year ended June 30, 2022, the Board recognized \$2,122 and \$153 in lease revenue and interest revenue, respectively, pursuant to this contract.

Total future minimum lease payments to be received under lease agreements are as follows:

	Governmental Activities		Total
	Principal	Interest	
2023	\$ 2,122	\$ 118	\$ 2,240
2024	2,122	83	2,205
2025	2,122	46	2,168
2026	2,122	9	2,131
2027	530	-	530
Total Minimum Lease Payments	<u>\$ 9,018</u>	<u>\$ 256</u>	<u>\$ 9,274</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 10 CHANGES IN LONG-TERM LIABILITIES**

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

Description	Balance 7/1/2021	Additions	Deletions	Balance 6/30/2022	Due Within One Year	Due After One Year
Certificates of Participation (COP)	\$ 144,180,000	\$ 15,850,000	\$ (28,964,000)	\$ 131,066,000	\$ 13,605,000	\$ 117,461,000
COP-Prem/Discount	10,817,449	2,427,968	-	13,245,417	2,500,024	10,745,393
Bonds Payable	155,097,000	-	(8,995,000)	146,102,000	9,438,000	136,664,000
Bonds Payable-Prem/Discount	27,264,875	2,940,267	(2,493)	30,202,649	2,940,267	27,262,382
Compensated Absences Payable	59,402,221	9,986,330	(7,158,256)	62,230,295	4,432,563	57,797,732
Estimated Liability for Claims	19,862,155	122,051,974	(121,195,492)	20,718,637	7,665,896	13,052,741
Net Pension Liability	584,171,515	48,305,364	(381,608,198)	250,868,681	923,942	249,944,739
Other Postemployment Benefits	35,381,443	16,547,617	(3,129,919)	48,799,141	2,829,051	45,970,090
Lease Liability*	6,206,936	960,840	(106,798)	7,060,978	1,176,013	5,884,965
<b>Total</b>	<b>\$ 1,042,383,594</b>	<b>\$ 219,070,360</b>	<b>\$ (551,160,156)</b>	<b>\$ 710,293,798</b>	<b>\$ 45,510,756</b>	<b>\$ 664,783,042</b>

\* = Restated for GASB 87

For the governmental activities, compensated absences, pension, and postemployment benefits are generally liquidated with resources of the general fund. Estimated insurance claims are generally liquidated with resources of the internal service funds.

**NOTE 11 ESTIMATED ARBITRAGE REBATE**

The Board is not aware of any arbitrage at June 30, 2022.

**NOTE 12 DERIVATIVE INSTRUMENTS**

All derivative instruments have been terminated as of February 3, 2020.

**NOTE 13 FUND BALANCE REPORTING**

There are two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Board has inventories and prepaid items that are considered nonspendable. The Board does not have any nonspendable funds related to endowments.

In addition to the nonspendable fund balance, there is a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- **Restricted** – fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed** – fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 13 FUND BALANCE REPORTING (CONTINUED)**

- **Assigned** – fund balances that contain self-imposed constraints of the government to be used for a particular purpose. Assignment may be made only by the governing body.
- **Unassigned** – fund balance of the general fund that is not constrained for any particular purpose.

The Board has classified its fund balances with the following hierarchy:

**Nonspendable**

The Board has inventories and prepaid items totaling \$15,897,128 that are classified as nonspendable.

**Spendable**

The Board has classified the spendable fund balances as Restricted, Assigned, and Unassigned and considered each to have been spent when expenditures are incurred. When an expenditure is incurred for purposes for which restricted, committed, assigned, and unassigned resources are available, the Board's policy is that expenditures should be applied against restricted resources first, then committed, assigned, and unassigned, respectively. The Board currently has no funds classified as committed.

- **Restricted for State Required Carryover Programs, Special Revenues, Food Service, Debt Service, and Capital Projects**

Federal Laws, Florida Statutes, and local ordinances require that certain revenues be specifically designated for the purpose of State required carryover programs, special revenues, debt service, and capital projects. The funds have been included in the restricted category of fund balance. The restricted fund balance totaled \$364.4 million and represents \$3.0 million in State required carryover programs, \$19.5 million in special revenues, \$17.0 million in food service, \$27.9 million in debt service, and \$297.0 million in capital projects.

- **Assigned for School Operations**

The Board has set aside certain spendable fund balance for school operations. At year-end, the assigned fund balance is \$1,494,780 for school operations. The assigned fund balance for school operations includes other grants.

- **Unassigned**

The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 13 FUND BALANCE REPORTING (CONTINUED)**

**Spendable (Continued)**

The unassigned fund balance for the General Fund is \$78,345,351.

Description	Major			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Other Federal Programs	Other Capital Projects		
Fund Balances:					
Nonspendable:					
Inventories	\$ 9,837,319	\$ -	\$ -	\$ 2,989,727	\$ 12,827,046
Prepays Amounts	3,046,692	-	-	23,390	3,070,082
Restricted:					
State Required Carryover	2,997,993	-	-	-	2,997,993
Special Revenues	19,485,182	-	-	31,583	19,516,765
Food Service	-	-	-	16,987,994	16,987,994
Debt Service	-	-	-	27,921,674	27,921,674
Capital Projects	-	-	247,350,337	41,734,140	289,084,477
Assigned:					
School Operations	1,494,780	-	-	-	1,494,780
Unassigned	78,345,351	-	-	-	78,345,351
 Total Fund Balances	 <u>\$ 115,207,317</u>	 <u>\$ -</u>	 <u>\$ 247,350,337</u>	 <u>\$ 89,688,508</u>	 <u>\$ 452,246,162</u>

On November 12, 2013, the Board established a fiscal planning policy (6210). The policy establishes a targeted operating fund balance of five percent (5%) of the District's projected general fund revenues. On June 26, 2012, the Board approved a resolution (2011/2012-20) that granted authority to and designated the Assistant Superintendent of Business Services (retitled to Associate Superintendent – Chief Financial Officer) to determine fund balance classifications and assignments of amounts to be used for specific purposes. This authority shall remain in effect until modified by Board Action.

**NOTE 14 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

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

Fund	Interfund	
	Receivables	Payables
Major:		
General Fund	\$ 42,603,597	\$ -
Capital Projects		
Other Capital Projects	49,753,929	84,149,732
Non-major:		
Governmental	37,653,594	50,063,659
Internal Service	4,202,271	-
Total	<u>\$ 134,213,391</u>	<u>\$ 134,213,391</u>

The interfund amounts represent temporary loans to over expenditures incurred prior to reimbursement from outside sources.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 14 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)**

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

Fund	Interfund	
	Transfers In	Transfers Out
Major:		
General Fund	\$ 54,508,251	\$ 112
Capital Projects		
Other Capital Projects	-	26,299,414
Non-major:		
Governmental	36,441,868	64,650,593
Total	<u>\$ 90,950,119</u>	<u>\$ 90,950,119</u>

The transfers out of the capital projects fund were primarily to provide debt service principal and interest payments, to fund property casualty premiums, and assist in funding repairs and maintenance. The remaining transfers between funds were operational in nature.

**NOTE 15 RESERVE FOR ENCUMBRANCES**

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

The Florida Department of Education requires that fund balances be reserved at fiscal year-end to report an amount likely to be expended from the 2022-2023 fiscal year budget as a result of purchase orders outstanding at June 30, 2022.

The following is a schedule of encumbrances at June 30, 2022:

<b>Major Funds</b>			
<b>General</b>	<b>Capital Projects - Other</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<u>\$ 20,236,190</u>	<u>\$ 113,349,467</u>	<u>\$ 15,085,171</u>	<u>\$ 148,670,828</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 16 PROPERTY TAXES**

The following is a summary of millage and taxes levied on the 2021 tax roll for fiscal year 2021-2022:

	<u>MILLAGES</u>		<u>TAXES</u>	
	Maximum Authorized	Levied	Levied (100%)	Collected
<u>GENERAL FUND</u>				
Non-voted School Tax:				
Required Local Effort	3.581	3.581	\$ 174,417,647	\$ 167,440,941
Discretionary Local Effort	0.748	0.748	36,432,393	34,975,097
Prior Years	-	-	-	5,150,471
<u>CAPITAL PROJECTS FUNDS</u>				
Non-voted Tax:				
Local Capital Improvements	1.500	1.500	73,059,612	66,343,039
Prior Years	-	-	-	1,781,602
Total	<u>5.829</u>	<u>5.829</u>	<u>\$ 283,909,652</u>	<u>\$ 275,691,150</u>

Actual current-year property taxes collected totaled 97 percent of taxes levied. The Polk County Tax Collector is not required by law to make an accounting to the Board of the differences between taxes levied and taxes collected. However, because discounts are allowed for early payment of taxes and because of other reasons for non-collection, the Board budget estimates less than a 1 percent shortfall between taxes levied and taxes collected.

**NOTE 17 STATE RETIREMENT PROGRAMS**

**Florida Retirement System (“FRS”) – Defined Benefit Pension Plans**

General Information about the 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 under the defined benefit plan and was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (“HIS”) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Florida Retirement System ('FRS') – Defined Benefit Pension Plans (Continued)**

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 FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefits plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

**A. FRS Pension Plan**

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

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

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 the Plan may include up to four years of credit for military service toward creditable service.

The Plan also includes an early retirement provision, however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Florida Retirement System ('FRS') – Defined Benefit Pension Plans (Continued)**

**A. FRS Pension Plan (Continued)**

The 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 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 five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

<b>Class, Initial Enrollment, and Retirement Age/Years of Service</b>	<b>Percent Value</b>
<b>Regular Class Members Initially Enrolled Before July 1, 2011</b>	
Retirement Up to Age 62 or Up to 30 Years of Service	1.60 %
Retirement Up to Age 63 or Up to 31 Years of Service	1.63
Retirement Up to Age 64 or Up to 32 Years of Service	1.65
Retirement Up to Age 65 or Up to 33 Years of Service	1.68
<b>Regular Class Members Initially Enrolled On or After July 1, 2011</b>	
Retirement Up to Age 65 or Up to 33 Years of Service	1.60
Retirement Up to Age 66 or Up to 34 Years of Service	1.63
Retirement Up to Age 67 or Up to 35 Years of Service	1.65
Retirement Up to Age 68 or Up to 36 Years of Service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service On and After October 1, 1974	3.00

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Florida Retirement System ('FRS') – Defined Benefit Pension Plans (Continued)**

**A. FRS Pension Plan (Continued)**

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

Contributions – The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. Contribution rates during the 2021-22 fiscal year were as follows:

<b>Class</b>	<b>Percent of Gross Salary</b>	
	<b>Employee</b>	<b>Employer (1)</b>
FRS, Regular	3.00	11.91
FRS, Elected County Officers	3.00	57.00
FRS, Senior Management Service	3.00	31.57
DROP - Applicable to Members of the Above Classes	0.00	18.60
FRD, Reemployed Retiree	(2)	(2)

Notes:

- (1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also employer rates, other than for DROP, include 0.06 percent for administrative costs of the Investment Plan.
- (2) Contribution rates are dependent upon retirement class in which reemployed.

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

At June 30, 2022, the District reported a liability of \$7,553,863,454 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2021, 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 2020-2021 fiscal year contributions relative to the 2020-2021 fiscal year contributions of all participating members. At June 30, 2021, the District's proportionate share was 1.026312941 percent, which was an increase of 0.078256042 percent from its proportionate share measured as of June 30, 2020.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

For the fiscal year ended June 30, 2022, the District recognized pension expense of \$11,446,300 related to the FRS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related pension 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	\$ 13,288,128	\$ -
Changes in actuarial assumptions	53,047,323	-
Net difference between projected and actual earnings on FRS pension plan investments	-	270,469,697
Changes in proportion and differences between the District FRS contributions and proportionate share of contributions	20,614,214	10,229,131
District FRS contributions subsequent to the measurement date	7,918,956	-
<b>Total</b>	<b><u>\$ 94,868,621</u></b>	<b><u>\$ 280,698,828</u></b>

The deferred outflows of resources resulting from District contributions to the Plan subsequent to the measurement date, totaling \$7,918,956, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. 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 Ended June 30,</u>	<u>Amount</u>
2023	\$ (35,083,635)
2024	(40,038,287)
2025	(53,479,603)
2026	(68,592,311)
2027	3,444,673
Total	<b><u>\$ (193,749,163)</u></b>

**Actuarial Assumptions**

The total pension liability in the July 1, 2021 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
Discount Rate	6.80 percent

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

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Actuarial Assumptions (Continued)**

The actuarial assumptions used in the June 30, 2021 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 or return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption.

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation (1)</b>	<b>Annual Arithmetic Return</b>	<b>Compound Annual (Geometric) Return</b>	<b>Standard Deviation</b>
Cash	1.0%	2.1%	2.1%	1.1%
Fixed Income	20.0%	3.8%	3.7%	3.3%
Global Equity	54.2%	8.2%	6.7%	17.8%
Real Estate (Property)	10.3%	7.1%	6.2%	13.8%
Private Equity	10.8%	11.7%	8.5%	26.4%
Strategic Investments	3.7%	5.7%	5.4%	8.4%
Total Fund	100%			
Assumed Inflation - Mean			2.4%	1.2%

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

**Discount Rate**

The discount rate used to measure the total pension liability was 6.80 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2021 valuation was not changed from 6.8 percent.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to the 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 rate that is 1-percentage-point lower (5.8 percent) or 1-percentage-point higher (7.8 percent) than the current rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.90%	6.80%	7.80%
District’s Proportionate Share of the FRS Plan Net Pension Liability	\$ 33,781,383,454	\$ 7,553,863,454	\$(14,369,402,546)

**Pension Plan Fiduciary Net Position**

Detailed information about the Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

**Payable to the Pension Plan**

The District reported a payable of \$923,942 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2022.

**B. HIS Pension Plan**

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

Benefits Provided – For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable services completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**B. HIS Pension Plan (Continued)**

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, 2022, the contribution rate was 2.16 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 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 contribution to the HIS Plan totaled \$1,500,811 for the fiscal year ended June 30, 2022.

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

At June 30, 2022, the District reported a liability of \$173,342,403 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, 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 2020-2021 fiscal year contributions relative to the 2020-2021 fiscal year contributions of all participating members. At June 30, 2021, the District's proportionate share was 1.413136219 percent, which was a decrease of 0.005962835 from its proportionate share measured as of June 30, 2020.

For the fiscal year ended June 30, 2022, the District recognized pension expense of \$8,335,114 related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related pension 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	\$ 5,800,474	\$ 72,603
Changes in actuarial assumptions	13,620,833	7,142,148
Net difference between projected and actual earnings on FRS pension plan investments	180,705	-
Changes in proportion and differences between the District FRS contributions and proportionate share of contributions	699,108	4,805,702
District FRS contributions subsequent to the measurement date	1,500,811	-
<b>Total</b>	<b>\$ 21,801,931</b>	<b>\$ 12,020,453</b>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

The deferred outflows of resources resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$1,500,811, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amount</u>
2023	\$ 2,611,833
2024	62,789
2025	1,502,518
2026	2,227,028
2027	1,577,923
Thereafter	298,576
Total	<u>\$ 8,280,667</u>

**Actuarial Assumptions**

The total pension liability in the July 1, 2021 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
Discount Rate	6.80 percent

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

While an experience study had not been completed for the HIS Plan,, the actuarial assumptions that determined the total pension liability for the HIS Plan are 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 2.16 percent, which is a decrease from 2.21 percent used in the preceding measurement date. 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.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to the Changes in the Discount Rate**

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 2.16 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 (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.50%	2.16%	4.50%
District’s Proportionate Share of the HIS Plan Net Pension Liability	\$ 14,181,266,208	\$ 12,266,503,481	\$ 10,697,783,617

**Pension Plan Fiduciary Net Position**

Detailed information about the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

**Payable to the Pension Plan**

The District reported a payable of \$72,720 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2022.

**FRS Defined Contribution Pension Plan**

The District contributes to the FRS Investment Plan (“Investment Plan”). The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Cost of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2022**

**NOTE 17 STATE RETIREMENT PROGRAMS (CONTINUED)**

**FRS Defined Contribution Pension Plan (Continued)**

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. 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 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, 2022, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

The District's Investment Plan pension expense totaled \$11,885,902 for the fiscal year ended June 30, 2022.

The District's Investment Plan pension payable totaled \$3,218,251 for the fiscal year ended June 30, 2022.

The District's contributions to the Investment Plan totaled \$14,033,311 for the year ended June 30, 2022. Employee contributions to the Investment Plan totaled \$3,616,242 for the year ended June 30, 2022.

**NOTE 18 DEFERRED COMPENSATION PLAN**

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code, Section 457. Effective January 1997, Internal Revenue Code, Section 457, was amended to (1) provide that assets in such plans be held for the exclusive benefit of the plan participants and (2) eliminate provisions that the plan assets were property of the District (employer). Under the amended provisions of the Internal Revenue Code, Section 457, the assets of the District's deferred compensation plan are not held in a fiduciary capacity by the District and, accordingly, are not reported in the District's basic financial statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 19 CONSTRUCTION CONTRACT COMMITMENTS**

The following is a schedule of construction contract commitments at June 30, 2022:

Location	Contracted Amount	Completed Amount	Committed Amount
Employee Clinic	\$ 1,397,803	\$ 1,354,992	\$ 42,811
Babson Park Elem.	2,042,500	2,038,391	4,109
Bartow Sr.	2,310,983	2,309,772	1,211
Traviss Technical	1,652,260	1,652,260	-
Davenport Elementary	68,963,605	68,116,080	847,525
Mulberry High	35,670,947	34,010,506	1,660,441
Bartow High - Phase 2	11,327,984	10,896,714	431,270
Kingsford Elementary	25,138,334	24,828,327	310,007
Bella Citta Elementary	21,907,296	21,637,681	269,615
Garner Elementary	39,669,120	39,529,258	139,862
Southwest Middle	48,611,708	48,543,787	67,921
<b>Total</b>	<b>\$ 258,692,540</b>	<b>\$ 254,917,768</b>	<b>\$ 3,774,772</b>

**NOTE 20 ALTERNATIVE RETIREMENT PLAN**

Effective August 1, 1995, the District established an Alternative to Social Security Plan for all part-time temporary employees. This plan is authorized under Internal Revenue Code (“IRC”) Section 3121(b)(7)(f) as an alternative plan to Social Security for all employees not eligible for state retirement coverage under this plan, which is administered under IRC Section 457(b). Neither the Board nor the employees contribute the 6.2% FICA Tax to Social Security. Instead, the employees contribute 7.5%, on a pre-tax basis, into the alternative plan, where it is available to the employees at retirement or termination, in accordance with the provisions of the IRC Section 457(b). The plan is coordinated and administered by MidAmerica Administrative & Retirement Solutions. The underlying investment provider is American United Life Insurance Company (AUL). Employee contributions to the plan during the 2021-2022 fiscal year totaled \$215,948 and the related 6.2% FICA tax savings to the Board was \$178,517.

**NOTE 21 OTHER POSTEMPLOYMENT BENEFITS PAYABLE**

The District follows GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain other postemployment benefits administered by the District and life insurance benefits through purchased commercial insurance.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 21 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)**

**General Information about the OPEB Plan**

Plan Description – The other postemployment benefits plan (“OPEB Plan”) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in the District’s health plan for medical and prescription drug coverage. 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, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. Active employees receive health insurance at no cost. Retiree’s over the age of 65 transfer to Florida Schools Retiree Benefits Consortium (FSRBC), while retirees under the age of 65 will begin paying a monthly health plan premium based on their level of coverage. The District does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare (“Medicare”) program for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended by action from the Board. The District has not advance-funded or established a funding methodology for the annual Other Postemployment Benefits (OPEBO) or the net OPEB obligation. Contribution requirements of the District are established and may be amended through the Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB statement No. 75.

Benefits Provided – The OPEB Plan provides healthcare 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, 2021, the following employees were covered:

Retirees and Beneficiaries	361
Active employees	<u>11,566</u>
<b>Total Participants</b>	<b><u><u>11,927</u></u></b>

**Total OPEB Liability**

The District’s total OPEB liability of \$48,799,141 was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 21 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)**

**Total OPEB Liability (Continued)**

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2021 actuarial valuation 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 - 7.8 percent, average, including inflation
Discount Rate	1.92 percent
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 6.00 percent and gradually decreasing to an ultimate trend rate of 3.75 percent
Retirees' share of benefit-related costs	100 percent of projected health insurance premiums for retirees

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

Mortality rates are the same as used in the July 1, 2021 actuarial valuation of the Florida Retirement System for K-12 Instructional Regular Class Members, and non-K-12 Instructional Regular Class Members. These rates were taken from the adjusted Pub-2010 mortality tables published by the SOA with generational mortality improvements using scale MP-2018. Adjustments to reference tables are based on the results of a statewide experience study covering the period 2013 through 2018.

Retirement rates are the same as used in the July 1, 2020 actuarial valuation of the Florida Retirement System for K-12 Instructional Regular Class members and non-K-12 Instructional Regular Class members. They are based on the results of a statewide experience study covering the period 2013 to 2018.

	<b>Total OPEB Liability</b>
<b>Balance - 6/30/21</b>	<b>\$ 35,381,443</b>
<b>Changes for the Year:</b>	
Service Cost	1,913,320
Interest	875,380
Differences Between Expected and Actual Experience	1,990,209
Changes in Assumptions	11,768,708
Benefit Payments	(3,129,919)
<b>Net Changes</b>	<b>13,417,698</b>
<b>Balance - 6/30/22</b>	<b>\$ 48,799,141</b>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 21 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)**

**Total OPEB Liability (Continued)**

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

- The interest rate for discounting of projected cash flows decreased from 2.45 to 1.92 percent.

