

Annual Comprehensive Financial Report

July 1, 2022 - June 30, 2023



**POLK COUNTY
PUBLIC SCHOOLS**
STUDENTS FIRST

Frederick Heid, Superintendent



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PUBLIC SCHOOLS

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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

Dr. William Allen
Board Chair
District 1

Justin Sharpless
Board Vice-Chair
District 6

Lori Cunningham
District 2

Rick Nolte
District 3

Sara Beth Wyatt
District 4

Kay Fields
District 5

Lisa Miller
District 7

C. Wesley Bridges, II
General Counsel

ADMINISTRATION

Frederick R. Heid
Superintendent

March 7, 2024

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, 2023 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, 2023 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

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- 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, 2023, 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.

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 2023, the District operated 171 sites throughout Polk County including 66 elementary schools; 6 elementary/middle schools; 9 elementary/middle/high schools; 19 middle schools; 5 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 34 charter schools as well, with 31 of these schools

reporting as component units of the District. Additional information on these legally separate entities can be found in the notes to the financial statements.

Polk County is the seventh (7th) largest school district in Florida and is among the 30 largest districts in the United States with approximately 110,890 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.

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 2023. According to the Central Florida Development Council (CFDC), over the next 10 years the fastest growing occupation group in the County is expected to be Accommodation and Food Services. Retail Trade, Health Care and Social Assistance, and Transportation and Warehousing remain the largest major occupation groups in the County.

The unemployment rate for Polk County was at a 10-year high in November 2010 at 12.6 percent, followed by a steady decrease to a low of 3.1 percent in December 2019. As a result of COVID-19, the unemployment rate spiked to a high of 17.6 percent in May 2020. According to Career Source Polk, the labor force for the County as of October 2023 was 351,506 which was 3.1 percent higher than the previous year. As of June 30, 2023, the unemployment rate was down to 3.8 percent.

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 December 2023 was \$349,000. The median price of a sold home was \$315,000. Home prices have showed an upward trend of 1.4 percent year-over-year, in-line with nationwide trends. As certified by the Polk County Property Appraiser, the 2023 tax roll increased from \$48.7 billion to \$59.8 billion, a 22.8 percent increase over the previous year's value. It is important to note that a large part of the increase was from newly constructed properties being added to the tax rolls.



1915 S. Floral Ave.
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P.O. Box 391
Bartow, FL 33831



863-534-0500



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The inflation rate, according to the U.S. Inflation Calculator, started the calendar year at 6.4 percent in January but ended at 3.4 percent in December of 2023.

Long-term Financial Planning

The assigned/unassigned ending fund balance in the general fund for the 2022-23 fiscal year is 8.1 percent 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 fund should not be less than 5.0 percent of total general fund revenues. The 1.5 percent decrease in fund balance over the prior fiscal year can be largely attributed to increases in expenditures for instructional services and capital outlay.

The population within the District's boundaries for calendar year 2023 is estimated by the Bureau of Economic and Business Research (BEBR) to be at 797,616, a growth rate of 3.6 percent over the previous year's estimate. Future projections from the BEBR place the population near 977,000 by the year 2030. During the 5-year period from 2019-2023, student enrollment grew by 10.1 percent, excluding enrollment at the adult schools and technical centers. For the upcoming fiscal year, enrollment is projected to increase by approximately 5,815 students, or 5.0 percent, and remain at a constant growth rate of approximately 3 to 4 percent 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.

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.



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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 846 portables in the county. These portable buildings provide approximately 16,920 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's local half-cent sales tax revenues have recovered, and projections are that district will receive \$82.3 million. Impact Fees on new development in the County are projected to bring \$35 million in capital revenues for 2023-24. Another source of funds for maintenance projects is the Local Capital Improvement millage, currently 1.5 mills, which is projected to generate \$100.0 million during fiscal year 2023-24.

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	OPENING	CONSTRUCTION START	DESIGN START	PROPERTY ACQUIRED
High School 28 "BBB" (Poinciana)	TBD	TBD	TBD	TBD
Middle School (Davenport)	TBD	2027-2028	2026-2027	Completed
Elementary School Davenport	TBD	2027-2028	2026-2027	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 2023, there were 33 charter schools operating within the District (of which nine were conversion charter schools) reflecting approximately 18,360 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 percent 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 plan, the Board increased its monthly per member contribution in 2022 by \$60, and again in 2023 by \$45 each year. The Board will once again increase its contribution for the 2024 health plan by \$100 in an

attempt to offset large claims, rising costs, and to stabilize the fund. This increase will bring the Board contribution to \$919.00.

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, Chief Financial Officer



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**SCHOOL BOARD OF POLK COUNTY, FLORIDA
 PRINCIPAL OFFICIALS – ELECTED
 BOARD MEMBERS – TERMS OF OFFICE
 AS OF JULY 1, 2023**

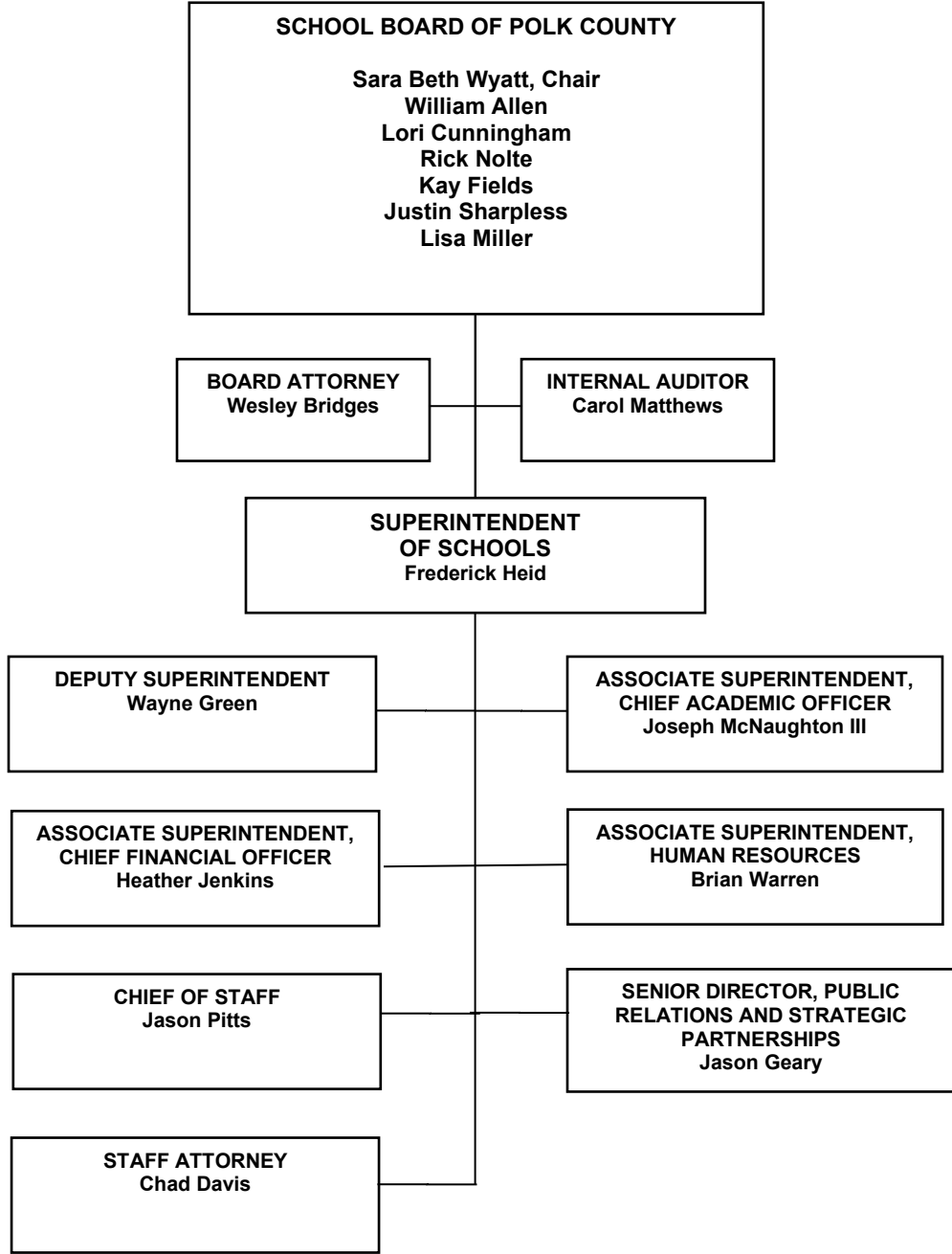
Ms. Sara Beth Wyatt, Chair Member from District 4 Present term began Present term expires Began as a Board Member	November 2020 November 2024 November 2016
Mr. William Allen Member from District 1 Present term began Present term expires Began as a Board Member	November 2020 November 2024 November 2020
Mrs. Lori Cunningham Member from District 2 Present term began Present term expires Began as a Board Member	November 2020 November 2024 November 2004
Mr. Rick Nolte Member from District 3 Present term began Present term expires Began as a Board Member	November 2022 November 2026 November 2022
Mrs. Kay Fields Member from District 5 Present term began Present term expires Began as a Board Member	November 2018 November 2026 November 2002
Mr. Justin Sharpless Member from District 6 Present term began Present term expires Began as a Board Member	November 2022 November 2026 November 2022
Mrs. Lisa Miller Member from District 7 Present term began Present term expires Began as a Board Member	November 2018 November 2026 November 2018

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
OTHER PRINCIPAL OFFICIALS – APPOINTED
AS OF JULY 1, 2023**

<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
Jason Geary	Director, Public Relations and Strategic Partnerships

THE SCHOOL DISTRICT OF POLK COUNTY, FLORIDA

**ORGANIZATIONAL CHART
AS OF JULY 1, 2023**



Financial Section



POLK COUNTY
PUBLIC SCHOOLS

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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 District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

We did not audit the financial statements of the fiduciary fund, which represents 4.8%, 28.2%, and 6.4%, respectively, of the assets, net position, and revenues of the aggregate remaining fund information as of June 30, 2023. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represent 100% of the transactions and account balances of the aggregate discretely presented component units as of June 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the fiduciary fund 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective July 1, 2022, the District adopted new accounting guidance for subscription-based information technology arrangements (SBITA). The guidance requires SBITA users to recognize a right-to-use SBITA asset and corresponding SBITA liability for all SBITAs with terms greater than twelve months. Our opinions 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 District'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 District's internal control. Accordingly, no such opinion is expressed.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedules relating to other postemployment benefits and pensions, 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 District's basic financial statements. The combining and individual fund statements and schedules and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and 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.

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

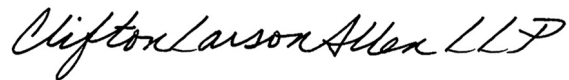
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, and statistical section, 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.

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 March 7, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, 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 District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
March 7, 2024

**THE SCHOOL BOARD OF POLK COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

As management of the School Board of Polk County, Florida (District), we offer readers of the financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2023.

Financial Highlights

- The District's total net position increased by \$111.5 million due to revenues exceeding expenditures.
- The assets of the District exceeded its liabilities at the close of the most recent fiscal year, resulting in a net position of \$976.1 million.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$453.0 million, an increase of \$753,000 compared to the prior fiscal year. Approximately 16.0 percent of this total amount, \$72.8 million, is available for spending at the District'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 \$74.9 million, or 8.1 percent of total general fund revenues
- The District's total long-term liabilities, net of premiums and discounts, increased by \$205.8 million, or 29.8 percent during the current fiscal year.
- The District's total capital assets, net of accumulated depreciation, increased by \$89.6 million.

Overview of the Financial Statements

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

- Government-wide financial statements
- Fund financial statements
- Notes to 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 District'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, 2023**

The statement of net position presents information on all of the District'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 District is improving or deteriorating.

The statement of activities presents information showing how the District'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 District itself (known as the primary government), but also a legally separate foundation and legally separate charter schools for which the District 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 District 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 District 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 District 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, 2023**

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 District 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 District 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 District 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 District's various functions. The District 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 District'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, 2023**

Fiduciary Funds

Fiduciary (custodial) funds are used to account for resources held for the benefit of parties outside the government. The District 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 District'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, 2023**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position was \$976.1 million at the close of the most recent fiscal year.