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 (0.92 percent) or 1-percentage point higher (2.92 percent) than the current rate:

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	0.92 %	1.92 %	2.92 %
Total OPEB Liability	\$ 52,820,129	\$ 48,799,141	\$ 45,315,833

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 (5.0 percent) or 1-percentage point higher (7.0 percent) than the current rate:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	5.00 %	6.00 %	7.00 %
Total OPEB Liability	\$ 42,959,428	\$ 48,799,141	\$ 56,020,664

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

For the fiscal year ended June 30, 2022, the District recognized OPEB expense of \$2,702,982. At June 30, 2022, the District reported deferred outflows of the resources and deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,699,046	\$ -
Changes of assumptions	12,071,165	11,119,637
Date	2,829,051	-
Total	<u>\$ 17,599,262</u>	<u>\$ 11,119,637</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 21 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

The amount reported as deferred outflows of resources related to OPEB, totaling \$2,829,051, resulting from transactions subsequent to the measurement date and before the end of the fiscal year, will be included as a reduction of the total OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended September 30,</u>	<u>Amount</u>
2023	\$ (85,718)
2024	(85,718)
2025	(85,718)
2026	(85,718)
2027	(85,718)
Thereafter	4,079,164
Total	<u>\$ 3,650,574</u>

**NOTE 22 RISK MANAGEMENT PROGRAMS**

The Board 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 Board has established an individual self-insurance program for various traditional liability coverage and group medical coverage. The Board established self-insurance programs for workers' compensation, comprehensive general liability, fleet liability, professional (errors and omissions) liability, boiler and machinery liability, and group health insurance coverage. The Board 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 for workers' compensation, general liability, fleet liability, and group health insurance. The Board has contracted with third party insurance administrators to administer the self-insurance programs, including the processing, investigating, and payment of claims. Settled claims resulting from the risks described above have not exceeded commercial insurance coverage for the past three years.

Premiums for the various coverages are calculated based on estimates of the amounts needed to pay prior and current-year claims and to establish a reserve for catastrophic losses. The total liabilities and unrestricted net position at June 30, 2022 were \$36,254,439, made up of net position of \$15,535,802 and the estimated liability for unpaid claims and other accounts payable. This estimated liability for unpaid claims (not covered by excess insurance) in the amount of \$20,718,637 at June 30, 2022 is based on estimates provided by the actuaries. The workers compensation, general liability and fleet liability portion of the Board's total estimated liability is reported at present value using a 2% interest rate assumption.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2022**

**NOTE 22 RISK MANAGEMENT PROGRAMS (CONTINUED)**

The following schedule represents the changes in claims liability for the Board's self-insurance program:

	Beginning of Fiscal Year Claims Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Claims Liability
2020-2021	\$ 20,428,984	\$ 117,745,027	\$ (118,311,856)	\$ 19,862,155
2021-2022	\$ 19,862,155	\$ 121,741,193	\$ (120,884,711)	\$ 20,718,637

Additionally, the Board purchased \$20,000 of term life insurance for each employee and makes available supplemental life insurance on a non-contributory basis. As required by state statute, the Board purchased commercial insurance for building and contents coverage. Settled claims have not exceeded any insurance coverage in any of the past three fiscal years.

The Board purchased property insurance coverage with a limit of \$50 million with key deductibles of \$100,000 for all perils excluding named windstorm or flood damages if the property is located in Special Flood Hazard Areas. In addition, the equipment breakdown (boiler & machinery) deductible is \$10,000. The named windstorm maximum deductible out-of-pocket is \$20 million for 2022. The flood deductible is \$100,000. For Special Flood Hazard Areas, the deductible is \$500,000 per building and \$500,000 contents per building.

The administrator for the general and fleet liability self-insurance program and the workers' compensation program is John Eastern from July 1, 2021 to June 30, 2022. Florida Blue administers the District's group medical plan portion, as well as the prescription plan portion of the self-insured group health program.

**NOTE 23 CONTINGENT LIABILITIES**

**Grants**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures that may be disallowed by the grantor cannot be determined at this time, although the Board expects such amounts, if any, to be immaterial.

**Lawsuits**

The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Board's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the Board.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**Schedule of Changes in the District's Total OPEB Liability and Related Ratios\***

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service Cost	\$ 1,913,320	\$ 1,703,085	\$ 2,217,303	\$ 2,137,175	\$ 2,247,244
Interest	875,380	1,070,396	1,687,938	1,660,825	1,414,845
Difference Between Expected and Actual Experience	1,990,209	-	1,203,097	-	-
Changes of Assumptions	11,768,708	1,520,525	(13,876,444)	(164,102)	(1,770,820)
Benefit Payments	(3,129,919)	(2,814,872)	(3,480,822)	(3,995,770)	(3,169,008)
Net Change in Total OPEB Liability	<u>13,417,698</u>	<u>1,479,134</u>	<u>(12,248,928)</u>	<u>(361,872)</u>	<u>(1,277,739)</u>
Total OPEB Liability - Beginning	35,381,443	33,902,309	46,151,237	46,513,109	47,790,848
Total OPEB Liability - Ending	<u>\$ 48,799,141</u>	<u>\$ 35,381,443</u>	<u>\$ 33,902,309</u>	<u>\$ 46,151,237</u>	<u>\$ 46,513,109</u>
County's Covered-Employee Payroll	\$ 458,266,583	\$ 453,867,432	\$ 442,797,495	\$ 443,267,378	\$ 430,356,678
County's Total OPEB Liability as a Percentage of Covered-Employee Payroll	10.65 %	7.80 %	7.66 %	10.41 %	10.81 %

\*Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**Schedule of the District's Proportionate Share  
of the 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	1.117915580%	\$ 192,443,026	\$ 428,706,063	44.89%	88.54%
2014	1.104389771%	67,384,017	397,471,489	16.95%	96.09%
2015	1.097838884%	141,800,616	445,311,752	31.84%	92.00%
2016	1.029955435%	260,064,556	459,070,936	56.65%	84.88%
2017	1.001097797%	296,118,011	464,416,622	63.76%	83.89%
2018	1.007763783%	303,543,675	478,426,152	63.45%	84.26%
2019	0.984926250%	339,194,888	492,457,337	68.88%	82.61%
2020	0.948056899%	410,901,832	492,693,497	83.40%	78.85%
2021	1.026312941%	77,526,278	500,470,247	15.49%	96.40%

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

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

Fiscal Year Ending June 30	Contractually Required FRS Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution deficiency (excess)	District's Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2014	\$ 15,043,772	\$ (15,043,772)	\$ -	\$ 397,471,489	3.78%
2015	24,190,823	(24,190,823)	-	445,311,752	5.43%
2016	25,117,106	(25,117,106)	-	459,070,936	5.47%
2017	26,061,040	(26,061,040)	-	464,416,622	5.61%
2018	28,720,458	(28,720,458)	-	478,426,152	6.00%
2019	30,539,821	(30,539,821)	-	492,457,337	6.20%
2020	31,499,730	(31,499,730)	-	492,693,497	6.39%
2021	39,098,089	(39,098,089)	-	500,470,247	7.81%
2022	39,970,250	(39,970,250)	-	531,344,187	7.52%

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

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2022**

**Schedule of the District's Proportionate Share  
of the Net Pension Liability -  
Health Insurance Subsidy 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	1.475547971%	\$ 128,465,852	\$ 428,706,063	29.97%	1.78%
2014	1.459028367%	136,422,713	397,471,489	34.32%	99.00%
2015	1.463739376%	149,651,081	445,311,752	33.61%	50.00%
2016	1.486864795%	173,287,932	459,070,936	37.75%	97.00%
2017	1.456262136%	155,710,266	464,416,622	33.53%	1.64%
2018	1.464556036%	155,010,255	478,426,152	32.40%	2.15%
2019	1.453736711%	162,658,590	492,457,337	33.03%	2.63%
2020	1.419099053%	173,269,683	492,693,497	35.17%	3.00%
2021	1.413136219%	173,342,403	500,470,247	34.64%	3.56%

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

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

Fiscal Year Ending June 30	Contractually Required FRS Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution deficiency (excess)	District's Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2014	\$ 4,833,522	\$ (4,833,522)	\$ -	\$ 397,471,489	1.22%
2015	4,998,140	(4,998,140)	-	445,311,752	1.12%
2016	7,621,130	(7,621,130)	-	459,070,936	1.66%
2017	7,706,959	(7,706,959)	-	464,416,622	1.66%
2018	7,942,324	(7,942,324)	-	478,426,152	1.66%
2019	8,072,459	(8,072,459)	-	492,457,337	1.64%
2020	8,177,603	(8,177,603)	-	492,693,497	1.66%
2021	8,306,427	(8,306,427)	-	500,470,247	1.66%
2022	8,335,114	(8,335,114)	-	531,344,187	1.57%

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

**SCHOOL BOARD OF POLK COUNTY, FLORIDA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2022**

**NOTE 1 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. The June 30, 2022, total OPEB liability increased from the prior fiscal year as a result of changes to assumptions as discussed below:

*Changes of Assumptions*

- The discount rate was changed from 2.45 percent as of the beginning of the measurement period to 1.92 percent as of June 30, 2021 (based on the Long-Term Municipal Bond Rate).
- The expected claims and premiums were updated to reflect recent information provided for this valuation.
- The ultimate healthcare cost trend rate was lowered from 3.99% to 3.75%.

**NOTE 2 SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN**

*Changes of Assumptions*

- The long-term expected rate of return did not change from 6.8 percent.

**NOTE 3 SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN**

*Changes of Assumptions*

- The municipal bond rate used to determine total pension liability decreased from 2.21 percent to 1.92 percent.

# **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**



**POLK COUNTY  
PUBLIC SCHOOLS**

STUDENTS FIRST

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

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

- **Food Services Fund** – Accounts for and reports on activities of the food service program
- **Federal Education Stabilization Fund** – Accounts for Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding provided as emergency relief to address the impact of COVID-19 on elementary and secondary schools.
- **Other Federal Programs** – Accounts for various granting agencies awarding application-based funds to enhance educational programs.
- **Miscellaneous Special Revenue Fund** – Accounts for and reports on Activities of programs received from sources other than the Federal and State government.

### Debt Service Funds

The Debt Service Funds account for the payment of interest and principal of the current portion of long-term debt, primarily from tax proceeds and earnings on temporary investments.

- **State Board of Education Bonds Fund** – Accounts for and reports on payments of principal, interest, and related costs on various bond issues serviced by the State.
- **Other Debt Service Fund** – Accounts for and reports on payments of principal and related costs on various bond issues.
- **ARRA Debt Service Fund** – Accounts for and reports on payments of principal and related costs on various bond issues serviced by the Federal government.

## NONMAJOR GOVERNMENTAL FUNDS

### Capital Projects Funds

The Capital Projects Funds account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects.

- **Capital Outlay Bond Issue Fund** – Accounts for and reports on bond issue proceeds received from the State Board of Education and issued at the request of the District.
- **Public Education Capital Outlay (PECO) Fund** – Accounts for and reports on funds received from the State for the construction and maintenance of schools.
- **Capital Outlay & Debt Service Fund** – Accounts for and reports on the funds received from the State Board of Education Capital Outlay Bonds.
- **Local Capital Improvement** – Accounts for and reports on funds received through ad valorem taxes.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	<b>Special Revenue</b>				<b>Total</b>
	<b>Food Services</b>	<b>Other Federal Programs</b>	<b>Federal Education Stabilization</b>	<b>Miscellaneous Special Revenue</b>	
<b>ASSETS</b>					
Cash	\$ 51,048	\$ 3,083	\$ -	\$ 1,783	\$ 55,914
Investments	9,030,926	99	-	-	9,031,025
Accounts and interest receivable	13,060	64,184	42	-	77,286
Due from other governmental agencies	418,656	50,746,763	-	-	51,165,419
Due from other funds	7,994,697	-	2,772,875	-	10,767,572
Inventories	2,989,727	-	-	-	2,989,727
Prepaid Items	-	23,390	-	-	23,390
Total assets	<u>\$ 20,498,114</u>	<u>\$ 50,837,519</u>	<u>\$ 2,772,917</u>	<u>\$ 1,783</u>	<u>\$ 74,110,333</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts and contracts payable	\$ 197,226	\$ 590,034	\$ 2,669,500	\$ 1,611	\$ 3,458,371
Salaries and wages payable	16,239	22,361	-	-	38,600
Payroll deductions and withholdings	(427)	(8,385)	-	-	(8,812)
Due to other funds	-	50,052,320	-	172	50,052,492
Due to other governmental agencies	125,973	126,216	103,417	-	355,606
Sales tax payable	408	-	-	-	408
Unearned revenue	180,974	-	-	-	180,974
Matured interest payable	-	-	-	-	-
Total liabilities	<u>520,393</u>	<u>50,782,546</u>	<u>2,772,917</u>	<u>1,783</u>	<u>54,077,639</u>
Fund balances:					
Nonspendable:					
Inventories	2,989,727	-	-	-	2,989,727
Prepaid Amounts	-	23,390	-	-	23,390
Restricted:					
Debt service	-	-	-	-	-
Capital outlay	-	-	-	-	-
Food services	16,987,994	-	-	-	16,987,994
Special revenues	-	31,583	-	-	31,583
Total fund balances	<u>19,977,721</u>	<u>54,973</u>	<u>-</u>	<u>-</u>	<u>20,032,694</u>
Total liabilities and fund balances	<u>\$ 20,498,114</u>	<u>\$ 50,837,519</u>	<u>\$ 2,772,917</u>	<u>\$ 1,783</u>	<u>\$ 74,110,333</u>



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	<b>Debt Service</b>			
	<b>State Board of Education Bonds</b>	<b>Other Debt Service</b>	<b>ARRA Debt Service</b>	<b>Total</b>
<b>ASSETS</b>				
Cash	\$ -	\$ 1,869,882	\$ 2,106,533	\$ 3,976,415
Investments	69,402	-	25,685,795	25,755,197
Accounts and interest receivable	-	-	-	-
Due from other governmental agencies	-	-	-	-
Due from other funds	-	-	-	-
Inventories	-	-	-	-
Prepaid Items	-	-	-	-
Total assets	<u>\$ 69,402</u>	<u>\$ 1,869,882</u>	<u>\$ 27,792,328</u>	<u>\$ 29,731,612</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts and contracts payable	\$ -	\$ -	\$ -	\$ -
Salaries and wages payable	-	-	-	-
Payroll deductions and withholdings	-	-	-	-
Due to other funds	-	11,167	-	11,167
Due to other governmental agencies	-	-	-	-
Sales tax payable	-	-	-	-
Unearned revenue	-	-	-	-
Matured interest payable	-	1,798,771	-	1,798,771
Total liabilities	<u>-</u>	<u>1,809,938</u>	<u>-</u>	<u>1,809,938</u>
Fund balances:				
Nonspendable:				
Inventories	-	-	-	-
Prepaid Amounts	-	-	-	-
Restricted:				
Debt service	69,402	59,944	27,792,328	27,921,674
Capital outlay	-	-	-	-
Food services	-	-	-	-
Special revenues	-	-	-	-
Total fund balances	<u>69,402</u>	<u>59,944</u>	<u>27,792,328</u>	<u>27,921,674</u>
Total liabilities and fund balances	<u>\$ 69,402</u>	<u>\$ 1,869,882</u>	<u>\$ 27,792,328</u>	<u>\$ 29,731,612</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	<b>Capital Projects</b>					<b>Total Nonmajor Governmental Funds</b>
	<b>Capital Outlay Bond Issue</b>	<b>Public Education Capital Outlay</b>	<b>Capital Outlay and Debt Service</b>	<b>Local Capital Improvement</b>	<b>Total</b>	
<b>ASSETS</b>						
Cash	\$ 17,677	\$ -	\$ 295,533	\$ -	\$ 313,210	\$ 4,345,539
Investments	-	-	1,250,023	8,457,554	9,707,577	44,493,799
Accounts and interest receivable	-	-	-	(3,347)	(3,347)	73,939
Due from other governmental agencies	-	-	3,499,001	1,329,968	4,828,969	55,994,388
Due from other funds	-	-	-	26,886,022	26,886,022	37,653,594
Inventories	-	-	-	-	-	2,989,727
Prepaid Items	-	-	-	-	-	23,390
Total assets	<u>\$ 17,677</u>	<u>\$ -</u>	<u>\$ 5,044,557</u>	<u>\$ 36,670,197</u>	<u>\$ 41,732,431</u>	<u>\$ 145,574,376</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts and contracts payable	\$ -	\$ -	\$ 34	\$ (1,743)	\$ (1,709)	\$ 3,456,662
Salaries and wages payable	-	-	-	-	-	38,600
Payroll deductions and withholdings	-	-	-	-	-	(8,812)
Due to other funds	-	-	-	-	-	50,063,659
Due to other governmental agencies	-	-	-	-	-	355,606
Sales tax payable	-	-	-	-	-	408
Unearned revenue	-	-	-	-	-	180,974
Matured interest payable	-	-	-	-	-	1,798,771
Total liabilities	<u>-</u>	<u>-</u>	<u>34</u>	<u>(1,743)</u>	<u>(1,709)</u>	<u>55,885,868</u>
Fund balances:						
Nonspendable:						
Inventories	-	-	-	-	-	2,989,727
Prepaid Amounts	-	-	-	-	-	23,390
Restricted:						
Debt service	-	-	-	-	-	27,921,674
Capital outlay	17,677	-	5,044,523	36,671,940	41,734,140	41,734,140
Food services	-	-	-	-	-	16,987,994
Special revenues	-	-	-	-	-	31,583
Total fund balances	<u>17,677</u>	<u>-</u>	<u>5,044,523</u>	<u>36,671,940</u>	<u>41,734,140</u>	<u>89,688,508</u>
Total liabilities and fund balances	<u>\$ 17,677</u>	<u>\$ -</u>	<u>\$ 5,044,557</u>	<u>\$ 36,670,197</u>	<u>\$ 41,732,431</u>	<u>\$ 145,574,376</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Special Revenue				Total
	Food Services	Other Federal Programs	Federal Education Stabilization	Miscellaneous Special Revenue	
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Food services	724,209	-	-	-	724,209
Other	(74,257)	30,914	-	17	(43,326)
Total local sources	<u>649,952</u>	<u>30,914</u>	<u>-</u>	<u>17</u>	<u>680,883</u>
State sources:					
Food services	797,411	-	-	-	797,411
Other	-	-	-	-	-
Total state sources	<u>797,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>797,411</u>
<b>Federal sources:</b>					
Federal direct	-	10,793,346	-	-	10,793,346
Federal through State and Local:					
Food services	67,206,917	-	-	-	67,206,917
Federal grants through State and Local	-	-	119,373,213	-	119,373,213
Miscellaneous	-	105,562,988	-	1,073,293	106,636,281
Total federal through state and local	<u>67,206,917</u>	<u>105,562,988</u>	<u>119,373,213</u>	<u>1,073,293</u>	<u>293,216,411</u>
Total federal sources	<u>67,206,917</u>	<u>116,356,334</u>	<u>119,373,213</u>	<u>1,073,293</u>	<u>304,009,757</u>
Total revenues	<u>68,654,280</u>	<u>116,387,248</u>	<u>119,373,213</u>	<u>1,073,310</u>	<u>305,488,051</u>
<b>EXPENDITURES</b>					
Current:					
Instruction	-	28,687,976	63,313,354	21,395	92,022,725
Student personnel services	-	4,383,401	6,047,809	1,688	10,432,898
Instructional media services	-	77,703	494,069	-	571,772
Instruction and curriculum development services	-	6,907,227	346,887	84,463	7,338,577
Instructional staff training services	-	5,526,149	1,231,061	24,529	6,781,739
Instructional related technology	-	29,690,312	15,401,443	-	45,091,755
General administration	-	1,533,435	10,261,004	-	11,794,439
School administration	-	1,215	190,588	-	191,803
Non capitalizable facilities acquisition and construction	-	31,287,388	235	485,137	31,772,760
Fiscal services	-	65,875	691	-	66,566
Food services	56,446,369	78,765	-	-	56,525,134
Central services	-	1,008,833	10,604,380	-	11,613,213
Student transportation services	-	172,476	2,246,065	-	2,418,541
Operation of plant	-	58,806	4,833,763	278,107	5,170,676
Maintenance of plant	-	36,873	131,573	-	168,446
Community services and other	-	1,958,588	930,349	-	2,888,937
Debt service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Dues, fees and other	-	-	-	-	-
Capital outlay:					
Facilities acquisition and construction	-	-	5,227	172,484	177,711
Other capital outlay	330,373	4,876,871	3,334,715	5,507	8,547,466
Total expenditures	<u>56,776,742</u>	<u>116,351,893</u>	<u>119,373,213</u>	<u>1,073,310</u>	<u>293,575,158</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,877,538</u>	<u>35,355</u>	<u>-</u>	<u>-</u>	<u>11,912,893</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Issuance of refunding bonds	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	11,877,538	35,355	-	-	11,912,893
Fund balances - beginning	<u>8,100,183</u>	<u>19,618</u>	<u>-</u>	<u>-</u>	<u>8,119,801</u>
Fund balances - ending	<u>\$ 19,977,721</u>	<u>\$ 54,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,032,694</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Debt Service			
	State Board of Education Bonds	Other Debt Service	ARRA Debt Service	Total
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Food services	-	-	-	-
Other	-	98	618,794	618,892
Total local sources	<u>-</u>	<u>98</u>	<u>618,794</u>	<u>618,892</u>
State sources:				
Food services	-	-	-	-
Other	568,918	-	-	568,918
Total state sources	<u>568,918</u>	<u>-</u>	<u>-</u>	<u>568,918</u>
<b>Federal sources:</b>				
Federal direct	-	-	1,076,715	1,076,715
Federal through State and Local:				
Food services	-	-	-	-
Federal grants through State and Local	-	-	-	-
Miscellaneous	-	-	-	-
Total federal through state and local	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total federal sources	<u>-</u>	<u>-</u>	<u>1,076,715</u>	<u>1,076,715</u>
Total revenues	<u>568,918</u>	<u>98</u>	<u>1,695,509</u>	<u>2,264,525</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	-	-	-
Student personnel services	-	-	-	-
Instructional media services	-	-	-	-
Instruction and curriculum development services	-	-	-	-
Instructional staff training services	-	-	-	-
Instructional related technology	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Non capitalizable facilities acquisition and construction	-	-	-	-
Fiscal services	-	-	-	-
Food services	-	-	-	-
Central services	-	-	-	-
Student transportation services	-	-	-	-
Operation of plant	-	-	-	-
Maintenance of plant	-	-	-	-
Community services and other	-	-	-	-
Debt service:				
Principal retirement	420,000	21,763,000	-	22,183,000
Interest	158,910	11,228,690	1,530,060	12,917,660
Dues, fees and other	212	92,119	6,196	98,527
Capital outlay:				
Facilities acquisition and construction	-	-	-	-
Other capital outlay	-	-	-	-
Total expenditures	<u>579,122</u>	<u>33,083,809</u>	<u>1,536,256</u>	<u>35,199,187</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,204)</u>	<u>(33,083,711)</u>	<u>159,253</u>	<u>(32,934,662)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of refunding bonds	-	15,850,000	-	15,850,000
Payments to refunded bond escrow agent	-	(15,776,000)	-	(15,776,000)
Transfers in	-	33,008,738	3,433,018	36,441,756
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>33,082,738</u>	<u>3,433,018</u>	<u>36,515,756</u>
Net change in fund balances	(10,204)	(973)	3,592,271	3,581,094
Fund balances - beginning	<u>79,606</u>	<u>60,917</u>	<u>24,200,057</u>	<u>24,340,580</u>
Fund balances - ending	<u>\$ 69,402</u>	<u>\$ 59,944</u>	<u>\$ 27,792,328</u>	<u>\$ 27,921,674</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Capital Projects				Total	Total Nonmajor Governmental Funds
	Capital Outlay Bond Issue	Public Education Capital Outlay	Capital Outlay and Debt Service	Local Capital Improvement		
<b>REVENUES</b>						
Local sources:						
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 71,093,962	\$ 71,093,962	\$ 71,093,962
Food services	-	-	-	-	-	724,209
Other	-	-	1,771	28,716	30,487	606,053
Total local sources	-	-	1,771	71,122,678	71,124,449	72,424,224
State sources:						
Food services	-	-	-	-	-	797,411
Other	-	-	3,503,643	195	3,503,838	4,072,756
Total state sources	-	-	3,503,643	195	3,503,838	4,870,167
Federal sources:						
Federal direct	-	-	-	-	-	11,870,061
Federal through State and Local:						
Food services	-	-	-	-	-	67,206,917
Federal grants through State and Local	-	-	-	-	-	119,373,213
Miscellaneous	-	-	-	-	-	106,636,281
Total federal through state and local	-	-	-	-	-	293,216,411
Total federal sources	-	-	-	-	-	305,086,472
Total revenues	-	-	3,505,414	71,122,873	74,628,287	382,380,863
<b>EXPENDITURES</b>						
Current:						
Instruction	-	-	-	-	-	92,022,725
Student personnel services	-	-	-	-	-	10,432,898
Instructional media services	-	-	-	-	-	571,772
Instruction and curriculum development services	-	-	-	-	-	7,338,577
Instructional staff training services	-	-	-	-	-	6,781,739
Instructional related technology	-	-	-	-	-	45,091,755
General administration	-	-	-	-	-	11,794,439
School administration	-	-	-	-	-	191,803
Non capitalizable facilities acquisition and construction	-	-	1,820,805	216,861	2,037,666	33,810,426
Fiscal services	-	-	-	-	-	66,566
Food services	-	-	-	-	-	56,525,134
Central services	-	-	-	-	-	11,613,213
Student transportation services	-	-	-	-	-	2,418,541
Operation of plant	-	-	-	-	-	5,170,676
Maintenance of plant	-	-	-	-	-	168,446
Community services and other	-	-	-	-	-	2,888,937
Debt service:						
Principal retirement	-	-	-	-	-	22,183,000
Interest	-	-	-	-	-	12,917,660
Dues, fees and other	-	-	4,642	-	4,642	103,169
Capital outlay:						
Facilities acquisition and construction	-	-	288,167	-	288,167	465,878
Other capital outlay	-	-	-	-	-	8,547,466
Total expenditures	-	-	2,113,614	216,861	2,330,475	331,104,820
Excess (deficiency) of revenues over (under) expenditures	-	-	1,391,800	70,906,012	72,297,812	51,276,043
<b>OTHER FINANCING SOURCES (USES):</b>						
Issuance of refunding bonds	-	-	-	-	-	15,850,000
Payments to refunded bond escrow agent	-	-	-	-	-	(15,776,000)
Transfers in	-	112	-	-	112	36,441,868
Transfers out	-	-	-	(64,650,593)	(64,650,593)	(64,650,593)
Total other financing sources and uses	-	112	-	(64,650,593)	(64,650,481)	(28,134,725)
Net change in fund balances	-	112	1,391,800	6,255,419	7,647,331	23,141,318
Fund balances - beginning	17,677	(112)	3,652,723	30,416,521	34,086,809	66,547,190
Fund balances - ending	\$ 17,677	\$ -	\$ 5,044,523	\$ 36,671,940	\$ 41,734,140	\$ 89,688,508