**District's Net Position
Governmental Activities
June 30, 2022 and June 30, 2023
(In thousands of dollars)**

	Governmental Activities	
	2023	2022
Current and Other Assets	\$ 618,262	\$ 586,646
Noncurrent Assets	-	-
Capital Assets	1,352,263	1,262,679
Total Assets	<u>1,970,525</u>	<u>1,849,325</u>
Deferred Outflows of Resources	163,070	134,270
Total Assets and Deferred Outflows	<u>\$ 2,133,595</u>	<u>\$ 1,983,595</u>
Long-Term Liabilities Outstanding	\$ 969,514	\$ 708,801
Other Liabilities	138,184	106,347
Total Liabilities	<u>1,107,698</u>	<u>815,148</u>
Deferred Inflows of Resources	49,779	303,839
Total Liabilities and Deferred Inflows	<u>\$ 1,157,477</u>	<u>\$ 1,118,987</u>
Net Position:		
Net Investment in Capital Assets	\$ 1,043,025	\$ 937,302
Restricted	355,542	349,402
Unrestricted	(422,449)	(422,096)
Total Net Position	<u>\$ 976,118</u>	<u>\$ 864,608</u>

By far, the largest of the District's net position is its \$1.0 billion investment in capital assets (i.e., land, land improvements, buildings, furniture, equipment, motor vehicles, and software), less any related debt to acquire or construct those assets that remains outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District'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 District's net position, \$355.5 million (36.4 percent), represent resources that are subject to external restrictions on how they may be used. Of the restricted resources the majority, \$271.3 million (76.3%) is restricted primarily for the acquisition and construction of facilities. The remaining balance of total net position, unrestricted net position, of -\$434.4 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, 2023**

Compared to the prior fiscal year ending balances, net investment in capital assets increased by \$117.7 million and restricted net position increased by \$6.1 million. Unrestricted net position decreased by \$12.4 million.

Total net position increased \$111.5 million compared to the prior fiscal year-end, driven by the following:

- Operational property taxes, which were included in general revenues, increased by \$27.8 million (13.6 percent) during the fiscal year, while property taxes for capital improvements and debt service, which were also included in general revenues, increased by \$15.6 million (22.0 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 \$33.0 million (3.8 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, which were included in general revenues, increased \$6.0 million (8.4 percent) during the year, which reflects the continued turnaround in the State and local economy.
- Program revenues increased by \$33.0 million (40.7 percent) during the fiscal year. The increase is a result of presenting the revenues from Impact Fees with Capital Grants and Contributions to better classify the revenues as a restricted source.
- Increases in expenses totaling \$41.1 million (4.8 percent) included increases in instructional services of \$58.2 million (8.2 percent) but decreases in Instructional Support Services of -\$17.1 million (-11.5 percent). The overall 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, 2023**

**District's Changes in Net Position
Governmental Activities
June 30, 2022 and June 30, 2023
(In thousands of dollars)**

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	\$ 4,442	\$ 3,988
Operating Grants and Contributions	72,526	68,004
Capital Grants and Contributions	30,832	8,997
General Revenues:		
Property Taxes-Operational	232,428	204,597
Property Taxes-Capital	86,751	71,094
Local Sales Tax	77,180	71,195
Grants and Contributions Not Restricted to Specific Programs	895,703	862,746
Other	31,821	110,065
Total Revenues	<u>1,431,683</u>	<u>1,400,686</u>
Expenses and Special Item:		
Instructional Services	770,100	711,902
Instructional Support Services	131,384	148,497
Student Transportation Services	57,648	47,310
Operation and Maintenance of Plant	125,176	100,604
School Administration	54,768	51,460
General Administration	70,412	110,744
Food Services	69,909	59,157
Community Services and Other	4,152	3,522
Unallocated Interests On Long-Term Debt	36,177	19,045
Unallocated Fiscal Chares On Long-Term Debt	-	-
Unallocated Depreciation Expense *	447	562
Total Expenses and Special Item	<u>1,320,173</u>	<u>1,252,803</u>
Change In Net Position	111,510	147,883
Net Position - Beginning	<u>864,608</u>	<u>716,725</u>
Net Position - Ending	<u>\$ 976,118</u>	<u>\$ 864,608</u>

**THE SCHOOL BOARD OF POLK COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Financial Analysis of the District's Funds

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

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District'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 District's governmental funds reported combined ending fund balances of \$453.0 million, an increase of \$753,000 when compared to the prior fiscal year. Approximately \$16.0 million (3.5 percent) of the ending fund balance represents inventories and prepaid items that are nonspendable. Approximately \$362.1 million (80.0 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 \$2.1 million (0.5 percent) of the ending fund balance and reflect amounts that are set aside for school operations. The remaining \$72.8 million (16.1 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 District. At the end of the current fiscal year, the General Fund had a fund balance of \$125.2 million. Of this, about \$72.8 million (58.1 percent) was unassigned. The remaining \$52.5 million (41.9 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 8.1 percent and 13.5 percent, respectively.

The fund balance of the District's General Fund increased by \$10.0 million during the current fiscal year. Key factors affecting fund balance include the following:

- Total revenues of the General Fund increased by \$76.8 million (9.0 percent). The largest contributor consisted of a \$27.8 million (13.6 percent) increase in Ad Valorem Taxes.
- Expenditures in the General Fund increased by \$108.9 million (12.2 percent), primarily as a result of a \$51.9 million increase in instructional services.
- Although expenditures exceeded revenues by \$72.6 million, this was offset by \$82.6 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, 2023**

Other Federal Programs

Other Federal Programs account for and reports on activities of Federal Programs other than Federal stimulus and Food Service. At the end of the current fiscal year, the total fund balance for Other Federal Programs Fund was \$0.2 million. The fund balance of the Other Federal Programs Fund increased minimally during the current fiscal year.

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 \$231.1 million. The fund balance of the Other Capital Projects Fund decreased over prior year by \$16.3 million. The decrease resulted from a combination of an decrease in revenues of \$48.3 million and an increase in expenses of \$33.2 million during the current fiscal year.

General Fund Budgetary Highlights

The final budget projected a net decrease in fund balance of \$180.2 million from prior year. However, actual fund balance increased by \$10.0 million:

- Revenues were \$50.2 million (5.4 percent) less than budgetary estimates, primarily due to FEFP projections.
- Expenditures were \$157.8 million (15.8 percent) less than budgetary estimates, primarily due to the lapsing of appropriated expenditures.

Capital Assets

The District's investment in capital assets, net of accumulated depreciation, as of June 30, 2023, amounted to \$1.4 billion. This investment in capital assets, net of accumulated depreciation, consists of 94.9 percent real property, such as land, building and fixed equipment, improvements other than buildings, and construction in progress. The remainder, which reflected 5.1 percent of the total, consisted of tangible property such as furniture, fixtures, equipment, right of use leases, motor vehicles, subscription-based information technology agreements (SBITAs), and software. The District's investment in capital assets, net of accumulated depreciation, resulted in an increase of \$89.6 million compared to the prior year. Commitments remaining at fiscal year-end on existing construction contracts totaled \$2.0 million.

**THE SCHOOL BOARD OF POLK COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

	<u>2023</u>	<u>2022</u>
Land	\$ 111,925	\$ 111,925
Construction in Progress	369,442	252,779
Improvements Other than Buildings	15,013	16,141
Buildings and Fixed Equipment	786,837	822,208
Right of Use - Buildings	157	237
Furniture, Fixtures and Equipment	32,223	28,090
Right of Use - Equipment	4,225	5,787
Motor Vehicles	26,982	25,354
Subscription Based Information Technology	5,370	-
Audio Visual Materials and Computer Software	89	158
Total	<u>\$ 1,352,263</u>	<u>\$ 1,262,679</u>

Additional information on the District's capital assets can be found in the Notes to the Financial Statements, Note 6 – Changes in Capital Assets and Note 20 – Construction Contract Commitments.

Long-term Debt

At the end of the current fiscal year, the District had total bonded debt outstanding of \$157.8 million. This included \$2.4 million of State school bonds issued on behalf of the District by the State Board of Education and backed by the full faith and credit of the State of Florida, as well as, \$134.2 million of Sales Tax Bonds secured by a local option half cent sales tax. Additionally, the District had \$135.0 million in Certificates of Participation (COPS) in which the annually appropriated lease payments on the part of the District are the pledged revenue stream.

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

	<u>2023</u>	<u>2022</u>
Sales Tax Revenue Bonds	\$ 134,280	\$ 143,285
Certificates of Participation	127,733	144,311
Bonds Payable	163,687	176,305
State School Bonds	2,384	2,817
Total	<u>\$ 428,084</u>	<u>\$ 466,718</u>

**THE SCHOOL BOARD OF POLK COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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 District, it would be \$65.1 million, which provides a debt service margin of \$46.6 million when compared to the District's \$18.5 million debt service on the certificates of participation during the 2022-23 fiscal year.

Sales tax proceeds that can be applied towards sales tax bonds are estimated to be \$57.9 million, which provides a debt service margin of \$42.0 million when compared to the District's \$16.0 million debt service on sales tax bonds during the 2022-23 fiscal year.

Additional information on the District'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 3.8 percent, which is a negligible increase from the 3.7 percent reported for calendar year 2022.
- The Polk County Property Appraiser certified that the 2023 tax roll increased from \$48.7 billion to \$59.8 billion, representing a 22.8 percent increase from prior year.
- According to the U.S. Inflation Calculator, inflation rates started the calendar year at 6.4 percent in January but ended at 3.4 percent in December of 2023.
<https://www.usinflationcalculator.com/inflation/current-inflation-rates/>

Such factors, which reflect the continued turnaround in the local economy, were considered in preparing the District's budget for the 2023-24 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, 2023

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash	\$ 62,360,955	\$ 42,426,583
Investments	466,652,100	8,227,013
Accounts and Interest Receivable	4,371,432	3,719,536
Lease Receivable	9,019	-
Due from Other Governmental Agencies	68,887,964	21,323,243
Due from Other Funds	63	-
Inventories	12,882,077	-
Prepaid Items	3,097,433	2,413,576
Other Assets	-	33,272,992
Capital Assets (Net of Accumulated Depreciation and Amortization):		
Land	111,924,782	6,414,338
Land Improvements	-	568,608
Construction in Progress	369,441,912	1,684,438
Improvements Other than Buildings	15,012,874	1,556,086
Buildings and Fixed Equipment	786,837,372	86,960,927
Right to Use - Buildings	156,836	-
Furniture, Fixtures, and Equipment	32,222,779	5,652,018
Right to Use - Equipment	4,225,070	33,297,324
Motor Vehicles	26,983,199	3,970,363
Subscription Based Information Technology	5,369,724	-
Audio Visual Materials and Computer Software	89,019	162,505
Total Assets	1,970,524,610	251,649,550
Deferred Outflows of Resources:		
Pensions	145,708,930	28,081,748
Other Postemployment Benefits	17,361,186	-
Total Assets and Deferred Outflows of Resources	2,133,594,726	279,731,298
LIABILITIES		
Accounts Payable	46,591,197	3,828,536
Lease Liability Due Within One Year	557,439	-
SBITA Liability Due Within One Year	926,946	-
Construction and Retainage Payable	6,317,573	-
Salaries and Wages Payable	42,088,688	1,664,363
Payroll Deductions and Withholdings	3,258,932	-
Matured Interest Payable	8,249,334	-
Due to Other Funds	63	-
Due to Other Governmental Agencies	30,076,903	870,052
Sales Tax Payable	544	-
Unearned Revenue	116,293	236,247
Other Liabilities	-	3,646,829
Noncurrent Liabilities:		
Due Within One Year	44,032,172	7,488,653
Lease Liability	5,405,820	-
SBITA Liability	3,602,324	-
Due in More than One Year	916,474,102	225,657,493
Total Liabilities	1,107,698,330	243,392,173
Deferred Inflows of Resources:		
Pension	34,779,208	4,461,172
Other Postemployment Benefits	14,990,609	-
Leases	9,019	-
Total Liabilities and Deferred Inflows of Resources	1,157,477,166	247,853,345
NET POSITION		
Net Investment in Capital Assets	1,043,024,978	16,280,308
Restricted for:		
State Required Carryover Programs	5,315,345	-
Debt Service	23,319,825	1,648,694
Capital Projects	271,329,895	2,905,189
Food Service	55,577,343	-
Endowment - Nonexpendable	-	4,015,543
Other Purposes	-	3,577,126
Unrestricted	(422,449,826)	3,451,093
Total Net Position	\$ 976,117,560	\$ 31,877,953

See accompanying Notes to Financial Statements.