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NON MAJOR SPECIAL REVENUE FUNDS  
FOOD SERVICES FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Food services	\$ 617,000	\$ 617,000	\$ 724,209	\$ 107,209
Other	20,000	20,000	(74,257)	(94,257)
Total local sources	<u>637,000</u>	<u>637,000</u>	<u>649,952</u>	<u>12,952</u>
State sources:				
Food services	760,000	760,000	797,411	37,411
Federal sources:				
Federal through state and local				
Food services	62,823,800	62,823,800	67,206,917	4,383,117
Total federal sources	<u>62,823,800</u>	<u>62,823,800</u>	<u>67,206,917</u>	<u>4,383,117</u>
 Total revenues	 <u>64,220,800</u>	 <u>64,220,800</u>	 <u>68,654,280</u>	 <u>4,433,480</u>
<b>EXPENDITURES</b>				
Current:				
Food service	54,165,818	54,165,818	56,446,369	(2,280,551)
Capital outlay:				
Other capital outlay	1,000,000	1,000,000	330,373	669,627
Total capital outlay	<u>1,000,000</u>	<u>1,000,000</u>	<u>330,373</u>	<u>669,627</u>
 Total expenditures	 <u>55,165,818</u>	 <u>55,165,818</u>	 <u>56,776,742</u>	 <u>(1,610,924)</u>
 Net change in fund balances	 9,054,982	 9,054,982	 11,877,538	 2,822,556
 Fund balances - beginning	 <u>8,100,183</u>	 <u>8,100,183</u>	 <u>8,100,183</u>	 <u>-</u>
 Fund balances - ending	 <u>\$ 17,155,165</u>	 <u>\$ 17,155,165</u>	 <u>\$ 19,977,721</u>	 <u>\$ 2,822,556</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NON MAJOR SPECIAL REVENUE FUNDS  
OTHER FEDERAL PROGRAMS FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Local sources:				
Other	\$ -	\$ -	\$ 30,914	\$ 30,914
Total local sources	<u>-</u>	<u>-</u>	<u>30,914</u>	<u>30,914</u>
Federal sources:				
Federal direct	9,340,109	9,340,109	10,793,346	1,453,237
Federal through state and local				
Miscellaneous	57,123,813	57,123,813	105,562,988	48,439,175
Total federal sources	<u>66,463,922</u>	<u>9,340,109</u>	<u>116,356,334</u>	<u>49,892,412</u>
Total revenues	<u>66,463,922</u>	<u>9,340,109</u>	<u>116,387,248</u>	<u>49,923,326</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	36,967,340	36,967,340	28,687,976	8,279,364
Student personnel services	5,587,157	5,587,157	4,383,401	1,203,756
Instructional media services	6,957	6,957	77,703	(70,746)
Instruction and curriculum				
development services	9,603,234	9,603,234	6,907,227	2,696,007
Instruction staff training services	7,636,217	7,636,217	5,526,149	2,110,068
Instruction related technology	89,150	89,150	29,690,312	(29,601,162)
General administration	1,825,746	1,825,746	1,533,435	292,311
School administration	884	884	1,215	(331)
Non capitalizable facilities				
acquisition and construction	31,417,388	31,417,388	31,287,388	130,000
Fiscal services	38,395	38,395	65,875	(27,480)
Food service	36,615	36,615	78,765	(42,150)
Central services	901,630	901,630	1,008,833	(107,203)
Student transportation	262,201	262,201	172,476	89,725
Operation of plant	68,041	68,041	58,806	9,235
Maintenance of plant	42,358	42,358	36,873	5,485
Community services	2,985,984	2,985,984	1,958,588	1,027,396
Capital outlay:				
Facilities acquisition and				
construction	3,658	3,658	-	3,658
Other capital outlay	1,592,437	1,592,437	4,876,871	(3,284,434)
Total capital outlay	<u>1,596,095</u>	<u>1,596,095</u>	<u>4,876,871</u>	<u>(3,280,776)</u>
Total expenditures	<u>99,065,392</u>	<u>99,065,392</u>	<u>116,351,893</u>	<u>(17,286,501)</u>
Excess (deficiency) of revenues				
over (under) expenditures	<u>(32,601,470)</u>	<u>(89,725,283)</u>	<u>35,355</u>	<u>32,636,825</u>
Net change in fund balances	<u>(32,601,470)</u>	<u>(89,725,283)</u>	<u>35,355</u>	<u>32,636,825</u>
Fund balances - beginning	19,618	19,618	19,618	-
Fund balances - ending	<u>\$ (32,581,852)</u>	<u>\$ (89,705,665)</u>	<u>\$ 54,973</u>	<u>\$ 32,636,825</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NON MAJOR SPECIAL REVENUE FUNDS  
FEDERAL EDUCATION STABILIZATION FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Federal sources:				
Federal through state and local	\$ 414,203,659	\$ 414,203,659	\$ 119,373,213	\$ (294,830,446)
Total revenues	<u>414,203,659</u>	<u>414,203,659</u>	<u>119,373,213</u>	<u>(294,830,446)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	411,434,261	411,434,261	63,313,354	348,120,907
Student personnel services	87,594	87,594	6,047,809	(5,960,215)
Instructional media services	127,234	127,234	494,069	(366,835)
Instruction and curriculum development services	78,641	78,641	346,887	(268,246)
Instruction staff training services	488,218	488,218	1,231,061	(742,843)
Instruction related technology	1,110	1,110	15,401,443	(15,400,333)
General administration	-	-	10,261,004	(10,261,004)
School administration	450	450	190,588	(190,138)
Non capitalizable facilities acquisition and construction	-	-	235	(235)
Fiscal services	-	-	691	(691)
Food service	12,456	12,456	-	12,456
Central services	2,807	2,807	10,604,380	(10,601,573)
Student transportation	68,271	68,271	2,246,065	(2,177,794)
Operation of plant	1,597,397	1,597,397	4,833,763	(3,236,366)
Maintenance of plant	21,738	21,738	131,573	(109,835)
Community services	145,231	145,231	930,349	(785,118)
Capital outlay:				
Facilities acquisition and construction	-	-	5,227	(5,227)
Other capital outlay	138,251	138,251	3,334,715	(3,196,464)
Total expenditures	<u>414,203,659</u>	<u>414,203,659</u>	<u>119,373,213</u>	<u>294,830,446</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
NON MAJOR SPECIAL REVENUE FUNDS  
MISCELLANEOUS SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Other	\$ -	\$ -	\$ 17	\$ 17
Federal sources:				
Federal through state and local Miscellaneous	1,091,795	1,091,795	1,073,293	(18,502)
Total revenues	<u>1,091,795</u>	<u>1,091,795</u>	<u>1,073,310</u>	<u>(18,485)</u>
<b>EXPENDITURES</b>				
Current:				
Instruction	166,575	166,575	21,395	145,180
Student personnel services	-	-	1,688	(1,688)
Instruction and curriculum development services	-	-	84,463	(84,463)
Instruction staff training services	132,544	132,544	24,529	108,015
Non capitalizable facilities acquisition and construction	-	-	485,137	(485,137)
Operation of plant	620,543	620,543	278,107	342,436
Capital outlay:				
Facilities acquisition and construction	-	-	172,484	(172,484)
Other capital outlay	172,133	172,133	5,507	166,626
Total expenditures	<u>1,091,795</u>	<u>1,091,795</u>	<u>1,073,310</u>	<u>18,485</u>
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
DEBT SERVICE FUNDS  
STATE BOARD OF EDUCATION BONDS FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
State sources:				
Other	\$ 605,035	\$ 605,035	\$ 568,918	\$ (36,117)
Total revenues	605,035	605,035	568,918	(36,117)
<b>EXPENDITURES</b>				
Debt Service:				
Principal retirement	-	-	420,000	(420,000)
Interest	-	-	158,910	(158,910)
Dues, fees and other	-	-	212	(212)
Total expenditures	-	-	579,122	(579,122)
Excess (deficiency) of revenues over (under) expenditures	605,035	605,035	(10,204)	(615,239)
Net change in fund balances	605,035	605,035	(10,204)	(615,239)
Fund balances - beginning	79,606	79,606	79,606	-
Fund balances - ending	\$ 684,641	\$ 684,641	\$ 69,402	\$ (615,239)

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
DEBT SERVICE FUNDS  
OTHER DEBT SERVICE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Other	\$ -	\$ -	\$ 98	\$ 98
Total revenues	-	-	98	98
<b>EXPENDITURES</b>				
Debt service:				
Principal retirement	-	-	21,763,000	(21,763,000)
Interest	-	-	11,228,690	(11,228,690)
Dues, fees and other	-	-	92,119	(92,119)
Total expenditures	-	-	33,083,809	(33,083,809)
Excess (deficiency) of revenues over (under) expenditures	-	-	(33,083,711)	(33,083,711)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of refunding bonds	-	-	15,850,000	15,850,000
Payments to refunded bond escrow agent	-	-	(15,776,000)	(15,776,000)
Transfers in	-	-	33,008,738	33,008,738
Total other financing sources and uses	-	-	33,082,738	33,082,738
Net change in fund balances	-	-	(973)	(973)
Fund balances - beginning	60,917	60,917	60,917	-
Fund balances - ending	\$ 60,917	\$ 60,917	\$ 59,944	\$ (973)

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
DEBT SERVICE FUNDS  
ARRA DEBT SERVICE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Other	\$ -	\$ -	\$ 618,794	\$ 618,794
Federal sources:				
Federal direct	1,141,797	1,141,797	1,076,715	(65,082)
Total revenues	<u>1,141,797</u>	<u>1,141,797</u>	<u>1,695,509</u>	<u>553,712</u>
<b>EXPENDITURES</b>				
Debt service:				
Interest	-	-	1,530,060	(1,530,060)
Dues, fees and other	-	-	6,196	(6,196)
Total expenditures	<u>-</u>	<u>-</u>	<u>1,536,256</u>	<u>(1,536,256)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,141,797</u>	<u>1,141,797</u>	<u>159,253</u>	<u>(982,544)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	3,433,018	3,433,018
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>3,433,018</u>	<u>3,433,018</u>
Net change in fund balances	1,141,797	1,141,797	3,592,271	2,450,474
Fund balances - beginning	<u>24,200,057</u>	<u>24,200,057</u>	<u>24,200,057</u>	<u>-</u>
Fund balances - ending	<u>\$ 25,341,854</u>	<u>\$ 25,341,854</u>	<u>\$ 27,792,328</u>	<u>\$ 2,450,474</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
CAPITAL PROJECTS FUNDS  
CAPITAL OUTLAY BOND ISSUE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances - beginning	17,677	17,677	17,677	-
Fund balances - ending	<u>\$ 17,677</u>	<u>\$ 17,677</u>	<u>\$ 17,677</u>	<u>\$ -</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
CAPITAL PROJECTS FUNDS  
PUBLIC EDUCATION CAPITAL OUTLAY FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Total revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	112	112
Total other financing sources and uses	-	-	112	112
Net change in fund balances	-	-	112	112
Fund balances - beginning	(112)	(112)	(112)	-
Fund balances - ending	<u>\$ (112)</u>	<u>\$ (112)</u>	<u>\$ -</u>	<u>\$ 112</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
CAPITAL PROJECTS FUNDS  
CAPITAL OUTLAY AND DEBT SERVICE FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Other	\$ -	\$ -	\$ 1,771	\$ 1,771
State sources:				
Other	3,000,000	3,000,000	3,503,643	503,643
 Total revenues	 3,000,000	 3,000,000	 3,505,414	 505,414
<b>EXPENDITURES</b>				
Current:				
Non capitalizable facilities acquisition and construction	2,602,926	2,602,926	1,820,805	782,121
Debt service:				
Dues, fees and other	-	-	4,642	(4,642)
Capital outlay:				
Facilities acquisition and construction	10,593	10,593	288,167	(277,574)
 Total expenditures	 2,613,519	 2,613,519	 2,113,614	 499,905
 Net change in fund balances	 386,481	 386,481	 1,391,800	 1,005,319
 Fund balances - beginning	 3,652,723	 3,652,723	 3,652,723	 -
 Fund balances - ending	 \$ 4,039,204	 \$ 4,039,204	 \$ 5,044,523	 \$ 1,005,319

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
CAPITAL PROJECTS FUNDS  
LOCAL CAPITAL IMPROVEMENT FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 70,137,228	\$ 70,137,228	\$ 71,093,962	\$ 956,734
Other	-	-	28,716	28,716
Total local sources	<u>70,137,228</u>	<u>70,137,228</u>	<u>71,122,678</u>	<u>985,450</u>
State sources:				
Other	-	-	195	195
Total revenues	<u>70,137,228</u>	<u>70,137,228</u>	<u>71,122,873</u>	<u>985,645</u>
<b>EXPENDITURES</b>				
Current:				
Non capitalizable facilities acquisition and construction	2,000,000	2,000,000	216,861	1,783,139
Total expenditures	<u>2,000,000</u>	<u>2,000,000</u>	<u>216,861</u>	<u>1,783,139</u>
Excess (deficiency) of revenues over (under) expenditures	<u>68,137,228</u>	<u>68,137,228</u>	<u>70,906,012</u>	<u>2,768,784</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(64,650,593)	(64,650,593)
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(64,650,593)</u>	<u>(64,650,593)</u>
Net change in fund balances	68,137,228	68,137,228	6,255,419	(61,881,809)
Fund balances - beginning	<u>30,416,521</u>	<u>30,416,521</u>	<u>30,416,521</u>	<u>-</u>
Fund balances - ending	<u>\$ 98,553,749</u>	<u>\$ 98,553,749</u>	<u>\$ 36,671,940</u>	<u>\$ (61,881,809)</u>



**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES BUSGET  
AND ACTUAL – OTHER CAPITAL PROJECTS**



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
OTHER CAPITAL PROJECTS FUNDS,  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Local sources:				
Local sales tax	\$ 57,227,380	\$ 57,227,380	\$ 71,194,716	\$ 13,967,336
Impact Fees	35,000,000	35,000,000	91,217,584	56,217,584
Other	-	-	(208,756)	(208,756)
Total local sources	<u>92,227,380</u>	<u>92,227,380</u>	<u>162,203,544</u>	<u>69,976,164</u>
State sources:				
Charter School Capital Outlay	<u>4,132,484</u>	<u>4,132,484</u>	<u>4,863,300</u>	<u>730,816</u>
Total revenues	<u>39,132,484</u>	<u>39,132,484</u>	<u>167,066,844</u>	<u>56,948,400</u>
<b>EXPENDITURES:</b>				
Current:				
Non-capitalized facilities acquisition and construction	-	-	7,987,562	(7,987,562)
Capital outlay:				
Facilities acquisition and construction	<u>138,536,277</u>	<u>138,536,277</u>	<u>66,588,003</u>	<u>71,948,274</u>
Total expenditures	<u>138,536,277</u>	<u>138,536,277</u>	<u>74,575,565</u>	<u>63,960,712</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(99,403,793)</u>	<u>(99,403,793)</u>	<u>92,491,279</u>	<u>120,909,112</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(26,299,414)	(26,299,414)
Net change in fund balances	(99,403,793)	(99,403,793)	66,191,865	94,609,698
Fund balances - beginning	<u>181,158,472</u>	<u>181,158,472</u>	<u>181,158,472</u>	<u>-</u>
Fund balances - ending	<u>\$ 81,754,679</u>	<u>\$ 81,754,679</u>	<u>\$ 247,350,337</u>	<u>\$ 94,609,698</u>

## INTERNAL SERVICE FUNDS

The Internal Service Funds account for the cost of the District's Insurance Funds.