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Component Units
Primary Government:						
Governmental Activities:						
Instructional Services	\$ 770,100,090	\$ 3,120,652	\$ -	\$ -	\$ (766,979,438)	\$ -
Instructional Support Services	131,383,562	-	-	-	(131,383,562)	-
Facilities Acquisition and Construction	-	-	-	30,269,405	30,269,405	-
Student Transportation Services	57,648,344	494,324	-	-	(57,154,020)	-
Operation and Maintenance of Plant	125,175,792	-	-	-	(125,175,792)	-
School Administration	54,767,794	-	-	-	(54,767,794)	-
General Administration	70,411,913	-	-	-	(70,411,913)	-
Food Services	69,908,601	826,596	72,525,657	-	3,443,652	-
Community Services and Other	4,151,984	-	-	-	(4,151,984)	-
Unallocated Interest on Long-Term Debt	36,177,340	-	-	562,958	(35,614,382)	-
Unallocated Depreciation Expense *	447,034	-	-	-	(447,034)	-
Total Governmental Activities	<u>\$ 1,320,172,454</u>	<u>\$ 4,441,572</u>	<u>\$ 72,525,657</u>	<u>\$ 30,832,363</u>	(1,212,372,862)	-
Component Units:						
Polk Education Foundation and Charter Schools	<u>\$ 184,180,315</u>	<u>\$ 7,234,217</u>	<u>\$ 27,231,509</u>	<u>\$ 3,321,855</u>	-	(146,392,734)
GENERAL REVENUES						
Property Taxes, Levied for Operational Purposes					232,428,001	-
Property Taxes, Levied for Capital Projects					86,751,350	-
Local Sales Taxes					77,180,302	-
Grants and Contributions Not Restricted to Specific Programs					895,702,739	151,960,517
Investment Earnings					16,504,485	390,603
Miscellaneous					15,315,366	754,852
Total General Revenues					<u>1,323,882,243</u>	<u>153,105,972</u>
CHANGE IN NET POSITION						
Net Position - Beginning					864,608,179	24,773,613
Adjustments to Beginning Net Position					-	391,102
Net Position - Beginning, as Restated					<u>864,608,179</u>	<u>25,164,715</u>
NET POSITION - ENDING						
					<u>\$ 976,117,560</u>	<u>\$ 31,877,953</u>

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

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023**

	General	Other Capital Projects	Other Federal Programs	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash	\$ 24,357,077	\$ 28,215,428	\$ 3,172	\$ 2,529,433	\$ 55,105,110
Investments	131,026,749	207,043,474	46	88,162,298	426,232,567
Accounts and Interest Receivable	3,982,243	1,544	70,499	1,356	4,055,642
Lease Receivable	9,019	-	-	-	9,019
Due from Other Governmental Agencies	2,807,494	13,660,395	48,813,583	3,606,492	68,887,964
Due from Other Funds	55,947,774	-	-	11,079,571	67,027,345
Inventories	10,761,106	-	-	2,120,971	12,882,077
Prepaid Items	3,076,617	-	20,816	-	3,097,433
	<u>\$ 231,968,079</u>	<u>\$ 248,920,841</u>	<u>\$ 48,908,116</u>	<u>\$ 107,500,121</u>	<u>\$ 637,297,157</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 20,334,605	\$ 5,200,343	\$ 1,492,917	\$ 6,873,519	\$ 33,901,384
Construction Contracts and Retainage Payable	179,425	6,138,148	-	-	6,317,573
Salaries and Wages Payable	42,051,852	-	19,051	17,785	42,088,688
Payroll Deductions and Withholdings	3,103,263	-	-	-	3,103,263
Due to Other Funds	11,067,941	6,507,165	47,141,575	2,310,664	67,027,345
Due to Other Governmental Agencies	29,983,008	-	11,978	81,917	30,076,903
Sales Tax Payable	42	-	-	502	544
Unearned Revenue	-	-	-	116,293	116,293
Matured Interest Payable	-	-	-	1,656,774	1,656,774
Total Liabilities	<u>106,720,136</u>	<u>17,845,656</u>	<u>48,665,521</u>	<u>11,057,454</u>	<u>184,288,767</u>
Deferred Inflows of Resources:					
Leases	9,019	-	-	-	9,019
Total Deferred Inflows of Resources	<u>9,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,019</u>
FUND BALANCES					
Nonspendable:					
Inventories	10,761,106	-	-	2,120,971	12,882,077
Prepaid Amounts	3,076,617	-	20,816	-	3,097,433
Restricted:					
Federal and State Grants	31,422,742	-	-	24,154,601	55,577,343
State Required Carryover Programs	5,093,566	-	-	-	5,093,566
Special Revenues	-	-	221,779	-	221,779
Debt Service	-	-	-	29,912,385	29,912,385
Capital Projects	-	231,075,185	-	40,254,710	271,329,895
Assigned:					
Other	2,130,835	-	-	-	2,130,835
Unassigned	72,754,058	-	-	-	72,754,058
Total Fund Balances	<u>125,238,924</u>	<u>231,075,185</u>	<u>242,595</u>	<u>96,442,667</u>	<u>452,999,371</u>
Total Liabilities and Fund Balances	<u>\$ 231,968,079</u>	<u>\$ 248,920,841</u>	<u>\$ 48,908,116</u>	<u>\$ 107,500,121</u>	<u>\$ 637,297,157</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, 2023**

Total Fund Balances - Governmental Funds \$ 452,999,371

Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 1,351,077,635

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. 17,882,279

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	\$ 145,708,930	
Deferred Outflows Related to OPEB	17,361,186	
Deferred Inflows Related to Pensions	(34,779,208)	
Deferred Inflows Related to OPEB	<u>(14,990,609)</u>	
		113,300,299

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	\$ (136,664,000)	
Certificates of Participation Payable	(117,461,000)	
Compensated Absences Payable	(58,016,464)	
Net Pension Liability	(549,035,412)	
Total OPEB Liability	(43,629,956)	
Lease Liability	(5,919,079)	
SBITA Liability	(4,529,270)	
Premiums and Discounts on Debt	<u>(37,294,283)</u>	
		(952,549,464)

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. (6,592,560)

Total Net Position - Governmental Activities \$ 976,117,560

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, 2023

	General	Other Capital Projects	Other Federal Programs	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Local Sources:					
Ad Valorem Taxes	\$ 232,428,001	\$ -	\$ -	\$ 86,751,350	\$ 319,179,351
Local Sales Tax	-	77,180,302	-	-	77,180,302
Impact Fees	-	26,448,341	-	-	26,448,341
Food Services	-	-	-	826,596	826,596
Other	17,736,071	9,218,575	34,514	2,383,067	29,372,227
Total Local Sources	250,164,072	112,847,218	34,514	89,961,013	453,006,817
State Sources:					
Florida Education Finance Program	546,427,841	-	-	-	546,427,841
Categorical Programs	119,248,051	-	-	-	119,248,051
Workforce Development	7,890,167	-	-	-	7,890,167
Food Services	-	-	-	797,870	797,870
Charter School Capital Outlay	-	5,950,766	-	-	5,950,766
Other	1,406,653	-	-	4,023,924	5,430,577
Total State Sources	674,972,712	5,950,766	-	4,821,794	685,745,272
Federal Sources:					
Federal Grants Direct	1,204,949	-	11,621,336	538,452	13,364,737
Federal Grants Through State and Local	1,516,459	-	76,062,815	120,287,505	197,866,779
Food Services	-	-	-	71,727,787	71,727,787
Other	-	-	-	3,907,843	3,907,843
Total Federal Sources	2,721,408	-	87,684,151	196,461,587	286,867,146
 Total Revenues	 927,858,192	 118,797,984	 87,718,665	 291,244,394	 1,425,619,235
EXPENDITURES					
Current:					
Instruction	642,431,552	-	26,234,447	71,405,323	740,071,322
Student Personnel Services	48,817,960	-	3,846,576	2,764,782	55,429,318
Instructional Media Services	7,733,558	-	17,842	666,413	8,417,813
Instruction and Curriculum Development Services	7,657,505	-	7,297,724	1,183,306	16,138,535
Instructional Staff Training Services	3,848,255	-	4,607,098	3,133,689	11,589,042
Instructional Related Technology Board	26,213,168	-	297	671,437	26,884,902
	2,423,680	-	-	-	2,423,680
General Administration	3,900,177	-	1,262,549	5,443,372	10,606,098
School Administration	52,351,737	-	312,993	10,329	52,675,059
Noncapitalizable Facilities Acquisition and Construction	11,499,584	1,234,979	504,849	10,448,070	23,687,482
Fiscal Services	3,386,604	-	114,279	51,471	3,552,354
Food Services	-	-	65,096	67,164,828	67,229,924
Central Services	12,393,766	-	1,170,548	6,143,677	19,707,991
Student Transportation Services	52,322,798	-	326,589	2,890,949	55,540,336
Operation of Plant	74,487,164	-	34,793	10,874,557	85,396,514
Maintenance of Plant	28,233,082	-	28,750	6,581,216	34,843,048
Administrative Technology Services	7,712,512	-	650	13,500	7,726,662
Community Services and Other	1,465,308	-	2,381,259	146,765	3,993,332
Debt Service:					
Principal Retirement	-	-	-	27,417,621	27,417,621
Interest	2,084,157	-	-	10,554,049	12,638,206
Dues, Fees, and Other	259,336	-	-	20,965	280,301

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	General	Other Capital Projects	Other Federal Programs	Nonmajor Governmental Funds	Total Governmental Funds
EXPENDITURES (CONTINUED)					
Capital Outlay:					
Facilities Acquisition and Construction	1,099,336	106,502,337	-	144,782	107,746,455
Other Capital Outlay	6,723,336	-	39,324,704	9,917,386	55,965,426
Total Expenditures	<u>997,044,575</u>	<u>107,737,316</u>	<u>87,531,043</u>	<u>237,648,487</u>	<u>1,429,961,421</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(69,186,383)	11,060,668	187,622	53,595,907	(4,342,186)
OTHER FINANCING SOURCES (USES)					
Leases	37,460	-	-	-	37,460
SBITAs	838,627	-	-	4,219,308	5,057,935
Transfers In	78,495,899	13,000	-	35,560,505	114,069,404
Transfers Out	(153,996)	(27,348,820)	-	(86,566,588)	(114,069,404)
Total Other Financing Sources and Uses	<u>79,217,990</u>	<u>(27,335,820)</u>	<u>-</u>	<u>(46,786,775)</u>	<u>5,095,395</u>
NET CHANGE IN FUND BALANCES	10,031,607	(16,275,152)	187,622	6,809,132	753,209
Fund Balances - Beginning	<u>115,207,317</u>	<u>247,350,337</u>	<u>54,973</u>	<u>89,633,535</u>	<u>452,246,162</u>
FUND BALANCES - ENDING	<u>\$ 125,238,924</u>	<u>\$ 231,075,185</u>	<u>\$ 242,595</u>	<u>\$ 96,442,667</u>	<u>\$ 452,999,371</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, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 753,209

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 capitalized expenditures less than depreciation expense during the current period. 86,298,325

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. (100,407)

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This represents the net long-term debt reduction in excess of other financing sources/uses in governmental funds. 23,041,494

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. 6,153,783

In the Statement of Activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current fiscal year. 4,213,831

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. 482,450

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.