- **Workers' Compensation Fund** – Accounts for and reports on the workers' compensation program.
- **General Liability / Fleet Liability Fund** – Accounts for and reports on the automobile and general liability programs.
- **Errors & Omissions / Boiler & Machinery Fund** – Accounts for and reports on the errors and omissions and boiler and machinery liability programs.
- **Group Health Insurance Fund** – Accounts for and reports on the health insurance program.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
 PROPRIETARY FUNDS,  
 COMBINING STATEMENT OF NET POSITION  
 JUNE 30, 2022**

	<u>Governmental Activities</u>	
	<u>Workers' Compensation</u>	<u>General Liability/ Fleet Liability</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 2,172	\$ 653,537
Investments	8,787,338	5,599,255
Accounts receivable	26,220	-
Lease receivable	-	-
Due from other funds	-	-
Total current assets	<u>8,815,730</u>	<u>6,252,792</u>
Noncurrent Assets:		
Buildings	-	-
Improvements other than buildings	-	15,447
Furniture, fixtures, and equipment	-	-
Right of Use - Building	-	-
Total noncurrent assets	<u>-</u>	<u>15,447</u>
Total assets	<u>8,815,730</u>	<u>6,268,239</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	13,760	-
Lease liability	-	-
Payroll deductions and withholdings	-	-
Due to other agencies	-	-
Estimated liability for claims	2,465,310	1,570,650
Total current liabilities	<u>2,479,070</u>	<u>1,570,650</u>
Noncurrent liabilities:		
Estimated liability for claims	4,197,690	2,674,350
Lease liability	-	-
Total noncurrent liabilities	<u>4,197,690</u>	<u>2,674,350</u>
Total liabilities	<u>6,676,760</u>	<u>4,245,000</u>
<b>NET POSITION</b>		
Investment in capital assets	-	15,447
Unrestricted	2,138,970	2,007,792
Total net position	<u>\$ 2,138,970</u>	<u>\$ 2,023,239</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
 PROPRIETARY FUNDS,  
 COMBINING STATEMENT OF NET POSITION  
 JUNE 30, 2022**

Internal Service Funds		
Errors & Omissions/ Boiler & Machinery	Group Health Insurance	Total
\$ -	\$ 9,490	\$ 665,199
1,986,249	27,242,628	43,615,470
-	383,832	410,052
-	106,866	106,866
-	4,202,271	4,202,271
<u>1,986,249</u>	<u>31,945,087</u>	<u>48,999,858</u>
-	1,590,706	1,590,706
-	3,475	18,922
-	29,779	29,779
-	106,549	106,549
-	1,730,509	1,745,956
<u>1,986,249</u>	<u>33,675,596</u>	<u>50,745,814</u>
-	12,428,809	12,442,569
-	57,817	57,817
-	194,604	194,604
-	1,380	1,380
-	3,629,936	7,665,896
-	<u>16,312,546</u>	<u>20,362,266</u>
-	6,180,701	13,052,741
-	49,049	49,049
-	<u>6,229,750</u>	<u>13,101,790</u>
-	<u>22,542,296</u>	<u>33,464,056</u>
-	1,730,509	1,745,956
1,986,249	9,402,791	15,535,802
<u>\$ 1,986,249</u>	<u>\$ 11,133,300</u>	<u>\$ 17,281,758</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
 PROPRIETARY FUNDS,  
 COMBINING STATEMENT REVENUES, EXPENSES, AND  
 CHANGES IN FUND NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Governmental Activities</b>	
	<b>Workers' Compensation</b>	<b>General Liability/ Fleet Liability</b>
<b>OPERATING REVENUES:</b>		
Premium revenue from other funds	\$ 1,759,345	\$ 2,000,000
Other revenue	-	-
Total operating revenues	<u>1,759,345</u>	<u>2,000,000</u>
<b>OPERATING EXPENSES:</b>		
Salaries	49,130	49,008
Benefits	17,506	144,847
Purchased services	1,068,930	236,697
Energy services	-	-
Materials and supplies	147,830	-
Claims	4,197,688	1,399,772
Depreciation	687	1,036
Total operating expenses	<u>5,481,771</u>	<u>1,831,360</u>
Operating income (loss)	<u>(3,722,426)</u>	<u>168,640</u>
<b>NON-OPERATING REVENUE(EXPENSE):</b>		
Principal	-	-
Interest	(92,918)	(111,945)
Loss Recoveries	720,314	111,559
Total non-operating revenue (expense)	<u>627,396</u>	<u>(386)</u>
Income (loss) before transfers	(3,095,030)	168,254
<b>TRANSFERS IN</b>	-	-
<b>TRANSFERS OUT</b>	<u>(716,045)</u>	<u>-</u>
Change in net position	(3,811,075)	168,254
Total net position - beginning	<u>5,950,045</u>	<u>1,854,985</u>
Total net position - ending	<u>\$ 2,138,970</u>	<u>\$ 2,023,239</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
 PROPRIETARY FUNDS,  
 COMBINING STATEMENT REVENUES, EXPENSES, AND  
 CHANGES IN FUND NET POSITION  
 FOR THE YEAR ENDED JUNE 30, 2022**

Internal Service Funds		
Errors & Omissions/ Boiler & Machinery	Group Health Insurance	Total
\$ -	\$ 124,106,962	\$ 127,866,307
-	574,611	574,611
-	124,681,573	128,440,918
-	189,124	287,262
-	82,541	244,894
16,896	1,147,741	2,470,264
-	17,943	17,943
-	1,315	149,145
109	120,884,711	126,482,280
-	128,647	130,370
17,005	122,452,022	129,782,158
(17,005)	2,229,551	(1,341,240)
-	(57,800)	(57,800)
(28,587)	(371,832)	(605,282)
-	-	831,873
(28,587)	(429,632)	168,791
(45,592)	1,799,919	(1,172,449)
-	716,045	716,045
-	-	(716,045)
(45,592)	2,515,964	(1,172,449)
2,031,841	8,617,336	18,454,207
\$ 1,986,249	\$ 11,133,300	\$ 17,281,758

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
 PROPRIETARY FUNDS,  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2022**

	Governmental Activities	
	Workers' Compensation	General Liability/ Fleet Liability
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from interfund services provided	\$ 1,834,545	\$ 2,000,000
Payment to suppliers	(1,216,760)	(236,697)
Payment/premium to employees	(66,636)	(193,855)
Insurance claims payments	-	-
Payments for interfund services used	(3,559,216)	(1,364,124)
Other receipts (payments)	-	-
Net cash provided (used) by operating activities	(3,008,067)	205,324
<b>CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Transfers from other funds	-	-
Transfers to other funds	(716,045)	-
Net cash provided (used) by noncapital and related financing activities	(716,045)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Proceeds from Disposition of Capital Assets	720,314	111,559
Net cash provided (used) by capital and related financing activities	720,314	111,559
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sales and maturities of investments	-	-
Purchases of investments	3,098,888	(1,071,419)
Principal and interest payments on debt	(92,918)	(111,945)
Net cash provided (used) by investing activities	3,005,970	(1,183,364)
Net increase (decrease) in cash and cash equivalents	2,172	(866,481)
Cash and cash equivalents - Beginning of year	-	1,520,018
Cash and cash equivalents - End of year	\$ 2,172	\$ 653,537
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (3,722,426)	\$ 168,640
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	687	1,036
Change in assets and liabilities:		
Accounts receivable	75,200	-
Due from other funds	-	-
Accounts payable	7,472	(352)
Payroll deductions and withholdings	-	-
Due to other agencies	-	-
Estimated liability for claims adjust expense	631,000	36,000
Total adjustments	714,359	36,684
Net cash provided (used) by operating activities	\$ (3,008,067)	\$ 205,324



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
 PROPRIETARY FUNDS,  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2022**

Internal Service Funds		
Errors & Omissions/ Boiler & Machinery	Group Health Insurance	Total
\$ -	\$ 119,409,247	\$ 123,243,792
(16,896)	(1,166,999)	(2,637,352)
-	(77,061)	(337,552)
-	189,482	189,482
(109)	(120,359,137)	(125,282,586)
-	574,611	574,611
<u>(17,005)</u>	<u>(1,429,857)</u>	<u>(4,249,605)</u>
-	716,045	716,045
-	-	(716,045)
-	716,045	-
-	-	831,873
-	-	831,873
-	-	-
(290,281)	1,054,705	2,791,893
(28,587)	(429,633)	(663,083)
<u>(318,868)</u>	<u>625,072</u>	<u>2,128,810</u>
(335,873)	(88,740)	(1,288,922)
<u>335,873</u>	<u>98,230</u>	<u>1,954,121</u>
<u>\$ -</u>	<u>\$ 9,490</u>	<u>\$ 665,199</u>
\$ (17,005)	\$ 2,229,551	\$ (1,341,240)
-	128,647	130,370
-	(388,578)	(313,378)
-	(4,202,271)	(4,202,271)
-	417,328	424,448
-	194,604	194,604
-	1,380	1,380
-	189,482	856,482
-	(3,659,408)	(2,908,365)
<u>\$ (17,005)</u>	<u>\$ (1,429,857)</u>	<u>\$ (4,249,605)</u>

## COMPONENT UNITS

- **Discretely Presented Component Units** – Accounts for and reports on the Polk Education Foundation and Business Partnership, Inc. (Foundation) and the various charter schools.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	Dale R. Fair Babson Park Elementary School	Berkley Accelerated Middle School	Berkley Elementary School	Edward W. Bok Academy
<b>ASSETS</b>				
Cash	\$ -	\$ 1,087,720	\$ 2,407,634	\$ -
Certificates of Deposit	-	-	-	-
Investments	-	-	805,167	-
Accounts Receivable	25,427	5,740	-	139,540
Due from Other Funds	1,247,534	359,164	184,680	854,214
Deferred charges	-	-	-	-
Prepaid Items	-	25,173	-	-
Other Assets	-	-	154,881	10,938
Capital Assets:				
Land	-	215,000	-	-
Land Improvements	-	-	-	-
Construction in Progress	200,000	-	-	-
Improvements Other Than Buildings	57,400	-	64,511	36,939
Buildings and Systems	-	3,415,674	-	4,296,842
Furniture, Fixtures, and Equipment	35,062	31,563	55,270	130,598
Motor Vehicles	-	-	201,426	-
Property Under Capital Leases	-	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>1,565,423</u>	<u>5,140,034</u>	<u>3,873,569</u>	<u>5,469,071</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferred Outflows of Resources	856,810	645,724	1,317,045	847,419
Total Assets and Deferred Outflows of Resources	<u>\$ 2,422,233</u>	<u>\$ 5,785,758</u>	<u>\$ 5,190,614</u>	<u>\$ 6,316,490</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ 23,905	\$ 338,035	-
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	-	375,792	-	-
Compensated absences payable	-	-	318,973	-
Accrued payroll taxes and withholdings	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses				
Noncurrent Liabilities:				
Due Within One Year	136,058	119,798	-	301,116
Due in More Than One Year	1,159,562	5,363,700	-	3,355,346
Net Pension Liability	-	914,551	1,893,939	-
Total Liabilities	<u>1,295,620</u>	<u>6,797,746</u>	<u>2,550,947</u>	<u>3,656,462</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows of resources	1,374,842	1,034,290	2,214,326	1,327,583
<b>NET POSITION</b>				
Net Investment in Capital Assets	292,462	(1,821,261)	321,207	2,037,244
Restricted for:				
Debt service	-	-	-	-
Capital outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	-
Unrestricted	(540,691)	(225,017)	104,134	(704,799)
Total Net Position	<u>(248,229)</u>	<u>(2,046,278)</u>	<u>425,341</u>	<u>1,332,445</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,422,233</u>	<u>\$ 5,785,758</u>	<u>\$ 5,190,614</u>	<u>\$ 6,316,490</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	<b>Edward W. Bok Academy North</b>	<b>Compass Charter Middle School</b>	<b>Cypress Junction Montessori</b>	<b>Discovery Academy of Lake Alfred</b>
<b>ASSETS</b>				
Cash	\$ -	\$ 746,115	\$ 530,187	\$ 1,183,352
Certificates of Deposit	-	-	-	1,470,250
Investments	-	-	-	895,936
Accounts Receivable	34,114	3,826	86,774	-
Due from Other Funds	608,332	34,388	-	1,102,237
Deferred charges	-	-	-	-
Prepaid Items	-	-	-	-
Other Assets	21,111	-	16,043	599,333
Capital Assets:	-	-	-	-
Land	62,000	-	-	2,681,713
Land Improvements	-	-	-	-
Construction in Progress	6,381,053	-	-	-
Improvements Other Than Buildings	14,259	-	52,919	-
Buildings and Systems	364,441	-	531,950	21,672,224
Furniture, Fixtures, and Equipment	82,008	5,726	156,412	278,526
Motor Vehicles	-	258,290	-	852,108
Property Under Capital Leases	-	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>7,567,318</u>	<u>1,048,345</u>	<u>1,374,285</u>	<u>30,735,679</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferred Outflows of Resources	1,712,646	294,163	-	2,492,475
Total Assets and Deferred Outflows of Resources	<u>\$ 9,279,964</u>	<u>\$ 1,342,508</u>	<u>\$ 1,374,285</u>	<u>\$ 33,228,154</u>
<b>LIABILITIES</b>				
Accounts Payable	412,407	\$ 3,468	\$ 106,701	\$ 578,477
Due to Other Governmental Agencies	-	21,074	-	-
Salaries and Wages Payable	-	66,266	-	-
Compensated absences payable	-	-	-	471,906
Accrued payroll taxes and withholdings	-	-	-	-
Unearned Revenue	-	-	10,325	-
Other Liabilities	-	-	-	-
Accrued Expenses	-	-	-	-
Noncurrent Liabilities:	-	-	-	-
Due Within One Year	83,903	45,374	127,336	464,901
Due in More Than One Year	5,360,147	-	428,919	26,455,266
Net Pension Liability	-	360,365	-	3,184,954
Total Liabilities	<u>5,856,457</u>	<u>496,547</u>	<u>673,281</u>	<u>31,155,504</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows of resources	1,056,366	412,186	-	3,244,873
<b>NET POSITION</b>				
Net Investment in Capital Assets	2,516,371	264,016	185,026	(1,435,596)
Restricted for:	-	-	-	-
Debt service	-	-	-	1,470,250
Capital outlay	-	-	-	-
Endowment - Nonexpendable	-	-	52,900	-
Other Purposes	-	-	8,772	633,067
Unrestricted	(149,230)	169,759	454,306	(1,839,944)
Total Net Position	<u>2,367,141</u>	<u>433,775</u>	<u>701,004</u>	<u>(1,172,223)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 9,279,964</u>	<u>\$ 1,342,508</u>	<u>\$ 1,374,285</u>	<u>\$ 33,228,154</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	Discovery High School	Hartridge Academy	Hillcrest Elementary School	Janie Howard Wilson Elementary School
<b>ASSETS</b>				
Cash	\$ 674,348	\$ 1,120,369	\$ -	\$ -
Certificates of Deposit	-	13,260	-	-
Investments	-	-	-	-
Accounts Receivable	-	263,419	40,649	44,529
Due from Other Funds	91,050	-	-	-
Deferred charges	-	-	-	-
Prepaid Items	6,342	49,106	-	-
Other Assets	26,737,000	-	2,840,027	2,357,527
Capital Assets:				
Land	-	-	-	-
Land Improvements	-	-	-	-
Construction in Progress	-	-	-	-
Improvements Other Than Buildings	-	133,525	29,019	11,105
Buildings and Systems	-	73,523	-	-
Furniture, Fixtures, and Equipment	61,814	59,922	83,040	53,066
Motor Vehicles	-	-	-	-
Property Under Capital Leases	-	317,942	-	-
Computer Software	-	-	131	-
Total Assets	<u>27,570,554</u>	<u>2,031,066</u>	<u>2,992,866</u>	<u>2,466,227</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferred Outflows of Resources	-	-	976,927	504,173
Total Assets and Deferred Outflows of Resources	<u>\$ 27,570,554</u>	<u>\$ 2,031,066</u>	<u>\$ 3,969,793</u>	<u>\$ 2,970,400</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 286,243	\$ 220,128	\$ -	\$ -
Due to Other Governmental Agencies	870,757	-	-	-
Salaries and Wages Payable	-	-	-	-
Compensated absences payable	161,262	-	-	-
Accrued payroll taxes and withholdings	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses				
Noncurrent Liabilities:				
Due Within One Year	345,000	105,407	143,713	61,397
Due in More Than One Year	26,983,185	185,258	1,490,286	770,205
Net Pension Liability	-	-	-	-
Total Liabilities	<u>28,646,447</u>	<u>510,793</u>	<u>1,633,999</u>	<u>831,602</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows of resources	-	-	1,776,505	1,031,071
<b>NET POSITION</b>				
Net Investment in Capital Assets	(531,371)	294,247	112,190	64,171
Restricted for:				
Debt service	-	-	-	-
Capital outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	-
Unrestricted	<u>(544,522)</u>	<u>1,226,026</u>	<u>447,099</u>	<u>1,043,556</u>
Total Net Position	<u>(1,075,893)</u>	<u>1,520,273</u>	<u>559,289</u>	<u>1,107,727</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 27,570,554</u>	<u>\$ 2,031,066</u>	<u>\$ 3,969,793</u>	<u>\$ 2,970,400</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	<b>Lake Wales Senior High School</b>	<b>Lakeland Montessori Schoolhouse</b>	<b>Lakeland Montessori Middle</b>	<b>Language &amp; Literacy Academy for Learning</b>
<b>ASSETS</b>				
Cash	\$ -	\$ 2,532,911	\$ 669,618	\$ 67,659
Certificates of Deposit	-	2,228	-	-
Investments	-	-	-	-
Accounts Receivable	40,265	67,835	2,281	-
Due from Other Funds	-	-	-	57,773
Deferred charges	-	-	-	-
Prepaid Items	2,400	-	-	15,500
Other Assets	1,860,609	24,049	-	388,905
Capital Assets:				
Land	-	306,000	-	-
Land Improvements	-	-	-	-
Construction in Progress	-	-	-	-
Improvements Other Than Buildings	665,179	-	-	319,204
Buildings and Systems	-	876,374	-	-
Furniture, Fixtures, and Equipment	438,066	24,277	16,324	69,311
Motor Vehicles	12,572	-	-	34,510
Property Under Capital Leases	-	-	-	-
Computer Software	-	-	-	74,441
Total Assets	<u>3,019,091</u>	<u>3,833,674</u>	<u>688,223</u>	<u>1,027,303</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferred Outflows of Resources	1,911,365	-	-	1,612,609
Total Assets and Deferred Outflows of Resources	<u>\$ 4,930,456</u>	<u>\$ 3,833,674</u>	<u>\$ 688,223</u>	<u>\$ 2,639,912</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ 198,101	\$ 39	\$ 3,621
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	-	-	-	-
Compensated absences payable	-	-	-	-
Accrued payroll taxes and withholdings	-	-	-	39,890
Unearned Revenue	-	83,924	-	-
Other Liabilities	-	-	24,049	-
Accrued Expenses				
Noncurrent Liabilities:				
Due Within One Year	293,703	28,590	-	970,849
Due in More Than One Year	2,835,022	531,163	-	192,201
Net Pension Liability	-	-	-	1,042,153
Total Liabilities	<u>3,128,725</u>	<u>841,778</u>	<u>24,088</u>	<u>2,248,714</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows of resources	3,128,713	-	-	1,141,897
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,062,681	672,653	16,324	497,466
Restricted for:				
Debt service	-	-	-	-
Capital outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	-
Unrestricted	<u>(2,389,663)</u>	<u>2,319,243</u>	<u>647,811</u>	<u>(1,248,165)</u>
Total Net Position	<u>(1,326,982)</u>	<u>2,991,896</u>	<u>664,135</u>	<u>(750,699)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 4,930,456</u>	<u>\$ 3,833,674</u>	<u>\$ 688,223</u>	<u>\$ 2,639,912</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	<b>Magnolia Montessori Academy</b>	<b>McKeel Schools System</b>	<b>Mi Escuela Montessori</b>	<b>Navigator Academy of Leadership</b>
<b>ASSETS</b>				
Cash	\$ 454,239	\$ 9,643,477	\$ 252,452	\$ 2,125,152
Certificates of Deposit	-	600,648	-	-
Investments	-	-	-	-
Accounts Receivable	18,089	1,219,166	69,625	-
Due from Other Funds	-	-	-	-
Deferred charges	-	-	-	-
Prepaid Items	-	-	-	100
Other Assets	-	252,083	5,930	-
Capital Assets:				
Land	187,857	607,178	-	1,100,000
Land Improvements	-	541,817	-	-
Construction in Progress	-	12,178	-	-
Improvements Other Than Buildings	-	-	80,663	-
Buildings and Systems	1,876,241	17,093,123	764,583	13,357,284
Furniture, Fixtures, and Equipment	31,349	1,738,975	77,446	212,416
Motor Vehicles	-	1,880,287	-	-
Property Under Capital Leases	8,004	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>2,575,779</u>	<u>33,588,932</u>	<u>1,250,699</u>	<u>16,794,952</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferred Outflows of Resources	-	6,245,919	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 2,575,779</u>	<u>\$ 39,834,851</u>	<u>\$ 1,250,699</u>	<u>\$ 16,794,952</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 5,531	\$ 73,430	\$ 132,245	\$ 56,335
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	-	-	-	-
Compensated absences payable	-	-	-	-
Accrued payroll taxes and withholdings	-	-	-	-
Unearned Revenue	42,750	7,994	15,035	-
Other Liabilities	89,087	1,511	-	-
Accrued Expenses	-	1,975,433	-	-
Noncurrent Liabilities:				
Due Within One Year	12,531	2,703,319	266,982	-
Due in More Than One Year	1,965,448	19,041,047	692,906	15,812,643
Net Pension Liability	-	-	-	-
Total Liabilities	<u>2,115,347</u>	<u>23,802,734</u>	<u>1,107,168</u>	<u>15,868,978</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows of resources	-	8,526,494	-	-
<b>NET POSITION</b>				
Net Investment in Capital Assets	141,675	8,594,908	93,820	(1,142,943)
Restricted for:				
Debt service	-	-	-	18,966
Capital outlay	-	-	-	451,382
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	834,475	-	-
Unrestricted	318,757	(1,923,760)	49,711	1,598,569
Total Net Position	<u>460,432</u>	<u>7,505,623</u>	<u>143,531</u>	<u>925,974</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,575,779</u>	<u>\$ 39,834,851</u>	<u>\$ 1,250,699</u>	<u>\$ 16,794,952</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	New Beginnings High School	Victory Ridge Academy	Polk Avenue Elementary School	Polk Pre-Collegiate Academy
<b>ASSETS</b>				
Cash	\$ 1,084,156	\$ 3,149,986	\$ -	\$ 919,837
Certificates of Deposit	-	-	-	-
Investments	-	-	-	-
Accounts Receivable	379,746	61,855	49,409	-
Due from Other Funds	-	4,189,963	1,639,456	11,450
Deferred charges	-	-	-	-
Prepaid Items	167,252	-	-	30,964
Other Assets	3,119,658	963	-	-
Capital Assets:				
Land	-	-	-	-
Land Improvements	-	-	8,651	-
Construction in Progress	-	-	-	-
Improvements Other Than Buildings	2,418	-	-	-
Buildings and Systems	-	848,903	-	-
Furniture, Fixtures, and Equipment	3,079	(101,922)	46,598	2,658
Motor Vehicles	14,955	512,676	-	-
Property Under Capital Leases	-	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>4,771,264</u>	<u>8,662,424</u>	<u>1,744,114</u>	<u>964,909</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferred Outflows of Resources	497,472	1,726,723	904,620	132,257
Total Assets and Deferred Outflows of Resources	<u>\$ 5,268,736</u>	<u>\$ 10,389,147</u>	<u>\$ 2,648,734</u>	<u>\$ 1,097,166</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 49,279	\$ 471,839	\$ -	\$ 25,259
Due to Other Governmental Agencies	-	-	-	61,307
Salaries and Wages Payable	32,335	59,805	-	211,804
Compensated absences payable	-	-	-	-
Accrued payroll taxes and withholdings	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses	-	-	-	-
Noncurrent Liabilities:				
Due Within One Year	748,350	171,363	93,711	-
Due in More Than One Year	684,597	4,264,294	1,280,503	-
Net Pension Liability	2,452,932	1,894,781	-	187,317
Total Liabilities	<u>3,967,493</u>	<u>6,862,082</u>	<u>1,374,214</u>	<u>485,687</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related deferred inflows of resources	1,029,718	1,986,094	1,453,170	211,842
<b>NET POSITION</b>				
Net Investment in Capital Assets	372,152	1,259,657	55,249	2,658
Restricted for:				
Debt service	-	-	-	-
Capital outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	-
Unrestricted	(100,627)	281,314	(233,899)	396,979
Total Net Position	<u>271,525</u>	<u>1,540,971</u>	<u>(178,650)</u>	<u>399,637</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 5,268,736</u>	<u>\$ 10,389,147</u>	<u>\$ 2,648,734</u>	<u>\$ 1,097,166</u>