Decrease in Total OPEB Liability	\$	5,169,185	
(Decrease) in Deferred Outflows of Resources - OPEB		(238,076)	
(Increase) in Deferred Inflows of Resources - OPEB		<u>(3,870,972)</u>	
			1,060,137

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	\$	45,901,845	
HIS Pension Contribution		8,897,380	
FRS Pension Expense		(58,035,546)	
HIS Pension Expense		<u>(7,951,958)</u>	
			(11,188,279)

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. 794,838

Change in Net Position of Governmental Activities \$ 111,509,381

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, 2023**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 230,713,029	\$ 230,713,029	\$ 232,428,001	\$ 1,714,972
Other	13,432,866	13,432,866	17,736,071	4,303,205
Total Local Sources	244,145,895	244,145,895	250,164,072	6,018,177
State Sources:				
Florida Education Finance Program	602,313,279	602,313,279	546,427,841	(55,885,438)
Categorical Programs	118,631,343	118,631,343	119,248,051	616,708
Workforce Development	7,768,672	7,768,672	7,890,167	121,495
Other	1,248,364	1,248,364	1,406,653	158,289
Total State Sources	729,961,658	729,961,658	674,972,712	(54,988,946)
Federal Sources:				
Federal Direct	1,127,627	1,127,627	1,204,949	77,322
Federal Through State and Local	2,808,240	2,808,240	1,516,459	(1,291,781)
Total Federal Sources	3,935,867	3,935,867	2,721,408	(1,214,459)
Total Revenues	978,043,420	978,043,420	927,858,192	(50,185,228)
EXPENDITURES				
Current:				
Instruction	731,503,318	731,585,668	642,431,552	89,154,116
Student Personnel Services	50,724,049	50,724,049	48,817,960	1,906,089
Instructional Media Services	7,909,504	7,909,504	7,733,558	175,946
Instruction and Curriculum Development Services	8,236,012	8,236,012	7,657,505	578,507
Instruction Staff Training Services	4,885,459	4,885,459	3,848,255	1,037,204
Instruction Related Technology	29,341,907	29,341,907	26,213,168	3,128,739
Board	2,854,107	2,854,107	2,423,680	430,427
General Administration	4,069,997	4,069,997	3,900,177	169,820
School Administration	52,561,299	52,561,299	52,351,737	209,562
Noncapitalizable Facilities Acquisition and Construction	31,553,283	31,553,283	11,499,584	20,053,699
Fiscal Services	3,641,109	3,641,109	3,386,604	254,505
Food Service	3,381	3,381	-	3,381
Central Services	14,161,868	14,161,868	12,393,766	1,768,102
Student Transportation	61,242,402	61,242,402	52,322,798	8,919,604
Operation of Plant	99,186,700	99,186,700	74,487,164	24,699,536
Maintenance of Plant	31,864,568	31,864,568	28,233,082	3,631,486
Administrative Technology Services	8,370,025	8,370,025	7,712,512	657,513
Community Services	1,670,654	1,670,654	1,465,308	205,346
Debt Service:				
Principal Retirement	-	-	2,084,157	(2,084,157)
Interest	-	-	259,336	(259,336)
Capital Outlay:				
Facilities Acquisition and Construction	3,260,273	3,260,273	1,099,336	2,160,937
Other Capital Outlay	11,143,211	11,143,211	6,723,336	4,419,875
Total Expenditures	1,158,183,126	1,158,265,476	997,044,575	161,220,901
Excess (Deficiency) of Revenues Over (Under) Expenditures	(180,139,706)	(180,222,056)	(69,186,383)	111,035,673
OTHER FINANCING SOURCES (USES)				
Leases	-	-	37,460	37,460
SBITAs	-	-	838,627	838,627
Transfers In	-	-	78,495,899	78,495,899
Transfers Out	-	-	(153,996)	(153,996)
Total Other Financing Sources and Uses	-	-	79,217,990	79,217,990
NET CHANGE IN FUND BALANCES	(180,139,706)	(180,222,056)	10,031,607	190,253,663
Fund Balances - Beginning	115,207,317	115,207,317	115,207,317	-
FUND BALANCES - ENDING	\$ (64,932,389)	\$ (65,014,739)	\$ 125,238,924	\$ 190,253,663

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
OTHER FEDERAL PROGRAMS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Other	\$ -	\$ -	\$ 34,514	\$ 34,514
Total Local Sources	-	-	34,514	34,514
Federal Sources:				
Federal Direct	23,691,541	23,691,541	11,621,336	(12,070,205)
Federal Through State and Local:				
Miscellaneous	84,474,251	84,474,251	76,062,815	(8,411,436)
Total Federal Through State and Local	84,474,251	84,474,251	76,062,815	(8,411,436)
Total Federal Sources	108,165,792	108,165,792	87,684,151	(20,481,641)
Total Revenues	108,165,792	108,165,792	87,718,665	(20,447,127)
EXPENDITURES				
Current:				
Instruction	51,136,379	51,136,379	26,234,447	24,901,932
Student Personnel Services	10,662,633	10,662,633	3,846,576	6,816,057
Instructional Media Services	52,371	52,371	17,842	34,529
Instruction and Curriculum Development Services	13,531,896	13,531,896	7,297,724	6,234,172
Instruction Staff Training Services	20,350,353	20,350,353	4,607,098	15,743,255
Instruction Related Technology	501,896	501,896	297	501,599
General Administration	2,821,530	2,821,530	1,262,549	1,558,981
School Administration	408,281	408,281	312,993	95,288
Noncapitalizable Facilities Acquisition and Construction	504,849	504,849	504,849	-
Fiscal Services	543,831	543,831	114,279	429,552
Food Service	113,954	113,954	65,096	48,858
Central Services	2,060,013	2,060,013	1,170,548	889,465
Student Transportation	495,859	495,859	326,589	169,270
Operation of Plant	159,304	159,304	34,793	124,511
Maintenance of Plant	51,146	51,146	28,750	22,396
Administrative Technology Services	709	709	650	59
Community Services	2,554,667	2,554,667	2,381,259	173,408
Capital Outlay:				
Other Capital Outlay	4,145,355	4,145,355	39,324,704	(35,179,349)
Total Expenditures	110,095,026	110,095,026	87,531,043	22,563,983
NET CHANGE IN FUND BALANCES	(1,929,234)	(1,929,234)	187,622	2,116,856
Fund Balances - Beginning	54,973	54,973	54,973	-
FUND BALANCES - ENDING	<u>\$ (1,874,261)</u>	<u>\$ (1,874,261)</u>	<u>\$ 242,595</u>	<u>\$ 2,116,856</u>

See accompanying Notes to Financial Statements.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	<u>Governmental Activities - Internal Service Funds</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 7,255,845
Investments	40,419,533
Accounts Receivable	315,790
Total Current Assets	<u>47,991,168</u>
Noncurrent Assets:	
Capital Assets, Net of Accumulated Depreciation	1,551,639
Total Noncurrent Assets	<u>1,551,639</u>
 Total Assets	 49,542,807
LIABILITIES	
Current Liabilities:	
Accounts Payable	12,689,813
Lease Liability	44,180
Payroll Deductions and Withholdings	155,669
Estimated Liability for Claims	6,945,220
Total Current Liabilities	<u>19,834,882</u>
Noncurrent Liabilities:	
Estimated Liability for Claims	11,825,646
Total Noncurrent Liabilities	<u>11,825,646</u>
 Total Liabilities	 31,660,528
NET POSITION	
Net Investment in Capital Assets	1,551,639
Unrestricted	16,330,640
Total Net Position	<u><u>\$ 17,882,279</u></u>

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, 2023**

	<u>Governmental Activities - Internal Service Funds</u>
OPERATING REVENUES	
Premium Revenue from Other Funds	\$ 130,147,718
Other Revenue	915,397
Total Operating Revenues	<u>131,063,115</u>
OPERATING EXPENSES	
Salaries	401,047
Benefits	154,540
Purchased Services	2,740,193
Energy Services	21,378
Materials and Supplies	143,408
Depreciation	194,317
Claims	128,573,082
Total Operating Expenses	<u>132,227,965</u>
OPERATING LOSS	(1,164,850)
NONOPERATING REVENUE (EXPENSES)	
Interest Revenue	1,234,082
Interest Expense	(1,473)
Loss Recoveries	532,762
Total Nonoperating Revenue	<u>1,765,371</u>
INCOME (LOSS) BEFORE TRANSFERS	600,521
Transfers In	5,678,545
Transfers Out	<u>(5,678,545)</u>
CHANGE IN NET POSITION	600,521
Net Position - Beginning of Year	<u>17,281,758</u>
NET POSITION - END OF YEAR	<u><u>\$ 17,882,279</u></u>

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, 2023**

	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Interfund Services Provided	\$ 134,551,117
Payment to Suppliers	(2,904,979)
Payment/Premium to Employees	(594,522)
Insurance Claims Payments	(1,728,771)
Payments for Interfund Services Used	(128,608,904)
Other Receipts (Payments)	915,397
Net Cash Provided by Operating Activities	<u>1,629,338</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES	
Transfers from Other Funds	5,678,545
Transfers to Other Funds	(5,678,545)
Loss Recoveries	532,762
Net Cash Provided by Noncapital and Related Financing Activities	<u>532,762</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Sales of Investments	3,195,937
Principal and Interest Payments on Debt	1,232,609
Net Cash Provided by Investing Activities	<u>4,428,546</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,590,646
Cash and Cash Equivalents - Beginning of Year	<u>665,199</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 7,255,845</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	\$ (1,164,850)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation Expense	194,317
Change in Assets and Liabilities:	
Accounts Receivable	94,262
Due from Other Funds	4,202,271
Accounts Payable	247,244
Lease Liability	44,180
Payroll Deductions and Withholdings	(38,935)
Due to Other Agencies	(1,380)
Estimated Liability for Claims	(1,947,771)
Total Adjustments	<u>2,794,188</u>
Net Cash Provided by Operating Activities	<u><u>\$ 1,629,338</u></u>

See accompanying Notes to Financial Statements.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2023**

	<u>Custodial Fund</u>
ASSETS	
Cash	\$ 3,201,013
Investments	8,767,444
Accounts Receivable	20,144
Inventory	<u>657,036</u>
Total Assets	<u><u>\$ 12,645,637</u></u>
LIABILITIES	
Accounts Payable	<u>\$ 114,944</u>
Total liabilities	114,944
NET POSITION	
Restricted for Individuals and Organizations	<u>12,530,693</u>
Total Liabilities and Net Position	<u><u>\$ 12,645,637</u></u>

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, 2023**

	Custodial Fund
ADDITIONS	
Student Group Collections	\$ 12,787,521
Investment Earnings	<u>278,737</u>
Total Additions	13,066,258
 DEDUCTIONS	
Student Group Disbursements	<u>12,098,871</u>
Total Deductions	<u>12,098,871</u>
 CHANGE IN NET POSITION	 967,387
Net Position - Beginning	<u>11,563,306</u>
 NET POSITION - ENDING	 <u><u>\$ 12,530,693</u></u>

See accompanying Notes to Financial Statements.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

The governing body of the District is the Polk County District School 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 financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government.

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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Discretely Presented Component Units

The Polk Education Foundation and the Business Partnership, Inc. (Foundation) is a separate nonprofit 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.

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

Polk Education Foundation
1530 Shumate Drive
Bartow, Florida 33830

Charter Schools

Charter Schools are separate, nonprofit 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 schools' 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, 2023 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

BridgePrep Academy Polk
2045 Florence Villa Grove Road
Davenport, FL 33897

Hillcrest Elementary
1051 State Road 60 E
Lake Wales, FL 33853

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

Compass Charter Middle School 550 E. Clower Street Bartow, FL 33830	Janie Howard Wilson Elementary 306 Florida Avenue Lake Wales, FL 33853
Cypress Junction Montessori 220 5th Street SW Winter Haven, FL 33880	Lake Wales High School #1 Highlander Way Lake Wales, FL 33853
Discovery Academy of Lake Alfred 1000 Buena Vista Drive Lake Alfred, FL 33850	Lakeland Montessori Middle 1124 N Lake Parker Avenue Lakeland, FL 33805
Discovery High School 1000 Buena Vista Drive Lake Alfred, FL 33850	Lakeland Montessori Schoolhouse 1124 N Lake Parker Avenue Lakeland, FL 33805
Language and Literacy Academy for Learning 330 Avenue C South East Winter Haven, FL 33880	New Beginnings High School 250 Magnolia Ave, Suite 200 Winter Haven, FL 33880
Magnolia Montessori Academy 815 S. Central Avenue Lakeland, FL 33815	Polk Avenue Elementary 110 E. Polk Avenue Lake Wales, FL 33853
Mater Academy Davenport 318 Ronald Reagan Parkway Davenport, FL 33896	Polk Pre-Collegiate Academy 5316 Berkley Road Auburndale, FL 33823
McKeel Charter System 411 N. Florida Avenue Lakeland, FL 33801	Ridgeview Global Studies Academy 1000 Dunson Road Davenport, FL 33896
Navigator Academy of Leadership 495 Holly Hill Road Davenport, FL 33837	Victory Ridge Academy 501 Burns Avenue Winter Haven, FL 33853
Mi Escuela Montessori 6129 Bartow Road Lakeland, FL 33812	

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 nonfiduciary 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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

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.

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 District 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.

Other Capital Projects Fund – 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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Other Federal Programs – Accounts for various granting agencies awarding application-based funds to enhance educational programs.

Additionally, the District 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 District.

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.

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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, 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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The major operating revenues of the District'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 nonoperating 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.

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 District 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 District 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 District 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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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, and Equipment	5 to 7 Years
Motor Vehicles	10 Years
Audio Visual Material and Computer Software	3 to 5 Years

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 District'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 District'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.

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

The District 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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Lessee Arrangements (Continued)

The District 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 District treats the component as a single lease unit.

Lessor Arrangements

The District 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 District'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.

The District 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 District treats the components as a single lease unit.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subscription-Based Information Technology Arrangements (SBITAs)

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

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

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

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

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

Significant SBITA terms are disclosed in Note 10.

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

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

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 District has three items that qualify for reporting in this category. They are accumulated increases in pensions, OPEB and leases.

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.

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 District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data and calculates the allocation of funds to the District.

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

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State Revenue Sources (Continued)

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 District on an annual basis. The District 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 District 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 District adopted the 2023 tax levy on September 5, 2023. 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.

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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various 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 reported 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/expenditures 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.

Other Postemployment Benefits

The District 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*.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Adoption of New Accounting Standards

In May 2020, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The District adopted the requirements of the guidance effective July 1, 2022 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 \$952,549,464 difference are as follows:

Bonds Payable	\$ 136,664,000
Certificates of Participation, Net of Discount, and Deferred Amount	154,755,283
Compensated Absences Payable	58,016,464
Net Pension Liability	549,035,412
Other Postemployment Benefits	43,629,956
Lease Liability	5,919,079
SBITA Liability	<u>4,529,270</u>
 Net Adjustment to Reduce Total Fund Balances - Total Governmental Funds to Total Net Position - Governmental Activities	 <u>\$ 952,549,464</u>

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 INVESTMENTS

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

Investment	Average Maturity	Fair Value	Valuation Measurement Method/Level
Money Market Funds:			
Bank of Central Florida Insured Cash Sweep Purchases	No Maturity	\$ 6,297,340	Amortized Costs
JP Morgan Prime Money Market Portfolio Class I (Held by Wells Fargo)	29 Days	1,074,645	Amortized Costs
Federated Prime Cash Obligations Money Market Fund (Held by Fifth Third Bank)	27 Days	2,935,635	Amortized Costs
Wells Fargo Heritage Money Market Fund	17 Days	1,033,108	Amortized Costs
Synovus Money Markets	No Maturity	<u>5,756,090</u>	Amortized Costs
Total Money Market Funds		<u>17,096,818</u>	
Other Investments:			
Florida Public Assets for Liquidity Management (FL PALM)	28 Days	660,044	Net Asset Value
FL. Cooperative Liquid Assets Security Systems (FLCLASS)	48 Days	542,254	Net Asset Value
Florida Fixed Income Trust-CP Pool	19 Days	166,482,630	Net Asset Value
Ultra-Short Income Portfolio (Held by Morgan Stanley)	88 Days	10,720,915	Net Asset Value
Florida Fixed Income - Choice Pool	344 Days	123,044,559	Net Asset Value
Florida Fixed Income - Enhanced Cash Pool	214 Days	<u>73,508,910</u>	Net Asset Value
Total Other Investments		<u>374,959,312</u>	
Metropolitan Life Insurance Company Contract	5 Years 7 Months	13,618,107	Fair Value Level 2
United States Treasury Notes	2 to 7 Years	40,259,274	Fair Value Level 2
Trust Fund Investment U.S. Bank United States Treasury Notes	3 to 7 Years	9,073,696	Fair Value Level 2
Federal Agency Notes - Various	3 to 4 Years	5,212,530	Fair Value Level 2
Corporate Notes - Various	2 to 10 Years	<u>15,199,807</u>	Fair Value Level 2
Total		<u>83,363,414</u>	
Total Investments		<u>\$ 475,419,544</u>	

Investments are reflected in the financial statements as follows:

Governmental Funds	\$ 426,232,567
Internal Service Funds	<u>40,419,533</u>
Governmental Activities	466,652,100
Fiduciary Funds	<u>8,767,444</u>
Total	<u>\$ 475,419,544</u>

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 INVESTMENTS (CONTINUED)

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.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy limits 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 District 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 District 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 District to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in 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 District does not have a formal investment policy that addresses custodial credit risk.

The District has \$15.2 million of underlying securities in corporate notes that are held by the investment's counterparty, not in the name of the District.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 INVESTMENTS (CONTINUED)

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.

The District'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 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, 2023, the District'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 U.S. Bank United States Treasury notes was rated Aaa by Moody's.

As of June 30, 2023, the Ultra Short Income Portfolio Class I Bond Fund held by Morgan Stanley was rated AAAs/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 AAAs/S1 by Fitch. Metropolitan Life Insurance Company contract was not rated.

As of June 30, 2023, the District'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 District is not at risk for the corporate notes held by the District, which represent 3.7% 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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 4 INVESTMENTS (CONTINUED)

Foreign Currency Risk

The District has no exposure to foreign currency.

The District'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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 6 CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets, Not Being Depreciated:				
Land	\$ 111,924,782	\$ -	\$ -	\$ 111,924,782
Construction in Progress	252,779,490	116,662,422	-	369,441,912
Total Capital Assets, Not Being Depreciated	364,704,272	116,662,422	-	481,366,694
Capital Assets, Being Depreciated:				
Improvements Other than Buildings	62,250,874	525,071	-	62,775,945
Buildings and Fixed Equipment	1,585,805,930	14,014	-	1,585,819,944
Furniture, Fixtures, and Equipment	100,248,500	12,593,898	(4,640,268)	108,202,130
Motor Vehicles	88,525,857	6,472,192	-	94,998,049
Audio Visual Materials and Computer Software	11,433,628	53,969	(257,584)	11,230,013
Total Capital Assets, Being Depreciated	1,848,264,789	19,659,144	(4,897,852)	1,863,026,081
Less Accumulated Depreciation For:				
Improvements Other than Buildings	46,109,943	1,653,128	-	47,763,071
Buildings and Fixed Equipment	763,597,626	35,384,946	-	798,982,572
Furniture, Fixtures, and Equipment	72,158,716	8,360,562	(4,539,927)	75,979,351
Motor Vehicles	63,171,650	4,843,200	-	68,014,850
Audio Visual Materials and Computer Software	11,275,518	122,994	(257,518)	11,140,994
Total Accumulated Depreciation	956,313,453	50,364,830	(4,797,445)	1,001,880,838
Total Capital Assets Being Depreciated, Net	891,951,336	(30,705,686)	(100,407)	861,145,243
Right to Use Lease Assets:				
Buildings	317,712	-	-	317,712
Equipment	6,743,266	37,460	(523,089)	6,257,637
Total Right to Use Lease Assets	7,060,978	37,460	(523,089)	6,575,349
Less Accumulated Amortization For:				
Buildings	80,275	80,601	-	160,876
Equipment	956,528	1,076,039	-	2,032,567
Total Accumulated Amortization	1,036,803	1,156,640	-	2,193,443
Total Right to Use Lease Assets, Net	6,024,175	(1,119,180)	(523,089)	4,381,906
Subscription Based Information Technology Arrangement Assets				
Subscription Based Information Technology Arrangements*	7,262,013	5,507,935	-	12,769,948
Less Accumulated Amortization For:				
Subscription Based Information Technology Arrangements*	-	7,400,224	-	7,400,224
Total Subscription Based Information Technology Arrangement Assets, Net	7,262,013	(1,892,289)	-	5,369,724
Governmental Activities Capital Assets, Net	<u>\$ 1,269,941,796</u>	<u>\$ 82,945,267</u>	<u>\$ (623,496)</u>	<u>\$ 1,352,263,567</u>

* - Restated due to GASB 96 Implementation

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 CHANGES IN CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions as follows:

Instructional	\$ 27,253,560
Student Personnel Services	2,059,442
Media Services	329,376
Curriculum Development	677,291
Instructional Training	943,094
Instructional Technology Support	8,470,537
Board	87,202
General Administration	1,500,074
School Administration	1,895,209
Facilities and Construction	461,681
Fiscal Services	127,811
Food Services	2,426,570
Central Services	5,436,058
Student Transportation	1,899,737
Operation of Plant	3,230,736
Maintenance of Plant	1,254,606
Administrative Technology Support	277,999
Community Services	143,677
Unallocated	447,034
Total Depreciation and Amortization Expense	<u><u>\$ 58,921,694</u></u>

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 District 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 District.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)

Series 2009C-QSCB/COPS (Continued)

As a condition of the 2009 financing arrangement, the District 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 District fails to renew the lease and to provide for the rent payments through to term, the District 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 District into a sinking fund on an annual basis, and interest at a rate of 1.95% 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

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
Total	<u>\$ 16,567,903</u>	<u>\$ 3,975,097</u>	<u>\$ 20,543,000</u>

Series 2010C-QSCB/COPS

The District 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 District.

The District 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%) exceeds the interest rate on the Certificates (5.38%), 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)

Series 2010C-QSCB/COPS (Continued)

As a condition of the 2010 financing arrangement, the District 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 District.

If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to 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 District into a sinking fund on an annual basis, and interest at a rate of 2.75% 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

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
Total	<u>\$ 16,961,827</u>	<u>\$ 4,261,173</u>	<u>\$ 21,223,000</u>

Series 2019A

The District 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 District.

As a condition of the 2019A financing arrangement, the District 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 District.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)

Series 2019A (Continued)

If the District fails to renew the lease and to provide for the rent payments through to term, the District 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 District, annually, on January 1. The lease payments are payable by the District, monthly, at an interest rate of 4.565%.

Series 2019B

The District 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 District.

As a condition of the 2019B financing arrangement, the District 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 District.

If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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 District, monthly, on the first (1st) day each month, at an interest rate of 5.49%.

Series 2021A

The District entered into a refunding arrangement on June 30, 2021, to partially advance refund the COPS, Series 2017A (formally Series 2010A and 1999A). The refunding was accomplished through the issuance of Certificates of Participation, Series 2021A, totaling \$20,429,000, to be repaid by the proceeds of rents paid by the District.

As a condition of the financing arrangement associated with the Series 2021A Certificates, the District 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 District. The initial term of the lease is for the period commencing on June 30, 2021, and ending on the earlier of: (a) the date on which the Series 2021A 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 District fails to renew the master lease-purchase agreement and to provide for the rent payments through to term, the District 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 2021A ground lease under this arrangement includes the land on which the Series 2017A (formerly 2010A and 1999A) projects are located. The Series 2017A 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 District, semiannually, on the fifteenth (15th) day proceeding January 1 and July 1, at an interest rate of 1.95%.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 CERTIFICATES OF PARTICIPATION (CONTINUED)

Series 2021A (Continued)

The following is a summary of Certificates of Participation payable:

	Balance at 06/30/2023
COPS from Direct Borrowings of Debt:	
Series 2019A (Refinances 2015A), \$42,360,000, Issued 10/30/2015	\$ 34,760,000
Series 2019B (Refinances 2015B), \$42,850,000, Issued 10/30/2015	29,905,000
Series 2021A (Partial Refinance 2017A), \$15,850,000, Issued 12/16/2021	11,030,000
Series 2009C, \$20,543,000, Issued 12/30/2009	20,543,000
Series 2010C, \$21,223,000, Issued 11/22/2010	21,223,000
Total Certificates of Participation	\$ 117,461,000

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, 2023:

Fiscal Year Ended June 30,	Total	Principal	Interest
2024	\$ 18,495,209	\$ 13,760,000	\$ 4,735,209
2025	39,098,554	35,028,000	4,070,554
2026	18,285,547	15,150,000	3,135,547
2027	18,030,172	15,665,000	2,365,172
2028	18,192,672	16,635,000	1,557,672
2029-2030	22,935,696	21,223,000	1,712,696
Totals	\$ 135,037,851	\$ 117,461,000	\$ 17,576,851

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 District. The bonds mature serially and are secured by a pledge of part of the District'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.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

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 \$77,180,302. For the fiscal year, the amount of interest on Sales Tax Bonds was \$6,714,000.