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2022**

	Ridgeview Global Studies Academy	Polk Education Foundation and Business Partnership, Inc.	TOTALS Component Units
<b>ASSETS</b>			
Cash	\$ 4,908,395	\$ 3,144,815	\$ 36,702,422
Certificates of Deposit	-	-	2,086,386
Investments	-	3,844,990	5,546,093
Accounts Receivable	-	99,374	2,651,663
Due from Other Funds	892,870	-	11,273,111
Deferred charges	-	-	-
Prepaid Items	-	1,889,771	2,186,608
Other Assets	-	1,250	38,390,307
Capital Assets:			
Land	1,254,590	-	6,414,338
Land Improvements	-	-	550,468
Construction in Progress	90,032	-	6,683,263
Improvements Other Than Buildings	-	-	1,467,141
Buildings and Systems	12,904,211	-	78,075,373
Furniture, Fixtures, and Equipment	210,039	-	3,801,623
Motor Vehicles	476,169	-	4,242,993
Property Under Capital Leases	-	-	325,946
Computer Software	-	-	74,572
Total Assets	<u>20,736,306</u>	<u>8,980,200</u>	<u>200,472,307</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Deferred Outflows of Resources	2,817,393	-	25,495,740
Total Assets and Deferred Outflows of Resources	<u>\$ 23,553,699</u>	<u>\$ 8,980,200</u>	<u>\$ 225,968,047</u>
<b>LIABILITIES</b>			
Accounts Payable	\$ 190,964	\$ 28,555	\$ 3,204,562
Due to Other Governmental Agencies	-	-	953,138
Salaries and Wages Payable	528,586	-	1,274,588
Compensated absences payable	-	-	952,141
Accrued payroll taxes and withholdings	-	-	39,890
Unearned Revenue	-	-	160,028
Other Liabilities	-	-	114,647
Accrued Expenses	-	-	1,975,433
Noncurrent Liabilities:			
Due Within One Year	242,123	-	7,465,524
Due in More Than One Year	15,988,126	-	134,839,824
Net Pension Liability	3,489,425	-	15,420,417
Total Liabilities	<u>20,439,224</u>	<u>28,555</u>	<u>166,400,192</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related deferred inflows of resources	3,844,272	-	34,794,242
<b>NET POSITION</b>			
Net Investment in Capital Assets	(1,295,208)	-	12,629,798
Restricted for:			
Debt service	-	-	1,489,216
Capital outlay	-	-	451,382
Endowment - Nonexpendable	-	3,799,284	3,852,184
Other Purposes	124,107	2,619,493	4,219,914
Unrestricted	441,304	2,532,868	2,131,119
Total Net Position	<u>(729,797)</u>	<u>8,951,645</u>	<u>24,773,613</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 23,553,699</u>	<u>\$ 8,980,200</u>	<u>225,968,047</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Dale R. Fair Babson Park Elementary School</b>	<b>Berkley Accelerated Middle School</b>	<b>Berkley Elementary School</b>	<b>Edward W. Bok Academy</b>
<b>EXPENSES</b>				
Instruction	\$ 2,441,150	\$ 2,585,014	\$ 3,679,747	\$ 2,580,203
Student Support Services	21,775	78,442	184,775	24,864
Instructional Media	87,351	-	4,069	-
Instruction and Curriculum Development	40,547	-	-	107
Instructional Staff Training	22,336	7,368	3,585	-
Instruction-Related Technology	8,142	-	-	58,712
Board	11,500	33,670	7,779	11,000
General Administration	17,616	-	36,218	22,230
School Administration	440,209	342,516	502,197	532,028
Facilities Acquisition and Construction	18,905	-	6,797	84,804
Fiscal Services	-	93,217	78,537	-
Food Services	-	-	(201,704)	-
Central Services	-	48,961	30,373	-
Pupil Transportation	105,836	243,373	308,568	446,263
Operation of Plant	160,292	299,787	611,238	312,886
Maintenance of Plant	-	-	-	-
Community Services	(22,258)	-	17,864	5,547
Interest	-	60,675	2,611	122,050
Other Operating Expenses	4,221	-	-	-
Total Expenses	<u>3,357,622</u>	<u>3,793,023</u>	<u>5,272,654</u>	<u>4,200,694</u>
<b>PROGRAM REVENUES</b>				
Operating Grants and Contributions	-	-	-	-
Net Program Expenses	<u>(3,357,622)</u>	<u>(3,793,023)</u>	<u>(5,272,654)</u>	<u>(4,200,694)</u>
<b>GENERAL REVENUES</b>				
Federal	-	-	-	-
State and Local Sources	3,578,219	3,733,266	5,047,858	4,621,591
Grants and Contributions not restricted to specific programs	24,605	43,577	524,686	54,884
Investment Earnings	-	-	-	-
Miscellaneous	-	-	1,034,726	-
Total General Revenues	<u>3,602,824</u>	<u>3,776,843</u>	<u>6,607,270</u>	<u>4,676,475</u>
Change in Net Position	245,202	(16,180)	1,334,616	475,781
Net Position - Beginning, as restated	(493,431)	(2,030,098)	(909,275)	856,664
Net Position - Ending	<u>\$ (248,229)</u>	<u>\$ (2,046,278)</u>	<u>\$ 425,341</u>	<u>\$ 1,332,445</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Edward W. Bok Academy North</b>	<b>Compass Charter Middle School</b>	<b>Cypress Junction Montessori</b>	<b>Discovery Academy of Lake Alfred</b>
<b>EXPENSES</b>				
Instruction	\$ 2,448,463	\$ 595,278	\$ 840,815	\$ 3,502,872
Student Support Services	23,943	396	-	551,756
Instructional Media	-	-	-	55,365
Instruction and Curriculum Development	4,833	-	-	-
Instructional Staff Training	-	1,125	5,677	4,581
Instruction-Related Technology	12,213	-	-	-
Board	11,000	17,116	28,012	49,191
General Administration	21,322	-	70,838	90,502
School Administration	486,009	253,123	303,241	991,901
Facilities Acquisition and Construction	38,962	-	-	492,054
Fiscal Services	2,515	29,777	14,991	72,741
Food Services	-	-	4,861	(278,643)
Central Services	-	1,424	-	42,358
Pupil Transportation	406,334	362,245	55,000	1,448,769
Operation of Plant	434,197	33,185	126,206	460,682
Maintenance of Plant	-	-	-	-
Community Services	10,947	-	(246)	-
Interest	211,686	-	34,817	1,649,181
Other Operating Expenses	1,511	-	-	-
Total Expenses	<u>4,113,935</u>	<u>1,293,669</u>	<u>1,484,212</u>	<u>9,133,310</u>
<b>PROGRAM REVENUES</b>				
Operating Grants and Contributions	-	-	-	-
Net Program Expenses	<u>(4,113,935)</u>	<u>(1,293,669)</u>	<u>(1,484,212)</u>	<u>(9,133,310)</u>
<b>GENERAL REVENUES</b>				
Federal	-	-	-	-
State and Local Sources	4,225,995	1,230,756	1,536,372	7,072,654
Grants and Contributions not restricted to specific programs	4,086	-	26,138	1,192,396
Investment Earnings	-	-	-	-
Miscellaneous	-	-	-	1,711,045
Total General Revenues	<u>4,230,081</u>	<u>1,230,756</u>	<u>1,562,510</u>	<u>9,976,095</u>
Change in Net Position	116,146	(62,913)	78,298	842,785
Net Position - Beginning, as restated	2,250,995	496,688	622,706	(2,015,008)
Net Position - Ending	<u>\$ 2,367,141</u>	<u>\$ 433,775</u>	<u>\$ 701,004</u>	<u>\$ (1,172,223)</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Discovery High School	Hartridge Academy	Hillcrest Elementary School	Janie Howard Wilson Elementary School
<b>EXPENSES</b>				
Instruction	\$ 3,841,603	\$ 926,953	\$ 3,542,574	\$ 1,720,634
Student Support Services	661,898	-	29,472	18,763
Instructional Media	1,522	-	107,814	478
Instruction and Curriculum Development	-	-	450	3,686
Instructional Staff Training	3,774	6,013	80,715	30,486
Instruction-Related Technology	-	-	18,641	20,705
Board	25,407	31,576	11,500	11,500
General Administration	86,312	-	25,280	14,467
School Administration	602,544	238,609	522,247	440,157
Facilities Acquisition and Construction	18,770	-	-	-
Fiscal Services	40,000	-	-	-
Food Services	(19,941)	-	-	-
Central Services	156,954	75,154	-	-
Pupil Transportation	254,456	18,408	135,847	181,394
Operation of Plant	1,284,393	175,662	267,180	247,820
Maintenance of Plant	-	36,736	-	10,300
Community Services	-	-	(65,021)	-
Interest	-	20,297	-	-
Other Operating Expenses	-	-	5,107	477
Total Expenses	<u>6,957,692</u>	<u>1,529,408</u>	<u>4,681,806</u>	<u>2,700,867</u>
<b>PROGRAM REVENUES</b>				
Operating Grants and Contributions	-	-	-	-
Net Program Expenses	<u>(6,957,692)</u>	<u>(1,529,408)</u>	<u>(4,681,806)</u>	<u>(2,700,867)</u>
<b>GENERAL REVENUES</b>				
Federal	-	-	-	-
State and Local Sources	5,940,970	1,462,687	5,075,907	3,025,352
Grants and Contributions not restricted to specific programs	187,612	-	7,851	3,158
Investment Earnings	-	149	-	-
Miscellaneous	-	39,142	-	-
Total General Revenues	<u>6,128,582</u>	<u>1,501,978</u>	<u>5,083,758</u>	<u>3,028,510</u>
Change in Net Position	(829,110)	(27,430)	401,952	327,643
Net Position - Beginning, as restated	(246,783)	1,547,703	157,337	780,084
Net Position - Ending	<u>\$ (1,075,893)</u>	<u>\$ 1,520,273</u>	<u>\$ 559,289</u>	<u>\$ 1,107,727</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Lake Wales Senior High School</b>	<b>Lakeland Montessori Schoolhouse</b>	<b>Lakeland Montessori Middle</b>	<b>Language &amp; Literacy Academy for Learning</b>
<b>EXPENSES</b>				
Instruction	\$ 5,777,894	\$ 98,602	\$ 71,711	\$ 2,260,856
Student Support Services	508,914	10,491	2,460	15,134
Instructional Media	10,547	-	-	-
Instruction and Curriculum Development	2,218	-	-	-
Instructional Staff Training	2,362	10,921	404	-
Instruction-Related Technology	84,274	-	-	13,804
Board	16,000	12,501	6,823	2,915
General Administration	56,955	-	-	30,525
School Administration	1,571,946	241,610	59,423	-
Facilities Acquisition and Construction	31,984	-	-	327,186
Fiscal Services	-	-	-	42,620
Food Services	-	-	-	28,779
Central Services	-	16,254	3,356	1,595
Pupil Transportation	713,449	-	-	244,283
Operation of Plant	834,683	254,506	25,100	259,763
Maintenance of Plant	-	-	-	30,483
Community Services	481,474	-	-	-
Interest	3,616	(21,126)	-	57,894
Other Operating Expenses	19,015	-	-	304,698
Total Expenses	<u>10,115,331</u>	<u>623,759</u>	<u>169,277</u>	<u>3,620,535</u>
<b>PROGRAM REVENUES</b>				
Operating Grants and Contributions	-	-	-	-
Net Program Expenses	<u>(10,115,331)</u>	<u>(623,759)</u>	<u>(169,277)</u>	<u>(3,620,535)</u>
<b>GENERAL REVENUES</b>				
Federal	3,726	-	-	-
State and Local Sources	10,842,974	797,692	169,180	3,012,487
Grants and Contributions not restricted to specific programs	70,636	157,681	-	-
Investment Earnings	-	1,896	347	-
Miscellaneous	-	9,500	-	466,431
Total General Revenues	<u>10,917,336</u>	<u>966,769</u>	<u>169,527</u>	<u>3,478,918</u>
Change in Net Position	802,005	343,010	250	(141,617)
Net Position - Beginning, as restated	(2,128,987)	2,648,886	663,885	(609,082)
Net Position - Ending	<u>\$ (1,326,982)</u>	<u>\$ 2,991,896</u>	<u>\$ 664,135</u>	<u>\$ (750,699)</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Magnolia Montessori Academy</b>	<b>McKeel Schools System</b>	<b>Mi Escuela Montessori</b>	<b>Navigator Academy of Leadership</b>
<b>EXPENSES</b>				
Instruction	\$ 638,233	\$ 14,565,364	\$ 826,640	\$ 3,104,491
Student Support Services	20,195	680,753	23,099	117,667
Instructional Media	-	145,686	-	-
Instruction and Curriculum Development	-	90,584	-	-
Instructional Staff Training	1,368	-	1,555	36,471
Instruction-Related Technology	-	807,163	-	34,710
Board	14,336	42,691	1,373	57,965
General Administration	-	72,488	62,002	-
School Administration	216,183	1,738,481	137,975	937,786
Facilities Acquisition and Construction	-	-	-	(418,379)
Fiscal Services	-	895,200	16,135	950
Food Services	-	(491,551)	30,281	(22,847)
Central Services	20,312	-	-	-
Pupil Transportation	-	1,946,724	30,000	-
Operation of Plant	65,955	1,986,385	119,923	825,081
Maintenance of Plant	-	630,978	-	-
Community Services	(33,488)	101,840	(27,244)	(73,703)
Interest	128,106	562,742	52,964	1,466,157
Other Operating Expenses	-	-	-	240,570
Total Expenses	<u>1,071,200</u>	<u>23,775,528</u>	<u>1,274,703</u>	<u>6,306,919</u>
<b>PROGRAM REVENUES</b>				
Operating Grants and Contributions	-	-	-	-
Net Program Expenses	<u>(1,071,200)</u>	<u>(23,775,528)</u>	<u>(1,274,703)</u>	<u>(6,306,919)</u>
<b>GENERAL REVENUES</b>				
Federal	-	-	19,738	-
State and Local Sources	1,018,733	26,282,256	1,272,254	6,079,415
Grants and Contributions not restricted to specific programs	-	543,265	65,008	42,186
Investment Earnings	-	-	-	-
Miscellaneous	58,134	-	-	-
Total General Revenues	<u>1,076,867</u>	<u>26,825,521</u>	<u>1,357,000</u>	<u>6,121,601</u>
Change in Net Position	5,667	3,049,993	82,297	(185,318)
Net Position - Beginning, as restated	454,765	4,455,630	61,234	1,111,292
Net Position - Ending	<u>\$ 460,432</u>	<u>\$ 7,505,623</u>	<u>\$ 143,531</u>	<u>\$ 925,974</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>New Beginnings High School</b>	<b>Victory Ridge Academy</b>	<b>Polk Avenue Elementary School</b>	<b>Polk Pre-Collegiate Academy</b>
<b>EXPENSES</b>				
Instruction	\$ 914,773	\$ 2,387,450	\$ 2,657,830	\$ 625,829
Student Support Services	536,723	2,114,469	24,504	30,268
Instructional Media	-	-	23,301	-
Instruction and Curriculum Development	83,327	-	3,020	-
Instructional Staff Training	500	7,055	-	595
Instruction-Related Technology	-	-	9,664	-
Board	25,412	30,727	11,500	13,541
General Administration	85,566	33,141	19,724	-
School Administration	2,797,348	957,635	474,437	159,478
Facilities Acquisition and Construction	15,701	93,721	754	-
Fiscal Services	56,397	107,070	-	22,204
Food Services	3,229	30,006	-	-
Central Services	187,885	95	-	7,205
Pupil Transportation	256,278	941,278	129,201	30,757
Operation of Plant	915,062	679,043	189,862	160,252
Maintenance of Plant	-	54,510	235	-
Community Services	370	-	-	-
Interest	125,354	29,149	-	-
Other Operating Expenses	-	-	-	-
Total Expenses	<u>6,003,925</u>	<u>7,465,349</u>	<u>3,544,032</u>	<u>1,050,129</u>
<b>PROGRAM REVENUES</b>				
Operating Grants and Contributions	-	-	-	-
Net Program Expenses	<u>(6,003,925)</u>	<u>(7,465,349)</u>	<u>(3,544,032)</u>	<u>(1,050,129)</u>
<b>GENERAL REVENUES</b>				
Federal	-	-	-	-
State and Local Sources	5,143,831	8,297,737	4,011,184	1,102,739
Grants and Contributions not restricted to specific programs	32,209	106,227	3,061	5,028
Investment Earnings	-	-	-	-
Miscellaneous	351,700	-	-	27,432
Total General Revenues	<u>5,527,740</u>	<u>8,403,964</u>	<u>4,014,245</u>	<u>1,135,199</u>
Change in Net Position	(476,185)	938,615	470,213	85,070
Net Position - Beginning, as restated	747,710	602,356	(648,863)	314,567
Net Position - Ending	<u>\$ 271,525</u>	<u>\$ 1,540,971</u>	<u>\$ (178,650)</u>	<u>\$ 399,637</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE YEAR ENDED JUNE 30, 2022**

	Ridgeview Global Studies Academy	Polk Education Foundation and Business Partnership, Inc.	TOTALS Component Units
<b>EXPENSES</b>			
Instruction	\$ 6,824,773	\$ -	\$ 69,459,752
Student Support Services	412,050	-	6,092,811
Instructional Media	160,211	-	596,344
Instruction and Curriculum Development	-	-	228,772
Instructional Staff Training	1,792	-	228,683
Instruction-Related Technology	-	-	1,068,028
Board	47,661	-	532,696
General Administration	36,418	-	781,604
School Administration	1,077,254	-	16,024,337
Facilities Acquisition and Construction	302,748	-	1,014,007
Fiscal Services	67,913	-	1,540,267
Food Services	(13,285)	-	(930,815)
Central Services	7,230	-	599,156
Pupil Transportation	573,631	-	8,832,094
Operation of Plant	869,896	-	11,599,039
Maintenance of Plant	-	-	763,242
Community Services	(88,142)	-	307,940
Interest	43,585	-	4,549,758
Other Operating Expenses	-	1,428,993	2,004,592
Total Expenses	<u>10,323,735</u>	<u>1,428,993</u>	<u>125,292,307</u>
<b>PROGRAM REVENUES</b>			
Operating Grants and Contributions	-	1,855,867	1,855,867
Net Program Expenses	<u>(10,323,735)</u>	<u>426,874</u>	<u>(123,436,440)</u>
<b>GENERAL REVENUES</b>			
Federal	-	-	23,464
State and Local Sources	10,774,198	-	125,356,307
Grants and Contributions not restricted to specific programs	179,348	-	3,273,642
Investment Earnings	1,797,673	-	1,800,065
Miscellaneous	-	(1,040,399)	2,657,711
Total General Revenues	<u>12,751,219</u>	<u>(1,040,399)</u>	<u>133,111,189</u>
Change in Net Position	2,427,484	(613,525)	9,674,749
Net Position - Beginning, as restated	<u>(3,157,281)</u>	<u>9,565,170</u>	<u>15,098,864</u>
Net Position - Ending	<u>\$ (729,797)</u>	<u>\$ 8,951,645</u>	<u>\$ 24,773,613</u>



# Statistical Section

(UNAUDITED)



**POLK COUNTY**  
**PUBLIC SCHOOLS**

STUDENTS FIRST

## **DISTRICT STATISTICS**

This part of the Polk County School Board's annual comprehensive financial report presents detail information as a context to understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the District's overall financial health.