If the District fails to make timely payments of the principal or interest on these bonds, or the District 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.

The following is a summary of bonds payable at June 30, 2023:

<u>Description</u>	<u>Amount</u>
<u>State School Bonds</u>	
Series 2014-A, \$900,000, Issued 05/22/14, Matures Serially to 01/01/25, Interest Rates Ranging from 2.0% to 5.0%. Payable in Future Annual Installments Ranging from \$82,000 to \$110,000, Semiannual Interest Payments Range from \$1,230 to \$15,605.	\$ 192,000
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%. Payable in Future Annual Installments Ranging from \$46,000 to \$86,000, Semiannual Interest Payments Range from \$2,150 to \$12,950.	238,000
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%. Payable in Future Annual Installments Ranging from \$173,000 to \$412,000, Semiannual Interest Payments Range from \$10,300 to \$68,800.	<u>1,954,000</u>
Total State School Bonds	2,384,000
<u>Sales Tax Bonds</u>	
Series 2019, \$160,025,000, issued 6/06/19 matures serially to 10/01/33; interest rate is 5.0%; payable in a future annual installments ranging from \$8,165,000 \$15,395,000, semiannual interest payments ranging \$384,875 to \$4,000,625.	<u>134,280,000</u>
Total Sales Tax Bonds	<u>134,280,000</u>
Total Bonds Payable	<u><u>\$ 136,664,000</u></u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 BONDS AND NOTES PAYABLE (CONTINUED)

Sales Tax Bonds (Continued)

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

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

State School Bonds

<u>Fiscal Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
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	420,650	381,000	39,650
2029	432,600	412,000	20,600
Total	<u>\$ 2,786,390</u>	<u>\$ 2,384,000</u>	<u>\$ 402,390</u>

Sales Tax Bonds

<u>Fiscal Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
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	15,880,000	11,490,000	4,390,000
2029-2033	79,166,250	66,660,000	12,506,250
2034	15,779,875	15,395,000	384,875
Total	<u>\$ 174,467,750</u>	<u>\$ 134,280,000</u>	<u>\$ 40,187,750</u>

State School Bonds	\$ 2,384,000
Sales Tax Bonds	<u>134,280,000</u>
Subtotal Bonds	136,664,000
Plus Unamortized Bond Premium/Discount	<u>27,022,738</u>
Total Bonds Payable	<u>\$ 163,686,738</u>

NOTE 9 LEASES

Lessee Arrangements

The District 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 LEASES (CONTINUED)

Lessee Arrangements (Continued)

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

<u>Fiscal Year Ended June 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 557,439	\$ 108,651	\$ 666,090
2025	512,896	98,494	611,391
2026	447,051	89,451	536,502
2027	407,166	81,289	488,455
2028	401,883	73,454	475,337
2029-2033	1,707,100	213,071	1,920,171
2034-2038	1,841,364	72,840	1,914,204
Total Minimum Lease Payments	<u>\$ 5,919,079</u>	<u>\$ 737,251</u>	<u>\$ 6,612,150</u>

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

	<u>Governmental Activities</u>
Equipment	\$ 6,257,637
Buildings	317,712
Less: Accumulated Amortization	(2,193,443)
Total	<u>\$ 4,381,906</u>

Lessor Arrangements

The District, acting as a lessor, leases office space under long-term, noncancelable lease agreements. The lease expires through 2027. During the year ended June 30, 2023, the District recognized \$2,122 and \$118 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:

<u>Fiscal Year Ended June 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 2,122	\$ 83	\$ 2,205
2025	2,122	46	2,168
2026	2,122	9	2,131
2027	2,653	-	2,653
Total Minimum Lease Payments	<u>\$ 9,019</u>	<u>\$ 138</u>	<u>\$ 9,157</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The District has entered into subscription-based information technology arrangements (SBITAs) for various software and programs. The SBITA arrangements expire at various dates through 2027 and provide for renewal options.

The future subscription payments under SBITA agreements are as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 926,946	\$ 4,956	\$ 931,902
2025	923,658	8,244	931,902
2026	2,004,179	29,733	2,033,912
2027	674,487	3,288	677,775
Total Minimum SBITA Payments	<u>\$ 4,529,270</u>	<u>\$ 46,220</u>	<u>\$ 4,575,491</u>

NOTE 11 CHANGES IN LONG-TERM LIABILITIES

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

<u>Description</u>	<u>Balance 7/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2023</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Certificates of Participation (COP)	\$ 131,066,000	\$ -	\$ (13,605,000)	\$ 117,461,000	\$ 13,760,000	\$ 103,701,000
COP-Prem/Discount	13,245,417	-	(2,973,872)	10,271,545	3,022,197	7,249,348
Bonds Payable	146,102,000	-	(9,438,000)	136,664,000	9,881,000	126,783,000
Bonds Payable-Prem/Discount	30,202,649	-	(3,179,911)	27,022,738	3,182,404	23,840,334
Compensated Absences Payable	62,230,295	260,629	(4,474,460)	58,016,464	4,587,706	53,428,758
Estimated Liability for Claims	20,718,637	-	(1,947,771)	18,770,866	6,945,220	11,825,646
Net Pension Liability	250,868,681	298,166,731	-	549,035,412	154,846	548,880,566
Other Postemployment Benefits	48,799,141	-	(5,169,185)	43,629,956	2,498,799	41,131,157
Lease Liability	7,060,978	37,460	(1,179,359)	5,919,079	557,439	5,361,640
Subscription Based Information Technology Arrangements*	3,388,877	5,057,935	(3,917,542)	4,529,270	926,946	3,602,324
Total	<u>\$ 713,682,675</u>	<u>\$ 303,522,755</u>	<u>\$ (45,885,100)</u>	<u>\$ 971,320,330</u>	<u>\$ 45,516,557</u>	<u>\$ 925,803,773</u>

* = Restated for GASB 96

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.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 12 ESTIMATED ARBITRAGE REBATE

The District is not aware of any arbitrage at June 30, 2023.

NOTE 13 DERIVATIVE INSTRUMENTS

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

NOTE 14 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 District has inventories and prepaid items that are considered nonspendable. The District 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.
- **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 District has classified its fund balances with the following hierarchy:

Nonspendable

The District has inventories and prepaid items totaling \$15,979,510 that are classified as nonspendable.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 14 FUND BALANCE REPORTING (CONTINUED)

Spendable

The District 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 District's policy is that expenditures should be applied against restricted resources first, then committed, assigned, and unassigned, respectively. The District 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 \$362.1 million and represents \$5.1 million in State required carryover programs, \$38.8 million in special revenues, \$17.0 million in food service, \$29.9 million in debt service, and \$271.3 million in capital projects.

Assigned for School Operations

The District has set aside certain spendable fund balance for school operations. At year-end, the assigned fund balance is \$2,130,835 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 14 FUND BALANCE REPORTING (CONTINUED)

Spendable (Continued)

Unassigned (Continued)

The unassigned fund balance for the General Fund is \$72,754,058.

Description	Major			Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Other Federal Programs	Other Capital Projects		
Fund Balances:					
Nonspendable:					
Inventories	\$ 10,761,106	\$ -	\$ -	\$ 2,120,971	\$ 12,882,077
Prepays Amounts	3,076,617	20,816	-	-	3,097,433
Restricted:					
State Required Carryover	5,093,566	-	-	-	5,093,566
Special Revenues	31,422,742	-	-	-	31,422,742
Food Service	-	221,779	-	24,154,601	24,376,380
Debt Service	-	-	-	29,912,385	29,912,385
Capital Projects	-	-	231,075,185	40,254,710	271,329,895
Assigned:					
School Operations	2,130,835	-	-	-	2,130,835
Unassigned	72,754,058	-	-	-	72,754,058
Total Fund Balances	<u>\$ 125,238,924</u>	<u>\$ 242,595</u>	<u>\$ 231,075,185</u>	<u>\$ 96,442,667</u>	<u>\$ 452,999,371</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 15 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	\$ 55,947,774	\$ 11,067,941
Capital Projects		
Other Capital Projects	-	6,507,165
Special Revenue		
Other Federal Programs	-	47,141,575
Nonmajor:		
Governmental	11,079,571	2,310,664
Total	<u>\$ 67,027,345</u>	<u>\$ 67,027,345</u>

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 15 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

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

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

Fund	Interfund	
	Transfers In	Transfers Out
Major:		
General Fund	\$ 78,495,899	\$ 153,996
Capital Projects		
Other Capital Projects	13,000	27,348,820
Nonmajor:		
Governmental	35,560,505	86,566,588
Total	<u>\$ 114,069,404</u>	<u>\$ 114,069,404</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 16 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 2023-2024 fiscal year budget as a result of purchase orders outstanding at June 30, 2023.

The following is a schedule of encumbrances at June 30, 2023:

Major Funds				
General	Capital Projects - Other	Federal Programs - Other	Nonmajor Governmental Funds	Total Governmental Funds
<u>\$ 8,115,836</u>	<u>\$ 96,686,464</u>	<u>\$ 3,093,485</u>	<u>\$ 12,577,189</u>	<u>\$ 120,472,974</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 17 PROPERTY TAXES

The following is a summary of millage and taxes levied on the 2022 tax roll for fiscal year 2022-2023:

	MILLAGES		TAXES	
	Maximum Authorized	Levied	Levied (100%)	Collected
<u>General Fund</u>				
Nonvoted School Tax:				
Required Local Effort	3.581	3.271	\$ 195,597,557	\$ 187,773,655
Discretionary Local Effort	0.748	0.748	44,728,515	42,939,374
Prior Years	-	-	-	4,927,472
<u>Capital Projects Funds</u>				
Nonvoted Tax:				
Local Capital Improvements	1.500	1.500	89,696,220	86,108,371
Prior Years	-	-	-	1,842,636
Total	<u>5.829</u>	<u>5.519</u>	<u>\$ 330,022,292</u>	<u>\$ 323,591,508</u>

Actual current-year property taxes collected totaled 96% of taxes levied. The Polk County Tax Collector is not required by law to make an accounting to the District 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 District budget estimates less than a 1% shortfall between taxes levied and taxes collected.

NOTE 18 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 18 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. An annual comprehensive 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).

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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 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 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. 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.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

A. FRS Pension Plan (Continued)

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

Class, Initial Enrollment, and Retirement Age/ Years of Service	Percent Value
Regular Class Members Initially Enrolled Before July 1, 2011	
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
Regular Class Members Initially Enrolled On or After July 1, 2011	
Retirement Up to Age 65 or Up to 33 Years of Service	1.60
Retirement 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

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% 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% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

A. FRS Pension Plan (Continued)

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 2022-23 fiscal year were as follows:

Class	Percent of Gross Salary	
	Employee	Employer (1)
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, 2023, the District reported a liability of \$394,771,231 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The District's proportionate share of the net pension liability was based on the District's 2021-2022 fiscal year contributions relative to the 2021-2022 fiscal year contributions of all participating members. At June 30, 2022, the District's proportionate share was 1.060983787%, which was a decrease of 0.034670846% from its proportionate share measured as of June 30, 2021.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

A. FRS Pension Plan (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, 2023, the District recognized pension expense of \$58,035,546 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	\$ 18,749,353	\$ -
Changes in Actuarial Assumptions	48,617,729	-
Net Difference Between Projected and Actual Earnings on FRS Pension Plan Investments	26,066,692	-
Changes in Proportion and Differences Between the District FRS Contributions and Proportionate Share of Contributions	23,922,360	6,621,782
District FRS Contributions Subsequent to the Measurement Date	8,546,692	-
Total	<u>\$ 125,902,826</u>	<u>\$ 6,621,782</u>

The deferred outflows of resources resulting from District contributions to the Plan subsequent to the measurement date, totaling \$8,546,692, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended June 30.</u>	<u>Amount</u>
2024	\$ 26,211,939
2025	12,310,872
2026	(3,329,814)
2027	71,126,091
2028	4,415,264
Total	<u>\$ 110,734,352</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

A. FRS Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Discount Rate	6.70%

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

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

A. FRS Pension Plan (Continued)

Actuarial Assumptions (Continued)

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:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.6%	2.6%	1.1%
Fixed Income	19.8%	4.4%	4.4%	3.2%
Global Equity	54.0%	8.8%	7.3%	17.8%
Real Estate (Property)	10.3%	7.4%	6.3%	15.7%
Private Equity	11.1%	12.0%	8.9%	26.3%
Strategic Investments	3.8%	6.2%	5.9%	7.8%
Total Fund	<u>100%</u>			

Assumed Inflation - Mean 2.4% 1.3%

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

Discount Rate

The discount rate used to measure the total pension liability was 6.70%. 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 2022 valuation decreased from 6.8%.

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 6.7%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.7%) or 1-percentage-point higher (7.7%) than the current rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70%	6.70%	7.70%
District's Proportionate Share of the FRS Plan Net Pension Liability	\$ 682,729,701	\$ 394,771,231	\$ 154,003,687

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

A. FRS Pension Plan (Continued)

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).

Payable to the Pension Plan

The District reported a payable of \$154,846 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2023.

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, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable services completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2023, the contribution rate was 3.54% of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100% 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 \$8,897,380 for the fiscal year ended June 30, 2023.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

B. HIS Pension Plan (Continued)

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

At June 30, 2023, the District reported a liability of \$154,264,181 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The District’s proportionate share of the net pension liability was based on the District’s 2021-2022 fiscal year contributions relative to the 2021-2022 fiscal year contributions of all participating members. At June 30, 2022, the District’s proportionate share was 1.456477038%, which was an increase of 0.043340820% from its proportionate share measured as of June 30, 2021.

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$7,951,958 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:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 4,682,282	\$ 678,776
Changes in Actuarial Assumptions	8,842,522	23,864,570
Net Difference Between Projected and Actual Earnings on FRS Pension Plan Investments	223,342	-
Changes in Proportion and Differences Between the District FRS Contributions and Proportionate Share of Contributions	4,472,680	3,614,080
District FRS Contributions Subsequent to the Measurement Date	1,585,278	-
Total	<u>\$ 19,806,104</u>	<u>\$ 28,157,426</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

B. HIS Pension Plan (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 \$1,585,278, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2024. 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>
2024	\$ (2,838,075)
2025	(1,362,901)
2026	(615,874)
2027	(1,287,997)
2028	(2,647,779)
Thereafter	(1,183,974)
Total	<u>\$ (9,936,600)</u>

Actuarial Assumptions

The total pension liability in the July 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Discount Rate	3.54%

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

The actuarial assumptions that determine the total pension liability as of June 30, 2022 were based on certain results of an actuarial experience study for the period July 1, 2013 – June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.54%, which is an increase from 2.16% 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 BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

B. HIS Pension Plan (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 3.54%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54%) or 1-percentage-point higher (4.54%) than the current rate:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.54%	3.54%	4.54%
District’s Proportionate Share of the HIS Plan Net Pension Liability	\$ 176,490,889	\$ 154,264,181	\$ 135,872,039

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).

Payable to the Pension Plan

The District reported a payable of \$19,078,222 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2023.

FRS Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan). 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% of payroll and by forfeited benefits of Investment Plan members.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 18 STATE RETIREMENT PROGRAMS (CONTINUED)

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

B. HIS Pension Plan (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, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

The District's Investment Plan pension expense totaled \$12,960,567 for the fiscal year ended June 30, 2023.

The District's Investment Plan pension payable totaled \$4,097,989 for the fiscal year ended June 30, 2023.

The District's contributions to the Investment Plan totaled \$18,157,035 for the year ended June 30, 2023. Employee contributions to the Investment Plan totaled \$4,264,434 for the year ended June 30, 2023.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 19 DEFERRED COMPENSATION PLAN

The District 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.

NOTE 20 CONSTRUCTION CONTRACT COMMITMENTS

The following is a schedule of construction contract commitments at June 30, 2023:

Location:	Contracted Amount	Completed Amount	Committed Amount
RIDGE Technical College	\$ 268,000	\$ 260,900	\$ 7,100
JH Wilson Elementary	390,000	374,825	15,175
South Pointe Elementary	47,305,561	46,000,993	1,304,568
Bartow Senior High School	2,305,983	2,207,562	98,421
Ben Hill Griffin Elementary	4,743,171	4,621,779	121,392
Medulla Elementary	9,206,357	8,988,719	217,638
Stephens Elementary	2,503,528	2,467,606	35,922
Alta Vista Elementary	179,176	176,403	2,773
McLaughlin Middle School	14,993,222	14,895,790	97,432
Kathleen High School	1,996,000	1,970,325	25,675
Bella Citta Middle School	29,838,681	29,757,621	81,060
Bartow Senior High School	317,350	302,430	14,920
McLaughlin Middle School	168,628	167,276	1,352
Total	<u>\$ 114,215,657</u>	<u>\$ 112,192,229</u>	<u>\$ 2,023,428</u>

NOTE 21 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 District 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 2022-2023 fiscal year totaled \$404,871 and the related 6.2% FICA tax savings to the District was \$334,693.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 22 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.

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 District. The District has not advance-funded or established a funding methodology for the annual Other Postemployment Benefits (OPEB) or the net OPEB obligation. Contribution requirements of the District are established and may be amended through the District. 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, 2023, the following employees were covered:

Retirees and Beneficiaries	361
Active Employees	11,566
Total Participants	11,927

Total OPEB Liability

The District’s total OPEB liability of \$43,629,956 was measured as of June 30, 2022 and was determined by an actuarial valuation as of June 30, 2021.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 22 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%
Salary Increases	3.4% - 7.8%, average, including inflation
Discount Rate	3.69%
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.00% and gradually decreasing to an ultimate trend rate of 3.75 percent
Retirees' Share of Benefit-Related Costs	100% 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, 2022 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.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 22 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)

Total OPEB Liability (Continued)

Retirement 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. They are based on the results of a statewide experience study covering the period 2013 to 2018.

	Total OPEB Liability
Balance - 6/30/22	\$ 48,799,141
Changes for the Year:	
Service Cost	2,498,799
Interest	957,762
Differences Between Expected and Actual Experience	-
Changes in Assumptions	(5,796,695)
Benefit Payments	(2,829,051)
Net Changes	(5,169,185)
Balance - 6/30/23	\$ 43,629,956

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

- The interest rate for discounting of projected cash flows increased from 1.96% to 3.69%.

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 (2.69%) or 1-percentage point higher (4.69%) than the current rate:

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	2.69 %	3.69 %	4.69 %
Total OPEB Liability	\$ 46,759,244	\$ 43,629,956	\$ 40,803,889

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 22 OTHER POSTEMPLOYMENT BENEFITS PAYABLE (CONTINUED)

Total OPEB Liability (Continued)

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 (2.75%) or 1-percentage point higher (4.75%) 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	2.75 %	3.75 %	4.75 %
Total OPEB Liability	\$ 38,677,714	\$ 43,629,956	\$ 49,619,450

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

For the fiscal year ended June 30, 2023, the District recognized OPEB expense of \$2,895,704. At June 30, 2023, 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	\$ 2,425,539	\$ -
Changes of Assumptions	10,979,806	14,990,609
District’s Contributions Subsequent to the Measurement Date	3,955,841	-
Total	<u>\$ 17,361,186</u>	<u>\$ 14,990,609</u>

The amount reported as deferred outflows of resources related to OPEB, totaling \$3,955,841, 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, 2024. 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>
2024	\$ (560,857)
2025	(560,857)
2026	(560,857)
2027	(560,857)
2028	(544,609)
Thereafter	1,202,773
Total	<u>\$ (1,585,264)</u>

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 23 RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has established an individual self-insurance program for various traditional liability coverage and group medical coverage. The District 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 District has entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis for workers' compensation, general liability, fleet liability, and group health insurance. The District 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, 2023 were \$47,991,168, made up of net position of \$16,330,640 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 \$18,770,866 at June 30, 2023 is based on estimates provided by the actuaries. The workers compensation, general liability and fleet liability portion of the District's total estimated liability is reported at present value using a 2% interest rate assumption.

The following schedule represents the changes in claims liability for the District'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
2021-2022	\$ 19,862,155	\$ 121,741,193	\$ (120,884,711)	\$ 20,718,637
2022-2023	\$ 20,718,637	\$ 121,654,287	\$ (123,602,058)	\$ 18,770,866

Additionally, the District 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 District 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 District 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 2023. The flood deductible is \$100,000. For Special Flood Hazard Areas, the deductible is \$500,000 per building and \$500,000 contents per building.

SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 23 RISK MANAGEMENT PROGRAMS (CONTINUED)

The administrator for the general and fleet liability self-insurance program and the workers' compensation program is John Eastern from July 1, 2022 to June 30, 2023. 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 24 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 District 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 District.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

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

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 2,498,799	\$ 1,913,320	\$ 1,703,085	\$ 2,217,303	\$ 2,137,175	\$ 2,247,244
Interest	957,762	875,380	1,070,396	1,687,938	1,660,825	1,414,845
Changes of Benefit Terms						
Difference Between Expected and Actual Experience	-	1,990,209	-	1,203,097	-	-
Changes of Assumptions	(5,796,695)	11,768,708	1,520,525	(13,876,444)	(164,102)	(1,770,820)
Benefit Payments	(2,829,051)	(3,129,919)	(2,814,872)	(3,480,822)	(3,995,770)	(3,169,008)
Net Change in Total OPEB Liability	(5,169,185)	13,417,698	1,479,134	(12,248,928)	(361,872)	(1,277,739)
Total OPEB Liability - Beginning	48,799,141	35,381,443	33,902,309	46,151,237	46,513,109	47,790,848
Total OPEB Liability - Ending	<u>\$ 43,629,956</u>	<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	\$ 472,014,580	\$ 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	9.24 %	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.

See accompanying Notes to Required Supplementary Information.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

**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%
2022	1.060983787%	394,771,231	401,982,208	98.21%	82.89%

(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%
2023	45,901,845	(45,901,845)	-	401,982,208	11.42%

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

See accompanying Notes to Required Supplementary Information.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

**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%
2022	1.456477038%	154,264,181	531,344,187	29.03%	4.81%

(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%
2023	8,897,380	(8,897,380)	-	531,344,187	1.67%

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

See accompanying Notes to Required Supplementary Information.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023**

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, 2023, 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 1.92% as of the beginning of the measurement period to 3.69% as of June 30, 2022 (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 did not change from 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 decreased from 6.8% to 6.7%.

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 Increased from 1.92% to 3.54%.

Combining and Individual Fund Schedules and Statements



POLK COUNTY
PUBLIC SCHOOLS
STUDENTS FIRST

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
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.
- **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.