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

**SCHOOL BOARD OF POLK COUNTY  
NET POSITION BY COMPONENT – GOVERNMENT-WIDE  
LAST TEN FISCAL YEARS**

**TABLE 1  
(ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
Government activities:					
Net investment in capital assets	\$ 937,302	\$ 867,688	\$ 696,724	\$ 669,794	\$ 849,717
Restricted	357,320	264,977	389,447	371,159	140,890
Unrestricted	<u>(430,014)</u>	<u>(415,940)</u>	<u>(372,616)</u>	<u>(358,078)</u>	<u>(347,043)</u>
Total governmental activities net position	<u>864,608</u>	<u>716,725</u>	<u>713,555</u>	<u>682,875</u>	<u>643,564</u>
Business-type activities:					
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 864,608</u>	<u>\$ 716,725</u>	<u>\$ 713,555</u>	<u>\$ 682,875</u>	<u>\$ 643,564</u>

Note: The District terminated business-type activities in December of 2017. The District had no business-type activities until the 2014-2015 fiscal year. Also in 2014-2015 fiscal year, GASB 68 was implemented for retirement reporting, resulting in a negative Unrestricted activity.

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Source: District Records

Fiscal Year				
2017	2016	2015	2014	2013
\$ 822,501	\$ 797,167	\$ 765,624	\$ 752,300	\$ 756,128
127,208	105,187	109,845	120,340	125,960
<u>(296,766)</u>	<u>(252,998)</u>	<u>(253,284)</u>	<u>11,509</u>	<u>2,777</u>
652,943	649,356	622,185	884,149	884,865
<u>398</u>	<u>290</u>	<u>122</u>	<u>-</u>	<u>-</u>
<u>\$ 653,341</u>	<u>\$ 649,646</u>	<u>\$ 622,307</u>	<u>\$ 884,149</u>	<u>\$ 884,865</u>

**SCHOOL BOARD OF POLK COUNTY  
CHANGES IN NET POSITION – GOVERNMENT-WIDE  
LAST TEN FISCAL YEARS  
TABLE 2  
(ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>GOVERNMENTAL ACTIVITIES</b>					
<b>EXPENSES</b>					
Instructional services	\$ 711,902	\$ 708,268	\$ 677,891	\$ 643,843	\$ 631,644
Instructional support services	148,497	123,828	116,799	102,525	100,814
Student transportation services	47,310	40,515	29,380	34,350	36,464
Operation and maintenance of plant	100,604	91,821	83,618	82,113	73,057
School administration	51,460	51,058	50,695	48,737	47,568
General administration	110,744	72,518	96,189	64,201	52,499
Food services	59,157	55,617	58,056	59,938	57,653
Community services and other	3,522	3,358	3,601	3,651	3,321
Interest on long term debt	19,045	11,738	2,225	6,723	8,599
Unallocated fiscal charges on long-term debt and	-				
Unallocated depreciation expense	562	260	505	516	547
Total primary government expenses	<u>1,252,803</u>	<u>1,158,981</u>	<u>1,118,959</u>	<u>1,046,597</u>	<u>1,012,166</u>
<b>PROGRAM REVENUES</b>					
Charges for services:					
Instructional services	2,915	2,477	2,904	2,965	2,774
Student transportation services	349	146	364	552	560
Food services	724	570	757	1,142	1,907
Operating grants and contributions	68,004	48,040	52,921	57,600	52,075
Capital grants and contributions	8,997	7,967	7,960	10,802	5,888
Total primary government program revenues	<u>80,989</u>	<u>59,200</u>	<u>64,906</u>	<u>73,061</u>	<u>63,204</u>
Total primary government net (expenses) revenues:	<u>(1,171,814)</u>	<u>(1,099,781)</u>	<u>(1,054,053)</u>	<u>(973,536)</u>	<u>(948,962)</u>
<b>GENERAL REVENUES</b>					
Property taxes levied for operational purposes	204,597	191,141	181,854	175,403	170,105
Property taxes levied for capital projects	71,094	63,714	59,536	55,363	50,873
Local sales taxes	71,195	59,124	50,907	50,197	45,161
Unrestricted grants and contributions	862,746	763,551	721,445	686,695	663,408
Investment earnings	220	4,373	9,523	6,220	2,467
Miscellaneous	18,492	11,013	22,344	8,306	12,473
Impact Fees	91,353	10,035	39,123	30,663	
Total primary government general revenues	<u>1,319,697</u>	<u>1,102,951</u>	<u>1,084,732</u>	<u>1,012,847</u>	<u>944,487</u>
<b>CHANGE IN NET POSITION</b>					
Total governmental activities	147,883	3,170	30,679	39,311	(4,475)
<b>BUSINESS-TYPE ACTIVITIES</b>					
<b>EXPENSES</b>	-	-	-	-	108
<b>PROGRAM REVENUES</b>					
Charges for services	-	-	-	-	234
<b>CHANGE IN NET POSITION</b>					
Total business-type activities	-	-	-	-	126
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 147,883</u>	<u>\$ 3,170</u>	<u>\$ 30,679</u>	<u>\$ 39,311</u>	<u>\$ (4,349)</u>

Note: The District terminated business-type activities in 2017-2018 fiscal year that began in 2014-2015 fiscal year.  
Impact fees are included in miscellaneous earnings.

Source: District Records

Fiscal Year				
2017	2016	2015	2014	2013
\$ 593,877	\$ 554,005	\$ 536,529	\$ 531,412	\$ 514,670
93,061	90,111	83,923	84,267	82,988
30,558	31,946	33,256	35,115	34,588
70,149	66,475	66,575	66,916	65,724
45,929	42,959	39,702	39,775	40,108
58,518	50,970	53,496	43,475	32,606
56,311	52,535	49,440	48,350	44,617
2,598	2,335	2,821	2,836	2,857
12,995	15,789	12,998	16,288	19,050
<u>1,075</u>	<u>241</u>	<u>642</u>	<u>578</u>	<u>246</u>
<u>965,071</u>	<u>907,366</u>	<u>879,382</u>	<u>869,012</u>	<u>837,454</u>
2,552	3,662	2,807	2,227	2,145
586	572	532	509	516
2,157	2,820	4,740	6,427	6,990
51,939	49,120	43,618	38,673	35,599
6,882	5,672	6,864	3,388	3,392
<u>64,116</u>	<u>61,846</u>	<u>58,561</u>	<u>51,224</u>	<u>48,642</u>
<u>(900,955)</u>	<u>(845,520)</u>	<u>(820,821)</u>	<u>(817,788)</u>	<u>(788,812)</u>
162,002	162,423	155,374	155,565	147,333
45,862	42,918	40,529	38,597	36,886
43,048	40,757	38,290	43,260	34,082
630,276	607,096	598,347	572,735	544,989
1,290	1,393	796	775	1,220
22,064	18,104	17,241	9,880	14,255
<u>904,542</u>	<u>872,691</u>	<u>850,577</u>	<u>820,812</u>	<u>778,765</u>
3,587	27,171	29,756	3,024	(10,047)
637	391	82	-	-
744	560	203	-	-
<u>107</u>	<u>169</u>	<u>121</u>	<u>-</u>	<u>-</u>
<u>\$ 3,694</u>	<u>\$ 27,340</u>	<u>\$ 29,877</u>	<u>\$ 3,024</u>	<u>\$ (10,047)</u>

**SCHOOL BOARD OF POLK COUNTY  
 PLEDGED-REVENUE COVERAGE  
 LAST TEN FISCAL YEARS  
 TABLE 3  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS IN THOUSANDS)  
 (UNAUDITED)**

Fiscal Year Ending June 30,	Sales Tax Revenue Bonds				Coverage
	Sales Tax	Debt Service			
		Principal	Interest		
2022	\$ 71,051	\$ 8,575	\$ 7,379	22.5%	
2021	59,124	8,165	7,797	27.0%	
2020	50,907	-	6,556	12.9%	
2019	50,197	25,530	402	51.7%	
2018	45,161	24,720	1,195	57.4%	
2017	43,048	23,940	1,964	60.2%	
2016	40,757	23,270	2,823	64.0%	
2015	38,290	21,220	4,541	67.3%	
2014	35,882	20,235	6,257	73.8%	
2013	34,082	19,340	7,151	77.7%	

Source: District Records

**SCHOOL BOARD OF POLK COUNTY  
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
TABLE 4  
(ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year Ending June 30,	Property Tax		Sales Tax	Total
	General Purposes	Capital Projects		
2022	\$ 199,446	\$ 69,312	\$ 71,051	\$ 339,809
2021	\$ 191,141	\$ 63,714	\$ 59,124	\$ 313,979
2020	179,854	59,394	50,907	290,155
2019	175,403	55,363	50,197	280,963
2018	170,105	50,873	45,161	266,139
2017	162,001	45,862	43,048	250,911
2016	162,423	42,918	40,757	246,098
2015	155,374	40,529	38,290	234,193
2014	155,565	38,597	35,882	230,044
2013	147,333	36,886	34,082	218,301
2012	158,902	38,651	32,341	229,894

Source: District Records



**SCHOOL BOARD OF POLK COUNTY  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN FISCAL YEARS  
 TABLE 5  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS IN THOUSANDS)  
 (UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>General Fund</b>					
Nonspendable	\$ 12,884	\$ 14,509	\$ 11,265	\$ 13,301	\$ 9,972
Restricted	22,483	17,275	17,205	12,997	10,257
Assigned	1,495	1,130	975	452	442
Unassigned	77,873	66,841	51,687	29,443	33,527
Total general fund	<u>\$ 114,735</u>	<u>\$ 99,755</u>	<u>\$ 81,132</u>	<u>\$ 56,193</u>	<u>\$ 54,198</u>
<b>All Other Governmental Funds</b>					
Nonspendable, reported in:					
Special revenue funds	\$ 3,013	\$ 1,925	\$ 3,458	\$ 2,554	\$ 2,452
Restricted, reported in:					
Special revenue funds	58,754	6,195	6,597	7,285	5,770
Capital projects funds	247,207	215,245	346,681	325,310	101,045
Debt service funds	27,922	24,341	22,835	24,821	20,160
Total all other governmental funds	<u>\$ 336,896</u>	<u>\$ 247,706</u>	<u>\$ 379,571</u>	<u>\$ 359,970</u>	<u>\$ 129,427</u>

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Source: District Records

Fiscal Year				
2017	2016	2015	2014	2013
\$ 9,354	\$ 9,148	\$ 10,382	\$ 7,220	\$ 7,259
14,838	10,679	6,508	5,901	9,632
336	1,588	1,177	691	582
36,153	42,409	44,984	45,981	42,479
<u>\$ 60,681</u>	<u>\$ 63,824</u>	<u>\$ 63,051</u>	<u>\$ 59,793</u>	<u>\$ 59,952</u>
\$ 2,198	\$ 1,678	\$ 1,468	\$ 1,237	\$ 1,175
6,474	6,421	5,930	8,075	9,842
86,328	71,583	83,680	95,180	99,548
17,882	15,554	13,272	11,695	8,653
<u>\$ 112,882</u>	<u>\$ 95,236</u>	<u>\$ 104,350</u>	<u>\$ 116,187</u>	<u>\$ 119,218</u>

**SCHOOL BOARD OF POLK COUNTY  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
TABLE 6  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>REVENUES</b>					
Local sources:					
Ad valorem taxes	\$ 275,691	\$ 254,855	\$ 241,390	\$ 230,766	\$ 220,978
Local sales tax	71,195	59,124	50,907	50,197	45,161
Impact Fees	91,218	10,010	39,234	30,807	4,334
Food services	724	570	756	1,142	1,907
Interest income	2,587	4,284	8,625	5,115	2,133
Other	19,389	13,726	25,163	11,823	10,872
Total local sources	<u>460,804</u>	<u>342,569</u>	<u>366,075</u>	<u>329,850</u>	<u>285,385</u>
State sources:					
Florida education finance program	498,910	497,720	483,036	455,521	430,572
Public education capital outlay	-	-	66	3,377	2,163
Food services	797	793	752	737	752
Grants and other	130,599	137,139	137,739	143,470	131,127
Total state sources	<u>630,306</u>	<u>635,652</u>	<u>621,593</u>	<u>603,105</u>	<u>564,614</u>
Federal sources:					
Food services	67,207	-	-	56,863	51,324
Federal grants direct	13,007	13,808	15,937	17,266	18,634
Federal grants through state and local	229,227	170,098	144,800	77,863	86,799
Total federal sources	<u>309,441</u>	<u>183,906</u>	<u>160,737</u>	<u>151,992</u>	<u>156,757</u>
Total revenues	<u>1,400,551</u>	<u>1,162,127</u>	<u>1,148,405</u>	<u>1,084,947</u>	<u>1,006,756</u>
<b>EXPENDITURES</b>					
Current:					
Instructional services:	682,562	651,375	625,580	605,887	592,456
Instructional support services:					
Student personnel services	51,171	50,099	44,214	40,103	40,068
Instructional media services	8,271	8,412	8,422	8,275	8,873
Instruction and curriculum development services	13,810	14,833	14,564	13,719	13,229
Instructional staff training services	9,669	21,458	24,672	24,227	22,555
Instructional related technology	60,397	19,091	17,423	10,466	10,081
Total instructional support services	<u>143,318</u>	<u>113,893</u>	<u>109,295</u>	<u>96,790</u>	<u>94,806</u>
Student transportation services	45,568	37,222	36,801	37,798	35,742
Operation and maintenance of plant:					
Operation of plant	72,113	62,788	55,147	54,890	46,326
Maintenance of plant	24,764	21,328	23,100	22,849	23,680
Total operation and maintenance of plant	<u>96,877</u>	<u>84,116</u>	<u>78,247</u>	<u>77,739</u>	<u>70,006</u>
School administration	49,276	47,131	46,658	45,797	44,462
General administration:					
Central services	23,388	12,641	13,422	14,882	13,138
Board	1,814	2,765	2,286	1,815	1,909
General administration	15,287	6,472	5,768	5,668	6,161
Fiscal services	2,897	3,182	2,924	3,261	3,232
Administrative technology services	6,927	7,475	6,711	6,652	5,862
Total general administration	<u>50,313</u>	<u>32,535</u>	<u>31,111</u>	<u>32,278</u>	<u>30,302</u>

Source: District Records

		Fiscal Year							
		2017	2016	2015	2014	2013			
\$	207,864	\$	205,341	\$	195,903	\$	194,161	\$	184,219
	43,048		40,757		38,290		35,881		34,082
	13,545		10,325		8,494		7,379		5,133
	2,157		2,820		4,740		6,446		6,989
	1,043		928		540		572		702
	11,007		10,814		12,107		13,482		13,102
	<u>278,664</u>		<u>270,985</u>		<u>260,074</u>		<u>257,921</u>		<u>244,227</u>
	420,095		400,711		386,495		368,371		339,640
	3,271		2,162		1,881		-		-
	720		676		631		634		653
	131,369		129,445		130,037		130,433		128,619
	<u>555,455</u>		<u>532,994</u>		<u>519,044</u>		<u>499,438</u>		<u>468,912</u>
	51,219		48,444		42,959		38,038		34,947
	16,840		15,025		15,825		14,749		15,721
	65,583		65,426		70,973		61,667		63,562
	<u>133,642</u>		<u>128,895</u>		<u>129,757</u>		<u>114,454</u>		<u>114,230</u>
	<u>967,761</u>		<u>932,874</u>		<u>908,875</u>		<u>871,813</u>		<u>827,369</u>
	556,426		533,801		528,291		510,130		491,148
	38,215		38,302		37,182		36,456		31,996
	8,077		8,050		8,338		8,725		8,561
	12,461		13,259		13,765		17,064		16,589
	19,976		17,215		16,189		9,455		11,718
	9,429		10,577		8,680		9,085		10,098
	<u>88,158</u>		<u>87,403</u>		<u>84,154</u>		<u>80,785</u>		<u>78,962</u>
	<u>34,288</u>		<u>32,964</u>		<u>32,785</u>		<u>33,999</u>		<u>33,601</u>
	44,545		44,030		43,103		42,344		44,262
	21,987		20,233		21,652		21,666		18,817
	<u>66,532</u>		<u>64,263</u>		<u>64,755</u>		<u>64,010</u>		<u>63,079</u>
	<u>42,984</u>		<u>41,258</u>		<u>39,124</u>		<u>38,215</u>		<u>38,366</u>
	12,528		12,413		11,493		10,885		10,909
	2,324		2,018		1,904		1,975		2,039
	5,792		5,315		4,790		4,844		6,065
	2,884		3,121		3,173		3,169		2,995
	5,942		6,009		5,927		5,489		5,081
	<u>29,470</u>		<u>28,876</u>		<u>27,287</u>		<u>26,362</u>		<u>27,089</u>

**SCHOOL BOARD OF POLK COUNTY  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
TABLE 6  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS IN THOUSANDS)  
(UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>EXPENDITURES</b>					
Non-capitalizable facilities acquisition and construction	52,072	15,517	17,722	12,211	7,373
Food services	56,644	50,927	53,673	56,849	54,239
Community services and other	3,367	3,064	3,315	3,430	3,125
Debt Service:					
Principal retirement	22,183	27,336	16,994	41,447	37,870
Interest	13,881	13,887	13,210	7,062	8,233
Fiscal charges	240	30	671	1,168	91
Capital outlay					
Facilities acquisitions & construction	68,759	179,991	67,807	20,587	11,097
Other capital outlay	12,140	18,346	10,189	11,725	8,561
<b>Total expenditures</b>	<b>1,297,200</b>	<b>1,275,370</b>	<b>1,111,273</b>	<b>1,050,768</b>	<b>998,363</b>
Excess (deficiency) of revenues over (under) expenditures	103,351	(113,243)	37,131	34,179	6,393
<b>OTHER FINANCING SOURCES (USES):</b>					
Long term bonds issued	-	-	-	160,025	-
Premium on sale of bonds	-	-	-	34,182	-
Refunding bonds issued	15,850	-	87,861	2,752	-
Premium on sale of refunding bonds	-	-	3	435	-
Issuance of debt	-	-	6,000	-	-
Proceeds from sale of capital assets	400	-	-	-	-
Payments to refunded bond escrow agent	(15,776)	-	(87,462)	-	-
Proceeds from capital leases	961	-	-	-	-
Insurance loss recoveries	-	-	315	-	601
Transfers in	90,950	86,436	79,519	96,635	85,342
Transfers out	(90,950)	(86,436)	(78,828)	(95,669)	(84,275)
<b>Total other financing sources and uses</b>	<b>1,435</b>	<b>-</b>	<b>7,408</b>	<b>198,360</b>	<b>1,668</b>
<b>Net change in fund balances</b>	<b>\$ 104,786</b>	<b>\$ (113,243)</b>	<b>\$ 44,539</b>	<b>\$ 232,539</b>	<b>\$ 10,061</b>
Debt service as a percentage of non-capital expenditures	2.97%	3.83%	2.93%	4.76%	4.71%

Source: District Records

Fiscal Year				
2017	2016	2015	2014	2013
8,990	11,174	11,261	10,757	8,630
53,220	50,985	49,471	46,674	42,792
2,449	2,255	2,742	2,694	2,700
36,237	35,484	34,366	32,775	31,408
9,447	12,185	14,544	16,941	18,139
755	507	153	75	872
15,763	35,377	18,239	7,743	26,277
10,402	7,401	11,554	5,835	6,577
955,121	943,933	918,726	876,995	869,640
12,640	(11,059)	(9,851)	(5,182)	(42,271)
-	-	-	-	-
-	-	-	140	-
26,891	118,935	46,179	900	81,255
85	-	200	-	-
-	-	-	-	-
-	-	-	-	-
(26,229)	(118,528)	(47,061)	(268)	(81,255)
-	-	1,133	-	-
-	1,199	7	19	7
81,080	77,260	87,407	94,287	81,788
(79,964)	(76,148)	(86,593)	(93,086)	(80,334)
1,863	2,718	1,272	1,992	1,461
\$ 14,503	\$ (8,341)	\$ (8,579)	\$ (3,190)	\$ (40,810)
4.92%	5.29%	5.50%	5.76%	5.92%

**SCHOOL BOARD OF POLK COUNTY  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 TABLE 7  
 (AMOUNTS IN THOUSANDS)  
 (UNAUDITED)**

Fiscal Year Ended June 30,	Taxable Value for the School District						
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Other (1) Property	Tangible Property	Less: Exemptions
2021	\$ 42,834,602	\$ 5,803,370	\$ 3,798,265	\$ 2,281,778	\$ 4,564,401	\$ 8,273,473	\$ 18,571,404
2021	38,866,706	5,672,090	3,411,087	2,190,133	4,462,899	7,838,273	17,448,526
2020	34,680,388	5,463,586	3,130,348	2,202,537	4,108,453	7,412,557	15,911,875
2019	31,491,549	5,224,663	2,885,916	2,174,082	3,885,577	7,241,148	14,727,845
2018	28,148,924	4,932,713	2,659,652	2,033,639	3,785,351	6,743,583	13,233,779
2017	25,612,576	4,547,618	2,022,272	2,071,902	3,537,946	6,074,402	12,292,797
2016	23,771,417	4,236,898	1,766,486	1,956,536	3,347,595	6,176,176	11,521,005
2015	21,763,759	4,043,575	1,618,218	1,837,079	3,194,730	5,859,292	10,286,736
2014	19,419,786	3,966,947	1,562,888	1,710,091	3,141,635	5,869,626	9,125,755
2013	17,793,857	3,904,128	1,527,154	1,701,901	3,093,822	5,686,296	8,289,198

(1) Category includes institutional, government, non-ag, and miscellaneous.

Note: Net Taxable Values are net Assessed Values after deducting allowable statutory exemptions.  
 Tax revenues for each fiscal year are based on the prior calendar year's net taxable values,  
 e.g.: FY 2017 tax revenues are based on CY 2016 net taxable values.

Source: Florida Department of Revenue

	<u>Net Taxable Assessed Value</u>	<u>Total Direct TaxRate</u>	<u>Estimated Taxable Value</u>	<u>Net Assessed Value as a Percentage of of Estimated Taxable Value</u>
\$	48,984,485	5.8290	\$ 67,681,190	72.38%
	44,992,662	5.9350	62,556,042	71.92%
	41,085,994	6.0860	57,101,226	71.95%
	38,175,090	6.2510	53,020,095	72.00%
	35,070,083	6.5140	48,404,657	72.45%
	31,573,919	6.7970	43,967,539	71.81%
	29,734,103	7.1490	41,350,735	71.91%
	28,029,917	7.2080	38,400,400	72.99%
	26,545,218	7.5470	35,752,837	74.25%
	25,417,960	7.4920	33,783,998	75.24%



**SCHOOL BOARD OF POLK COUNTY  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
RATES PER \$1,000 ASSESSED VALUATION  
LAST TEN FISCAL YEARS  
TABLE 8  
(UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>District School Board:</b>					
Required Local Effort	3.5810	3.6870	3.8380	3.9980	4.2660
Discretionary Local	0.7480	0.7480	0.7480	0.7480	0.7480
Supplemental Discretionary	0.0000	0.0000	0.0000	0.0000	0.0000
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000
Capital Improvement	1.5000	1.5000	1.5000	1.5000	1.5000
<b>Total District School Board</b>	<b>5.8290</b>	<b>5.9350</b>	<b>6.0860</b>	<b>6.2460</b>	<b>6.5140</b>
<b>Other County-Wide:</b>					
Board of County Commissioners	6.8990	6.8990	7.1565	7.1565	6.7815
<b>Total County-Wide</b>	<b>12.7280</b>	<b>12.8340</b>	<b>13.2425</b>	<b>13.4025</b>	<b>13.2955</b>
<b>Non-County Wide:</b>					
Board of County Commissioners					
Public Library Service	0.2109	0.2109	0.2109	0.2109	0.2109
Parks & Recreation (unincorporated)	0.5619	0.5619	0.5619	0.5619	0.5619
<b>Municipalities:</b>					
Aubumdale	4.2515	4.2515	4.2515	4.2515	4.2657
Bartow	4.0000	3.0862	3.2768	3.5378	3.6541
Davenport	7.5000	7.5000	7.5000	7.5000	7.5000
Eagle Lake	7.6516	7.6516	7.6516	7.6516	7.6516
Fort Meade	8.6306	7.8899	7.8899	6.8704	6.8704
Frostproof	6.5530	6.5530	6.9705	7.3045	7.4978
Haines City	7.5895	7.5895	7.5895	7.5895	7.5895
Lake Alfred	7.2390	7.2390	7.2390	7.2390	7.2390
Lake Wales	6.7697	6.7974	6.9339	7.0438	7.0438
Lakeland	5.4323	5.4644	5.4644	5.4644	5.5644
Mulberry	6.4400	6.4400	6.4400	6.4400	6.5900
Polk City	5.7000	6.0000	6.0000	7.2500	7.4877
Winter Haven	6.7900	6.7900	6.7900	6.7900	5.7900

Note: Overlapping debt is the debt of a political entity, such as a state where its tax base overlaps the tax base of another political entity, such as a city within the county.

In addition to the non-voted operating levies, the School District may, based on State statutory law, levy additional millage for school operational purposes, which is subject to the approval by a majority of voters. The total combined operating levies (non-voted and voted) cannot exceed 10.000 mills.

Source: Polk County Property Appraiser

Fiscal Year				
2017	2016	2015	2014	2013
4.5490	4.9010	4.9600	5.2990	5.2440
0.7480	0.7480	0.7480	0.7480	0.7480
0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.0000	0.0000	0.0000
1.5000	1.5000	1.5000	1.5000	1.5000
6.7970	7.1490	7.2080	7.5470	7.4920
6.7815	6.7815	6.8665	6.8665	6.8665
13.5785	13.9305	14.0745	14.4135	14.3585
0.2109	0.2109	0.2109	0.2109	0.2109
0.5619	0.5619	0.4219	0.4219	0.4219
4.2657	4.2657	4.2657	4.2657	4.2657
3.8044	3.8387	3.9075	3.9960	3.9962
7.5000	7.5000	7.5000	7.7500	7.7500
7.6516	7.6516	7.6516	7.6516	7.6516
6.2458	5.6484	5.6484	5.6484	5.6484
7.7716	8.0587	8.0587	8.0587	7.8209
7.5895	7.7900	7.7900	7.7900	7.9900
7.2390	7.4890	7.5890	7.5890	7.5890
7.3273	7.3638	8.3638	8.5866	8.5119
5.5644	5.5644	4.6644	4.6644	4.6644
6.7900	7.2900	7.6500	8.4000	8.9000
8.0000	8.2500	8.6000	8.6547	8.6547
5.7900	5.7900	5.7900	5.7900	5.7900

**SCHOOL BOARD OF POLK COUNTY  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT AND NINE YEARS AGO  
TABLE 9  
(AMOUNTS IN THOUSANDS)  
(UNAUDITED)**

Fiscal Year						
		2022		2013		
Taxpayer	Rank	Taxable Value	Percentage of Total Assessed Value	Rank	Taxable Value	Percentage of Total Assessed Value
Duke Energy	1	\$ 1,270,978	22.71%	1	\$ 1,081,571	3.30%
Tampa Electric	2	911,098	16.28%	2	554,253	1.69%
Mosaic/Streamsong/Stillwater	3	762,204	13.62%	3	490,763	1.50%
Publix Super Markets	4	525,802	9.39%	4	292,341	0.89%
Invitation Homes	5	255,376	4.56%			
Amazon	6	246,952	4.41%			
Walmart	7	398,556	7.12%	9	113,568	0.35%
Carlton Arms	8	238,195	4.26%			
Nucor Steel Florida INC	9	210,509	3.76%			
Coca Cola	10	203,794	3.64%	6	204,322	0.62%
Verizon Florida				5	218,734	0.67%
Calpine Construction Florida				8	150,993	0.46%
Gulfstream Natural Gas				7	154,209	0.47%
Brighthouse				10	92,934	0.28%
Total		<u>\$ 5,023,464</u>	<u>89.76%</u>		<u>\$ 3,353,688</u>	<u>10.23%</u>

Source: Polk County Property Appraiser

**SCHOOL BOARD OF POLK COUNTY  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
TABLE 10  
(UNAUDITED)**

Fiscal Year	Governmental Activities (A)						Percentage of Personal Income (B)	Per Capita (B)
	Sales Tax Revenue Bonds	State Board of Education Bonds	Capital Leases	Certificates Of Participation	Notes Payable	Total Primary Government		
2022	\$ 143,285	\$ 2,817	\$ -	\$ 131,066	\$ -	\$ 277,168	0.83%	360
2021	178,744	3,618	-	154,997	-	337,359	1.03%	451
2020	160,025	3,680	-	156,958	6,000	326,663	1.13%	457
2019	192,363	4,252	-	174,741	-	371,356	1.52%	538
2018	26,429	5,164	-	186,972	-	218,565	0.92%	325
2017	52,049	5,974	281	199,047	-	257,351	1.14%	389
2016	76,888	7,254	568	207,595	-	292,305	1.32%	452
2015	101,057	9,320	845	212,118	431	323,771	1.52%	511
2014	117,360	11,275	-	221,967	1,653	352,255	1.73%	565
2013	137,595	13,640	-	230,922	2,974	385,131	1.82%	627
2012	156,935	15,790	-	239,562	4,231	416,518	1.92%	686

(A) The primary government's business-type activities does not have any debt.

(B) Total Primary Government Debt divided by Personal Income and Population from the Demographics and Economics schedule.

Source: District Records

**SCHOOL BOARD OF POLK COUNTY  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
TABLE 11  
(AMOUNTS IN THOUSANDS, EXCEPT PER CAPITA)  
(UNAUDITED)**

Fiscal Year	Total Tax Levy	Collected to End of Tax Year			Collected in Fiscal Year	
		Current Tax Collections (1)	Percent of Levy	Delinquent Collections (1)	Total Collections (1)	Percent of Levy
2022	\$ 283,809,653	\$ 272,572,197	96.04%	\$ 3,118,953	\$ 275,691,150	97.14%
2021	265,833,122	254,281,875	95.65%	572,822	254,854,697	95.87%
2020	248,625,507	239,247,146	96.23%	2,142,650	241,389,796	97.09%
2019	237,554,259	228,164,079	96.05%	2,601,537	230,765,616	97.14%
2018	228,438,645	219,061,681	95.90%	1,916,099	220,977,780	96.73%
2017	214,850,226	206,273,679	96.01%	1,590,497	207,864,176	96.75%
2016	212,412,071	203,903,763	95.99%	1,437,488	205,341,251	96.67%
2015	201,717,120	193,648,970	96.00%	2,253,762	195,902,732	97.12%
2014	200,060,667	192,371,754	96.16%	1,789,519	194,161,273	97.05%
2013	190,589,618	182,918,037	95.97%	1,301,006	184,219,043	96.66%

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

(1) Net of allowable discounts

Source: District Records

**SCHOOL BOARD OF POLK COUNTY  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2022  
TABLE 12  
(UNAUDITED)**

<u>Jurisdiction</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Direct Debt</u>		<u>Direct and Overlapping Debt</u>	
		<u>Percentage Applicable to This Governmental Unit</u>	<u>Amount Applicable to This Governmental Unit</u>	<u>Percentage Applicable to Polk County</u>	<u>Amount Applicable to Polk County</u>
Polk County Board of County Commissioners	\$ 62,532,872	100%	\$ 62,532,872	100%	\$ 62,532,872
Polk County District School Board	-	100%	320,250,359	100%	-
<b>Totals</b>	<u>\$ 62,532,872</u>		<u>\$ 382,783,231</u>		<u>\$ 62,532,872</u>

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

Sources: District Records  
Polk County Clerk of the Circuit Court

**SCHOOL BOARD OF POLK COUNTY  
 ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY  
 REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS  
 LAST TEN FISCAL YEARS  
 TABLE 13  
 (UNAUDITED)**

Fiscal Year	Taxable Assessed Value (A)	Annual Lease Payment	Millage Levy to Provide 1.00x Coverage (B)
2022	\$ 48,984,485	\$ 17,038,065	0.3661
2021	44,992,662	17,033,126	0.3985
2020	41,085,994	21,438,752	0.5493
2019	38,175,090	17,218,320	0.4748
2018	35,070,083	17,401,051	0.5223
2017	31,540,752	16,539,022	0.5520
2016	29,698,656	16,990,132	0.6022
2015	28,029,917	17,240,555	0.6474
2014	26,545,218	17,229,290	0.6832
2013	25,417,960	17,183,587	0.7116

(A) Assessed Value is in Thousands.

(B) Millage rate calculated using 95 percent 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.

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Source: Florida Department of Revenue and District Records

**SCHOOL BOARD OF POLK COUNTY  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

**TABLE 14  
(UNAUDITED)**

<b>Fiscal Year</b>	<b>Population (A)</b>	<b>Personal Income (1) (B)</b>	<b>Per Capita Personal Income (B)</b>	<b>Unemployment Rate (B)</b>
2022	770,019	33,538,948	43,556 *	3.2%
2021	748,365	32,595,786	43,556 *	4.9%
2020	715,090	28,827,829	39,760	7.9%
2019	690,606	24,490,961	36,649	3.5%
2018	673,028	23,867,592	35,463	3.5%
2017	661,645	22,636,860	34,213	4.1%
2016	646,989	22,126,377	34,199	5.9%
2015	633,052	21,348,413	33,723	6.2%
2014	623,174	20,347,877	32,652	7.3%
2013	613,950	21,115,582	34,393	8.0%

(1) Personal Income in thousands

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Sources:

(A) University of Florida Bureau of Economic and Business Research

(B) Polk County BOCC ACFR 2021

\*Data provided by US Bureau of Economic Analysis. Per capita personal income was not available for 2022. The 2021 per capita income information was used, along with 2022 population data to determine the personal income data.



**SCHOOL BOARD OF POLK COUNTY  
PRINCIPAL EMPLOYERS  
POLK COUNTY EMPLOYMENT  
CURRENT YEAR AND NINE YEARS AGO  
TABLE 15  
(UNAUDITED)**

Employer	Calendar Year					
	2021			2012		
	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment
Publix Super Markets	13,701	1	4.34%	13,800	1	5.03%
Polk County School Board	13,363	2	4.24%	9,800	2	3.57%
Lakeland Regional Health	5,888	3	1.87%	4,500	5	1.64%
Walmart	5,523	4	1.75%	5,100	3	1.86%
Amazon	5,000	5	1.59%	-	-	-
Polk County Government	4,667	6	1.48%	4,500	4	1.64%
Geico	3,700	7	1.17%	-	-	-
City of Lakeland	2,800	8	0.89%	2,600	7	0.95%
BayCare	2,614	9	0.83%	-	-	-
Advent Health	2,466	10	0.78%	-	-	-
State of Florida	-	-	-	4,300	6	1.57%
Winter Haven Hospital	-	-	-	2,500	8	0.91%
State Farm Insurance	-	-	-	2,000	9	0.73%
Mosaic	-	-	-	2,000	10	0.73%
	<u>59,722</u>		<u>18.94%</u>	<u>51,100</u>		<u>18.63%</u>

Note: 2022 data was not available at time of publishing.

Sources: Polk County ACFR 2021

**SCHOOL BOARD OF POLK COUNTY**  
**SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA**  
**LAST TEN FISCAL YEARS**  
**TABLE 16**  
**(UNAUDITED)**

	Fiscal Years				
	2022	2021	2020	2019	2018
<b>Schools</b>					
<b>Elementary</b>					
Locations	66	66	66	65	66
Square feet	6,364,400	6,249,626	6,181,996	6,069,905	6,293,636
Capacity	52,552	51,846	51,213	385,816	51,419
Enrollment	41,472	46,853	37,520	40,622	40,226
<b>Middle</b>					
Locations	20	20	20	20	20
Square feet	2,848,437	2,787,509	2,812,996	2,804,098	2,825,675
Capacity	25,034	24,493	24,542	24,179	22,578
Enrollment	17,128	16,089	15,793	17,123	17,867
<b>Senior High</b>					
Locations	15	15	14	14	15
Square feet	4,561,449	4,561,446	4,367,695	4,351,929	4,344,534
Capacity	37,391	37,337	35,438	34,771	33,106
Enrollment	25,431	24,215	25,489	25,798	25,923
<b>Other (A)</b>					
Locations	13	13	13	13	12
Square feet	1,720,478	1,543,291	1,567,074	1,268,049	1,067,481
Capacity	11,618	10,961	11,208	7,912	6,445
Enrollment	6,198	7,179	5,432	6,642	4,637
<b>Conversion Charter (B)</b>					
Locations	9	9	9	9	9
Square feet	1,179,108	1,177,484	1,177,484	1,165,534	1,163,225
Capacity	9,321	9,242	9,242	8,883	8,483
Enrollment	7,996	7,634	8,013	7,942	7,749
<b>Administrative / Support Services</b>					
Locations	18	17	19	13	15
Square feet	605,334	532,856	595,259	1,268,049	571,682
<b>Total Enrollment in District Facilities</b>	72,794	77,755	92,247	98,127	96,402

(A) Includes ESE, alternative education, and elementary-middle fine arts.

(B) District public schools that converted to charter school status.

Note: Does not include start-up charter schools or their enrollment.

Source: District Records

Fiscal Years

2017	2016	2015	2014	2013
66	66	66	67	67
6,515,678	6,102,843	6,108,489	6,273,582	6,264,516
53,928	50,714	50,686	51,616	51,126
41,975	40,540	40,379	38,619	40,168
20	20	20	19	19
2,800,879	2,654,893	2,653,573	2,607,658	2,630,298
21,803	24,321	22,894	22,997	23,480
16,084	16,409	16,659	15,635	15,655
15	15	16	15	16
4,297,686	4,302,843	4,285,656	4,295,866	4,306,621
32,237	33,846	34,150	34,223	34,461
25,523	25,537	25,014	24,086	21,912
12	11	11	10	10
1,143,280	988,116	987,396	914,943	914,042
7,385	6,212	6,184	5,861	5,851
5,694	4,302	4,339	4,045	4,204
9	9	9	9	9
1,160,446	1,160,446	1,162,582	1,162,538	1,163,607
8,360	8,685	8,439	8,439	8,405
7,982	7,744	7,351	7,153	7,138
16	17	17	18	17
591,512	593,317	593,333	664,623	557,797
97,258	94,532	93,742	89,538	89,077

**SCHOOL BOARD OF POLK COUNTY  
TEACHER BASE SALARIES  
LAST TEN FISCAL YEARS  
TABLE 17  
(UNAUDITED)**

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>Average Salary</u>
2022	\$ 45,487	\$ 68,807	\$ 48,993
2021	45,172	67,292	47,397
2020	40,972	64,072	47,397
2019	40,972	64,072	47,857
2018	41,272	62,872	48,199
2017	40,672	62,872	47,368
2016	40,672	62,872	47,368
2015	40,000	59,300	46,323
2014	36,750	58,175	45,181
2013	35,750	56,175	42,671

Note: Includes only 10 Month Teachers  
Performance Pay Schedule

Source: District Records

**SCHOOL BOARD OF POLK COUNTY  
FOOD SERVICE OPERATING DATA  
LAST TEN FISCAL YEARS  
TABLE 18  
(UNAUDITED)**

	Fiscal Year				
	2022	2021	2020	2019	2018
<b>Days Meals Served:</b>	180	175	131	180	174
<b>Student Lunches Served:</b>					
Paid Lunches (regular)	-	-	-	-	440,716
Reduced Lunches (regular)	-	-	-	-	29,460
Free Lunches (regular)	10,551,366	7,805,540	8,515,869	11,666,364	10,608,564
<b>Total Student Lunches Served</b>	10,551,366	7,805,540	8,515,869	11,666,364	11,078,740
Daily Average Student Lunches Served	58,619	44,603	65,007	64,813	63,671
<b>Student Breakfasts Served:</b>					
Paid Breakfasts (regular)	-	-	-	-	113,894
Reduced Breakfasts (regular)	-	-	-	-	8,377
Free Breakfasts (regular)	5,420,557	4,331,904	4,249,798	5,853,353	5,285,375
<b>Total Student Breakfasts Served</b>	5,420,557	4,331,904	4,249,798	5,853,353	5,407,646
Daily Average Student Breakfasts Served	30,114	24,754	32,441	32,519	31,078
<b>LUNCH PRICES:</b>					
Elementary	\$0.00	\$0.00	\$0.00	\$2.00	\$2.00
Middle	\$0.00	\$0.00	\$0.00	\$2.30	\$2.30
High	\$0.00	\$0.00	\$0.00	\$2.60	\$2.60
<b>BREAKFAST PRICES:</b>					
Elementary	\$0.00	\$0.00	\$0.00	\$1.00	\$1.00
Secondary	\$0.00	\$0.00	\$0.00	\$1.00	\$1.00
<b>Free and Reduced Percentages:</b>					
Paid	-	-	-	-	3.4%
Reduced	-	-	-	-	0.2%
Free	100.0%	100.0%	100.0%	100.0%	96.4%

Source: District Records

Fiscal Year				
2017	2016	2015	2014	2013
178	180	180	180	179
522,762	633,470	1,148,306	1,297,759	1,439,256
47,065	106,093	306,398	478,147	755,136
10,740,732	10,421,805	9,198,230	8,125,512	7,525,884
11,310,559	11,161,368	10,652,934	9,901,418	9,720,276
63,542	62,008	59,183	55,008	54,303
150,768	139,378	173,192	250,749	232,618
12,374	25,546	71,598	121,221	210,856
5,446,493	5,306,261	4,645,245	3,880,971	3,538,062
5,609,635	5,471,185	4,890,035	4,252,941	3,981,536
31,515	30,395	27,167	23,627	22,243
\$2.00	\$2.00	\$2.00	\$2.00	\$1.80
\$2.30	\$2.30	\$2.30	\$2.30	\$2.10
\$2.60	\$2.60	\$2.60	\$2.30	\$2.10
\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
4.0%	4.6%	8.5%	10.9%	12.2%
0.4%	0.8%	2.4%	4.2%	7.1%
95.7%	94.6%	89.1%	84.8%	80.7%

# Compliance Section



**POLK COUNTY**  
**PUBLIC SCHOOLS**

STUDENTS FIRST

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FISCAL YEAR ENDED JUNE 30, 2022**

<b>Federal Grantor/Pass-Through Grantor/ Program or Cluster</b>	<b>Assistance Listing Number</b>	<b>Pass-Through Identifying Number</b>	<b>Passed Through to Subrecipients</b>	<b>Total Expenditures</b>
<b>Clustered</b>				
<b>Child Nutrition Cluster</b>				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	22002	\$ -	\$ 13,769,748
National School Lunch Program	10.555	22001, 22003	-	51,973,982
Summer Food Service Program for Children	10.559	21006, 21007, 22006, 22007	-	1,136,620
<b>Total Child Nutrition Cluster</b>			-	66,880,350
<b>Student Financial Assistance Cluster</b>				
United States Department of Education:				
Federal Pell Grant Program	84.063	N/A	-	1,752,260
<b>Total Student Financial Assistance Cluster</b>			-	1,752,260
<b>Special Education Cluster</b>				
United States Department of Education:				
Florida Department of Education				
Special Education - Grants to States	84.027	262, 263	1,896,097	23,381,079
Special Education - Preschool Grants	84.173	267	-	415,434
<b>Total Special Education Cluster</b>			1,896,097	23,796,513
<b>Not Clustered</b>				
<b>United States Department of Agriculture</b>				
Florida Department of Health:				
Child and Adult Care Food Program	10.558	S-4372	-	326,568
Florida Department of Agriculture and Consumer Services:				
National School Lunch Program Equipment Assistance Grant	10.579	26792	-	-
<b>Total United States Department of Agriculture</b>			-	326,568
<b>United States Department of Defense</b>				
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	877,318
Marine Corps Junior Reserve Officers Training Corps	12.UNK	N/A	-	78,453
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	-	124,504
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	56,495
<b>Total United States Department of Defense</b>			-	1,136,770
<b>United States Department of Labor</b>				
Florida Department of Education:				
National Farmworker Jobs Program	17.264	405	-	425,952
<b>United States Department of the Treasury</b>				
Polk County Board of County Commissioners:				
Coronavirus Relief Fund	21.019	N/A	-	-



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/ Program or Cluster	Assistance Listing Number	Pass-Through Identifying Number	Passed Through to Subrecipients	Total Expenditures
<b>United States Department of Education</b>				
Magnet Schools Assistance	84.165	N/A	\$ -	\$ 642,896
Education Stabilization Fund Under the COVID-19 - Coronavirus Aid, Relief, and Economic Security Act:				
Higher Education Emergency Relief Fund - Student Aid Portion	84.425			
Higher Education Emergency Relief Fund - Institutional Portion	84.425E	123	-	1,636,235
Higher Education Emergency Relief Fund - Institutional Portion	84.425F	123	-	124,426
Florida Department of Education:				
Governor's Emergency Education Relief Fund	84.425C	123	6,274	413,155
Elementary and Secondary School Emergency Relief Fund	84.425D	124	4,278,904	77,801,446
ARP: Elementary & Secondary School Emergency Relief Fund	84.425U	121	198,209	39,364,005
Total Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act	84.425		4,483,387	119,339,267
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	-	1,233,018
Title 1 Grants to Local Educational Agencies	84.010	126,212, 223, 226	1,116,127	37,926,401
Migrant Education - State Grant Program	84.011	217	-	1,155,415
Career and Technical Education - Basic Grants to States	84.048	161	75,549	1,602,780
Safe and Drug-Free Schools and Communities - National Program	84.186	241	-	1,523,392
Education for Homeless Children and Youth	84.196	127	-	137,748
Charter Schools	84.282	298	239,082	239,082
Special Education - State Personnel Development	84.323	361	-	19,982
English Language Acquisition State Grants	84.365	102	-	1,206,517
Supporting Effective Instruction State Grants	84.367	224	41,001	3,693,657
School Improvement Grant	84.377A	126	-	1,519,965
Student Support and Academic Enrichment Program	84.424	241	-	-
Hurricane Education Recovery	84.938B	108	-	-
<b>Total United States Department of Education</b>			5,955,146	170,240,120
<b>United States Department of Health and Human Services</b>				
Head Start	93.600	N/A	-	8,309,112
<b>Total United States Department of Health and Human Services</b>			-	8,309,112
<b>Federal Communications Commission</b>				
Emergency Connectivity Fund Program	32.009	N/A	-	29,194,673
<b>Total Expenditures of Federal Awards</b>			\$ 7,851,243	\$ 302,062,318

The accompanying notes are an integral part of this schedule

**Notes**

- 1 **Basis of Presentation.** The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Polk County District School Board under programs of the Federal Government for the fiscal year ended June 30, 2022. 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 the Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
- 2 **Summary of Significant Accounting Policies.** Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.
- 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 - National School Lunch Program.** Includes \$4,927,286 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
- 5 **Head Start.** Expenditures include \$4,298,576 for grant number/program year 04CH0191101/21, \$3,934,651 for 04CH0191102/22, and \$75,885 for 04HE00032401C5.



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

The Honorable Members of the  
School Board of Polk County, Florida  
Bartow, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of School Board of Polk County, Florida ("the Board"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated July 31, 2023. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units and the fiduciary fund as described in our report on the Board's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

***Report on Internal Control Over Financial Reporting***

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 that we consider to be material weaknesses.

The Honorable Members of the  
School Board of Polk County, Florida

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

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

***Purpose of This Report***

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



**CliftonLarsonAllen LLP**

Lakeland, Florida  
July 31, 2023



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550,  
RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

The Honorable Members of the  
School Board of Polk County, Florida  
Bartow, Florida

**Report on Compliance for Each Major Federal Program**

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

We have audited the School Board of Polk County, Florida's ("the Board") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of major federal the District's programs for the year ended June 30, 2022. District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Board's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

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

***Auditors' Responsibilities for the Audit of Compliance***

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2022-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Board's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.


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

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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



**CliftonLarsonAllen LLP**

Lakeland, Florida  
July 31, 2023

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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**Section I – Summary of Auditors’ Results**

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**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness identified?     X     yes            no
  - Significant deficiency identified?            yes     X     none reported
3. Noncompliance material to financial statements noted?            yes     X     no

**Federal Awards**

1. Internal control over major federal programs:
- Material weakness identified?            yes     X     no
  - Significant deficiency identified?     X     yes            none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?     X     yes            no

**Identification of Major Federal Programs**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program</b>
84.425 (E, F, C, D, U)	COVID-19 - Education Stabilization
84.010	Title 1 Grants for Local Education Agencies
32.009	COVID-19 - Emergency Connectivity

Dollar threshold used to distinguish between Type A and Type B programs: \$     3,000,000    

Auditee qualified as low-risk auditee?            yes     X     no

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Part II – Financial Statement Findings***

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**2022 – 001 Material Audit Adjustments**

Type of Finding: Material Weakness in Internal Control over Financial Reporting

**Condition:** Certain audit adjustments were necessary for the financial statements to be reported in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

**Criteria or specific requirement:** District management is responsible for establishing and maintaining internal controls to ensure that transactions are properly reported in the financial statements in accordance with U.S. GAAP.

**Context:** There were four journal entries made during the audit period totaling approximately \$13.2 million dollars that were necessary for the financial statements to be properly reported in accordance with U.S. GAAP. The most notable financial areas affected by these entries are as follows:

- Revenue/Expenses related to capital equipment received under a grant agreement
- Accounts receivable related to taxes recorded to the incorrect account
- CIP end of year adjustment not made
- Revenues related to District local capital improvement taxes was recorded to the incorrect account

**Effect:** Without the aforementioned journal entries, the financial statements would have been materially misstated.

**Cause:** The primary cause of the aforementioned journal entries relates to turnover in key accounting and fiscal positions throughout the District. In addition, the County's year-end close process did not include review of significant account reconciliations.

**Repeat finding:** Yes, see 2021-001.

**Recommendation:** District Management should implement additional year-end close internal controls. Those controls should include reconciling every account and ensure each reconciliation is reviewed for accuracy.

**Views of responsible officials and planned corrective actions:** There is no disagreement with the audit finding.



**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Part II – Financial Statement Findings (Continued)***

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**2022 – 002 Schedule of Expenditures of Federal Awards**

Type of Finding: Material Weakness in Internal Control over Financial Reporting

**Condition:** Our audit procedures identified \$494,858 that should not have been included within the Schedule of Expenditures of Federal Awards (the Schedule). At year end, there were 48 Bus Routers totaling \$494,858 that had not been delivered or paid for and therefore should not have been included in the Schedule.

**Criteria or specific requirement:** 2 CFR Part 200.508 Part B, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, requires auditees to prepare a Schedule. The County's management is responsible for establishing and maintain internal controls to ensure that the Schedule is properly reported.

**Effect:** The Schedule is used by grantor agencies and auditors to monitor compliance with federal requirements. Errors in reporting expenditures on the Schedule may lead to improper testing and therefore, noncompliance with Uniform Guidance.

**Cause:** Review procedures were not adequate to identify material errors

**Repeat finding:** No.

**Recommendation:** We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program expenditures are completely and accurately reported.

**Views of responsible officials and planned corrective actions:** There is no disagreement with the audit finding.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2022**

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***Part III – Findings and Questioned Costs – Major Federal Programs and State Projects***

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**2022 – 003 Controls over Allowable Costs**

Federal agency: Florida Department of Education

Federal program title s: Title 1 Grants for Local Education Agencies, Education Stabilization Fund

Federal Award Identification Number and Year: 530-2122B-2CB01, 530,1211A-2C001, 530-1211D-2CR01, 530-1211G-2CR01, 530-1211H-2CR01, 530-1211M-2CR01, 530-1211R-2CR01, 530-1211T-3CR01, 530-1230A-1C001, 530-1230B-1CS01, 530-1230F-1C001, 530-1240A-1C001, 530-1240C-1C001, 530-1240F-1C001, 530-1240S-1C001, 530-1241B-1CR01, 530-1241C-1CR01, 530-1241D-1CR01, 530-1241E-1CR01, 530-1241P-2C001, 530-1241V-2CR01, 530-1281E-2C001, 530-1281N-3CR01

Assistance Listing Numbers: 84.010, 84.425 (E, F, C, D, U)

Award Period: July 2021 through June 2022 & July 2021 through September 2024

Type of Finding:

- Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** Title 2, Section 200.303(a), CFR, requires the District to maintain effective internal controls over its federal awards. To ensure charges are allowable, an appropriate system of internal controls requires that review and approval of program or grant expenditures be performed by personnel who possess adequate knowledge and experience of program requirements.

**Condition:** Certain supervisors are reviewing timecards for time and effort reporting as required by Uniform Guidance.

**Questioned costs:** None

**Context:** In a statistically valid sample of forty salary and benefit expenditures for Title 1, four records or 10% did not have supervisory approval. In a statistically valid sample of forty salary and benefit expenditures for Education Stabilization, five records or 12.5% did not have supervisory approval.

**Cause:** The District did not maintain adequate supervisory approval of time and effort documentation.

**Effect:** Without supervisory approval, the potential exists that payroll and benefit costs could be improperly charged to a grant.

**Repeat Finding:** Yes,-see 2021-002.

**Recommendation:** We recommend a consistent timesheet approval process be used across the District to ensure all time and effort documentation is approved by a knowledgeable supervisor.

**Views of responsible officials:** There is no disagreement with the audit finding.



## MANAGEMENT LETTER

Honorable Chairman and Members of the  
School Board of Polk County, Florida  
Bartow, Florida

### Report on the Financial Statements

We have audited the financial statements of the School Board of Polk County, Florida (the “Board”) as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated July 31, 2023. We did not audit the financial statements of the discretely presented component units nor the fiduciary fund; those financial statements were audited by other auditors.

### Auditors’ 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 Auditors’ 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 Auditors’ Report on Compliance for Each Major Federal Program, Report on Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance; Independent Accountants’ Report on compliance with local government investment policies; and the Schedule of Findings and Questioned Costs. Disclosures in those reports, which are dated July 31, 2023, 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 audit report. Corrective action has been taken to address the finding and recommendation made in the preceding financial audit report.

Prior Year Findings		Current Year Status		Current Year Finding #
		Cleared	Not Cleared	
2021-001-Not Applicable	Material Weakness in Internal Control over Financial Reporting		X	2022-001
2021-002-Allowable Costs/Cost Principles	Significant Deficiency in Internal Control over Compliance		X	2022-003
AM 2021-001-Not Applicable	Significant Deficiency in Budgetary Internal Control	X		

Honorable Members of the  
School Board of Polk County, Florida

### **Financial Condition and Management**

Section 10.804(1)(f)2., Rules of the Auditor General, requires us to communicate whether or not the Board has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, the results of our tests did not indicate that the Board met 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 Board's financial condition, and our financial condition assessment was based in part on representations made by management and review of 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 any 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 Board maintains on its website the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the Board maintained on its website the information specified in Section 1011.035, Florida Statutes.

### **Additional Matters**

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

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, 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.



**CliftonLarsonAllen LLP**

Lakeland, Florida  
July 31, 2023



## INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Members of the  
School Board of Polk County, Florida  
Bartow, Florida

We have examined the School Board of Polk County, Florida's (the "Board"), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended June 30, 2022. Management of the District is responsible for the Board's compliance with the specified requirements. Our responsibility is to express an opinion on the Board's compliance with the specified requirements 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 Board complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Board complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of 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 for our opinion.

Our examination does not provide a legal determination on the Board's compliance with specified requirements.

In our opinion, the Board complied, in all material respects, with the Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended June 30, 2022.

This report is intended solely for the information and use of the District and the Auditor General, State of Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Lakeland, Florida  
July 31, 2023



**BOARD MEMBERS**

July 31, 2023

**Sara Beth Wyatt**  
Board Chairman  
District 4

**Dr. William Allen**  
Board Vice-Chairman  
District 1

**Lori Cunningham**  
District 2

**Rick Nolte**  
District 3

**Kay Fields**  
District 5

**Justin Sharpless**  
District 6

**Lisa Miller**  
District 7

**C. Wesley Bridges, II**  
General Counsel

**ADMINISTRATION**

**Frederick R. Heid**  
Superintendent

**SCHOOL DISTRICT OF POLK COUNTY, FLORIDA**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2022**

The School Board of Polk County, Florida respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2022.

Audit period: July 1, 2021, through June 30, 2022

The findings from the prior audit’s schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**2021 – 001 Not Applicable**

**Condition:** The District did not comply with GAAP and Federal requirements by properly reporting certain information on the financial statements, SEFA, and RSI in the ACFR submitted for audit.

**Status:** See current year finding 2022-001.

**Reason for finding’s recurrence:** Additional year-end close internal controls were not properly implemented.

**Corrective Action:**

***The cause for the recurrence in Fiscal Year Ending 6/30/2022 was related to turnover in key Accounting Department administrative personnel during the year-end closing process. New administrators with the Accounting Department were hired several months into the process. Through the course of the external audit inaccuracies were identified and correcting entries were recorded. Going forward corrective action will consist of adjustments made to year-end procedures and checklists.***

STUDENTS FIRST



1915 S. Floral Ave.  
Bartow, FL 33830



P.O. Box 391  
Bartow, FL 33831



863-534-0500



polkschoolsfl.com

## FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

### **2021 – 002 Allowable Costs/Cost Principles**

**Condition:** For the 2020-21 fiscal year, the District reported CNC expenditures totaling \$47.2 million, including \$24.7 million for salaries and benefits for 1,178 employees. To determine the propriety and allowability of CNC expenditures, we requested for examination District records supporting expenditures totaling \$714,390 for 100 percent of 5 employees' salaries and benefits and expenditures totaling \$356,538 for the portions, ranging from 25 to 95 percent, of 9 other employees' salaries and benefits.

**Status:** See current year finding 2022-003.

**Reason for finding's recurrence:** The District did not maintain adequate supervisory approval of time and effort documentation.

#### **Corrective Action:**

*The district has written payroll procedures which document the recording and approval of time. Timesheets must be approved by the direct supervisor/principal. The district continues to enhance its procedures and has provided multiple trainings at both the secretary and admin levels. Trainings are now being recorded as professional development courses, enabling tracking of training at the individual level. Going forward the District will implement new procedures to review for compliance.*

## FINDINGS— BUDGETARY CONTROLS

### **AM 2021 – 001 Not Applicable**

**Condition:** As of June 30, 2021, the District reported a total of \$67,970,712 for General Fund assigned and unassigned fund balance; however, District records show that expenditures were not always limited to budgeted amounts. Specifically, for the 2020-21 fiscal year, General Fund expenditures totaled \$866,815,001 for 20 functional expenditure categories, and our examination of District records disclosed that expenditures exceeded the budgeted amounts for one functional expenditure category by \$2,162,522.

**Status:** Corrective action was taken, corrected in FY2022.

If the U.S. Department of Education has questions regarding this schedule, please contact Heather Jenkins at 863-457-4710, [heather.jenkins@polk-fl.net](mailto:heather.jenkins@polk-fl.net).



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**BOARD MEMBERS**

July 31, 2023

**Sara Beth Wyatt**  
Board Chairman  
District 4

**Dr. William Allen**  
Board Vice-Chairman  
District 1

**Lori Cunningham**  
District 2

**Rick Nolte**  
District 3

**Kay Fields**  
District 5

**Justin Sharpless**  
District 6

**Lisa Miller**  
District 7

**C. Wesley Bridges, II**  
General Counsel

**ADMINISTRATION**

**Frederick R. Heid**  
Superintendent

**SCHOOL BOARD OF POLK COUNTY, FL  
CORRECTIVE ACTION PLAN  
YEAR ENDED JUNE 30, 2022**

U.S Department of Education

The School Board of Polk County, FL (the “District”) respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit period: July 1, 2021 - June 30, 2022

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

**FINDINGS—FINANCIAL STATEMENT AUDIT**

**MATERIAL WEAKNESS**

**2022-001 Material Audit Adjustments**

**Recommendation:** District Management should implement additional year-end close internal controls. Those controls should include reconciling every account and ensure each reconciliation is reviewed for accuracy.

**Explanation of disagreement with audit finding:** There is no disagreement with the audit finding.

**Action taken in response to finding:**

*The cause was related to turnover in key Accounting Department administrative personnel during the year-end closing process. New administrators with the Accounting Department were hired several months into the process. Through the course of the external audit inaccuracies were identified and correcting entries were recorded. Going*

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**forward corrective action will consist of adjustments made to year-end procedures and checklists.**

**Name(s) of the contact person(s) responsible for corrective action:**

***Alain Nuñez, Senior Director of Accounting, and Lauren Hinton, Director of Accounting.***

**Planned completion date for corrective action plan:**

***7/31/2023***

**2022-002      Schedule of Expenditures of Federal Awards – Assistance No. 32.009**

**Recommendation:** We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program expenditures are completely and accurately reported.

**Explanation of disagreement with audit finding:** There is no disagreement with the audit finding.

**Action taken in response to finding:**

***Updates made to procedures for compiling SEFA Report to prevent material errors on reporting. Accounting Department staff will review SEFA Report after it is drafted by the Budget Department to confirm accurate reporting.***

**Name(s) of the contact person(s) responsible for corrective action:**

***James Fout, Senior Director of Budget, and Alain Nuñez, Senior Director of Accounting***

**Planned completion date for corrective action plan:**

***7/31/2023***

**FINDINGS—FEDERAL AWARD PROGRAMS AUDITS**

U.S. Department of Education

**2022-003      Controls over Allowable Costs – Assistance No. 84.010 and 84.425**

**Recommendation:** We recommend a consistent timesheet approval process be used across the District to ensure all time and effort documentation is approved by a knowledgeable supervisor.

**Explanation of disagreement with audit finding:** There is no disagreement with the audit finding.



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**Action taken in response to finding:**

***The district has written payroll procedures which document the recording and approval of time. Timesheets must be approved by the direct supervisor/principal. The district continues to enhance its procedures and has provided multiple trainings at both the secretary and admin levels. Trainings are now being recorded as professional development courses, enabling tracking of training at the individual level. Going forward the District will implement new procedures to review for compliance***

**Name(s) of the contact person(s) responsible for corrective action:**

***Andrew Baldwin, Senior Director Federal Programs, and Heather Jenkins, CFO***

**Planned completion date for corrective action plan:**

***8/30/2023***

If the U.S. Department of Education has questions regarding this schedule, please contact Heather Jenkins at 863-457-4710, [heather.jenkins@polk-fl.net](mailto:heather.jenkins@polk-fl.net) .



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