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 and 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
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	Special Revenue			Total
	Food Services	Federal Education Stabilization	Miscellaneous Special Revenue	
ASSETS				
Cash	\$ 756,569	\$ -	\$ 339	\$ 756,908
Investments	20,407,402	-	-	20,407,402
Accounts and Interest Receivable	4,661	40	-	4,701
Due from Other Governmental Agencies	473,979	1,237,972	1,886,510	3,598,461
Due from Other Funds	2,982,109	4,888,408	-	7,870,517
Inventories	2,120,971	-	-	2,120,971
	<u>26,745,691</u>	<u>6,126,420</u>	<u>1,886,849</u>	<u>34,758,960</u>
Total Assets	<u>\$ 26,745,691</u>	<u>\$ 6,126,420</u>	<u>\$ 1,886,849</u>	<u>\$ 34,758,960</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and Contracts Payable	\$ 276,012	6,104,030	123,132	\$ 6,503,174
Salaries and Wages Payable	17,785	-	-	17,785
Due to Other Funds	-	-	1,763,717	1,763,717
Due to Other Governmental Agencies	59,527	22,390	-	81,917
Sales Tax Payable	502	-	-	502
Unearned Revenue	116,293	-	-	116,293
Matured Interest Payable	-	-	-	-
Total Liabilities	<u>470,119</u>	<u>6,126,420</u>	<u>1,886,849</u>	<u>8,483,388</u>
Fund Balances:				
Nonspendable:				
Inventories	2,120,971	-	-	2,120,971
Restricted:				
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Food Services	24,154,601	-	-	24,154,601
Special Revenues	-	-	-	-
Total Fund Balances	<u>26,275,572</u>	<u>-</u>	<u>-</u>	<u>26,275,572</u>
Total Liabilities and Fund Balances	<u>\$ 26,745,691</u>	<u>\$ 6,126,420</u>	<u>\$ 1,886,849</u>	<u>\$ 34,758,960</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2023**

	Debt Service			Total
	State Board of Education Bonds	Other Debt Service	ARRA Debt Service	
ASSETS				
Cash	\$ -	\$ 1,753,954	\$ 894	\$ 1,754,848
Investments	60,665	-	27,091,539	27,152,204
Accounts and Interest Receivable	-	-	-	-
Due from Other Governmental Agencies	-	-	-	-
Due from Other Funds	-	-	3,209,054	3,209,054
Inventories	-	-	-	-
Total Assets	\$ 60,665	\$ 1,753,954	\$ 30,301,487	\$ 32,116,106
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts and Contracts Payable	\$ -	\$ -	\$ -	\$ -
Salaries and Wages Payable	-	-	-	-
Due to Other Funds	-	11,167	535,780	546,947
Due to Other Governmental Agencies	-	-	-	-
Sales Tax Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Matured Interest Payable	-	1,656,774	-	1,656,774
Total Liabilities	-	1,667,941	535,780	2,203,721
Fund Balances:				
Nonspendable:				
Inventories	-	-	-	-
Restricted:				
Debt Service	60,665	86,013	29,765,707	29,912,385
Capital Outlay	-	-	-	-
Food Services	-	-	-	-
Special Revenues	-	-	-	-
Total Fund Balances	60,665	86,013	29,765,707	29,912,385
Total Liabilities and Fund Balances	\$ 60,665	\$ 1,753,954	\$ 30,301,487	\$ 32,116,106

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2023**

	Capital Projects				Total Nonmajor Governmental Funds
	Capital Outlay Bond Issue	Capital Outlay and Debt Service	Local Capital Improvement	Total	
ASSETS					
Cash	\$ 17,677	\$ -	\$ -	\$ 17,677	\$ 2,529,433
Investments	-	7,198,311	33,404,381	40,602,692	88,162,298
Accounts and Interest Receivable	-	-	(3,345)	(3,345)	1,356
Due from Other Governmental Agencies	-	8,031	-	8,031	3,606,492
Due from Other Funds	-	-	-	-	11,079,571
Inventories	-	-	-	-	2,120,971
	<u>17,677</u>	<u>-</u>	<u>-</u>	<u>17,677</u>	<u>117,500,121</u>
Total Assets	<u>\$ 17,677</u>	<u>\$ 7,206,342</u>	<u>\$ 33,401,036</u>	<u>\$ 40,625,055</u>	<u>\$ 107,500,121</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts and Contracts Payable	\$ -	24,583	345,762	\$ 370,345	\$ 6,873,519
Salaries and Wages Payable	-	-	-	-	17,785
Due to Other Funds	-	-	-	-	2,310,664
Due to Other Governmental Agencies	-	-	-	-	81,917
Sales Tax Payable	-	-	-	-	502
Unearned Revenue	-	-	-	-	116,293
Matured Interest Payable	-	-	-	-	1,656,774
Total Liabilities	<u>-</u>	<u>24,583</u>	<u>345,762</u>	<u>370,345</u>	<u>11,057,454</u>
Fund Balances:					
Nonspendable:					
Inventories	-	-	-	-	2,120,971
Restricted:					
Debt Service	-	-	-	-	29,912,385
Capital Outlay	17,677	7,181,759	33,055,274	40,254,710	40,254,710
Food Services	-	-	-	-	24,154,601
Special Revenues	-	-	-	-	-
Total Fund Balances	<u>17,677</u>	<u>7,181,759</u>	<u>33,055,274</u>	<u>40,254,710</u>	<u>96,442,667</u>
Total Liabilities and Fund Balances	<u>\$ 17,677</u>	<u>\$ 7,206,342</u>	<u>\$ 33,401,036</u>	<u>\$ 40,625,055</u>	<u>\$ 107,500,121</u>

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

	Special Revenue			Total
	Food Services	Federal Education Stabilization	Miscellaneous Special Revenue	
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Food Services	826,596	-	-	826,596
Other	308,402	-	-	308,402
Total Local Sources	<u>1,134,998</u>	<u>-</u>	<u>-</u>	<u>1,134,998</u>
State Sources:				
Food Services	797,870	-	-	797,870
Other	-	-	-	-
Total State Sources	<u>797,870</u>	<u>-</u>	<u>-</u>	<u>797,870</u>
Federal Sources:				
Federal Direct	-	-	-	-
Federal Through State and Local:				
Food Services	71,727,787	-	-	71,727,787
Federal Grants Through State and Local	-	120,287,505	-	120,287,505
Miscellaneous	-	-	3,907,843	3,907,843
Total Federal Through State and Local	<u>71,727,787</u>	<u>120,287,505</u>	<u>3,907,843</u>	<u>195,923,135</u>
Total Federal Sources	<u>71,727,787</u>	<u>120,287,505</u>	<u>3,907,843</u>	<u>195,923,135</u>
Total Revenues	<u>73,660,655</u>	<u>120,287,505</u>	<u>3,907,843</u>	<u>197,856,003</u>
EXPENDITURES				
Current:				
Instruction	-	71,089,186	316,137	71,405,323
Student Personnel Services	-	2,763,033	1,749	2,764,782
Instructional Media Services	-	666,413	-	666,413
Instruction and Curriculum Development Services	-	1,085,503	97,803	1,183,306
Instructional Staff Training Services	-	2,711,882	421,807	3,133,689
Instructional Related Technology	-	671,437	-	671,437
General Administration	-	5,443,372	-	5,443,372
School Administration	-	10,329	-	10,329
Noncapitalizable Facilities Acquisition and Construction	-	2,415,266	1,548,306	3,963,572
Fiscal Services	-	51,471	-	51,471
Food Services	66,957,862	206,966	-	67,164,828
Central Services	-	6,140,366	3,311	6,143,677
Student Transportation Services	-	2,345,061	545,888	2,890,949
Operation of Plant	-	10,689,468	185,089	10,874,557
Maintenance of Plant	-	6,581,216	-	6,581,216
Administrative Technology Services	-	13,500	-	13,500
Community Services and Other	-	146,765	-	146,765
Debt Service:				
Principal Retirement	-	2,844,561	-	2,844,561
Interest	-	18,611	-	18,611
Dues, Fees, and Other	-	-	-	-
Capital Outlay:				
Facilities Acquisition and Construction	-	37,300	4,412	41,712
Other Capital Outlay	558,938	8,575,107	783,341	9,917,386
Total Expenditures	<u>67,516,800</u>	<u>124,506,813</u>	<u>3,907,843</u>	<u>195,931,456</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,143,855	(4,219,308)	-	1,924,547
OTHER FINANCING SOURCES (USES)				
SBITAs	-	4,219,308	-	4,219,308
Transfers In	153,996	-	-	153,996
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	<u>153,996</u>	<u>4,219,308</u>	<u>-</u>	<u>4,373,304</u>
NET CHANGE IN FUND BALANCES	6,297,851	-	-	6,297,851
Fund Balances - Beginning	19,977,721	-	-	19,977,721
FUND BALANCES - ENDING	<u>\$ 26,275,572</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,275,572</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Debt Service			Total
	State Board of Education Bonds	Other Debt Service	ARRA Debt Service	
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ -	\$ -	\$ -	\$ -
Food Services	-	-	-	-
Other	-	36,579	570,376	606,955
Total Local Sources	-	36,579	570,376	606,955
State Sources:				
Food Services	-	-	-	-
Other	562,958	-	-	562,958
Total State Sources	562,958	-	-	562,958
Federal Sources:				
Federal Direct	-	-	538,452	538,452
Federal Through State and Local:				
Food Services	-	-	-	-
Federal Grants Through State and Local	-	-	-	-
Miscellaneous	-	-	-	-
Total Federal Through State and Local	-	-	-	-
Total Federal Sources	-	-	538,452	538,452
Total Revenues	562,958	36,579	1,108,828	1,708,365
EXPENDITURES				
Current:				
Instruction	-	-	-	-
Student Personnel Services	-	-	-	-
Instructional Media Services	-	-	-	-
Instruction and Curriculum Development Services	-	-	-	-
Instructional Staff Training Services	-	-	-	-
Instructional Related Technology	-	-	-	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Noncapitalizable Facilities Acquisition and Construction	-	-	-	-
Fiscal Services	-	-	-	-
Food Services	-	-	-	-
Central Services	-	-	-	-
Student Transportation Services	-	-	-	-
Operation of Plant	-	-	-	-
Maintenance of Plant	-	-	-	-
Administrative Technology Services	-	-	-	-
Community Services and Other	-	-	-	-
Debt Service:				
Principal Retirement	433,000	22,610,000	1,530,060	24,573,060
Interest	138,510	10,390,183	6,745	10,535,438
Dues, Fees, and Other	185	15,480	-	15,665
Capital Outlay:				
Facilities Acquisition and Construction	-	-	-	-
Other Capital Outlay	-	-	-	-
Total Expenditures	571,695	33,015,663	1,536,805	35,124,163
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,737)	(32,979,084)	(427,977)	(33,415,798)
OTHER FINANCING SOURCES (USES)				
SBITAs	-	-	-	-
Transfers In	-	33,005,153	2,401,356	35,406,509
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	-	33,005,153	2,401,356	35,406,509
NET CHANGE IN FUND BALANCES	(8,737)	26,069	1,973,379	1,990,711
Fund Balances - Beginning	69,402	59,944	27,792,328	27,921,674
FUND BALANCES - ENDING	<u>\$ 60,665</u>	<u>\$ 86,013</u>	<u>\$ 29,765,707</u>	<u>\$ 29,912,385</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Capital Projects			Total Nonmajor Governmental Funds	
	Capital Outlay Bond Issue	Capital Outlay and Debt Service	Local Capital Improvement		Total
REVENUES					
Local Sources:					
Ad Valorem Taxes	\$ -	\$ -	\$ 86,751,350	\$ 86,751,350	\$ 86,751,350
Food Services	-	-	-	-	826,596
Other	-	86,668	1,381,042	1,467,710	2,383,067
Total Local Sources	-	86,668	88,132,392	88,219,060	89,961,013
State Sources:					
Food Services	-	-	-	-	797,870
Other	-	3,459,805	1,161	3,460,966	4,023,924
Total State Sources	-	3,459,805	1,161	3,460,966	4,821,794
Federal Sources:					
Federal Direct	-	-	-	-	538,452
Federal Through State and Local:					
Food Services	-	-	-	-	71,727,787
Federal Grants Through State and Local	-	-	-	-	120,287,505
Miscellaneous	-	-	-	-	3,907,843
Total Federal Through State and Local	-	-	-	-	195,923,135
Total Federal Sources	-	-	-	-	196,461,587
Total Revenues	-	3,546,473	88,133,553	91,680,026	291,244,394
EXPENDITURES					
Current:					
Instruction	-	-	-	-	71,405,323
Student Personnel Services	-	-	-	-	2,764,782
Instructional Media Services	-	-	-	-	666,413
Instruction and Curriculum Development Services	-	-	-	-	1,183,306
Instructional Staff Training Services	-	-	-	-	3,133,689
Instructional Related Technology	-	-	-	-	671,437
General Administration	-	-	-	-	5,443,372
School Administration	-	-	-	-	10,329
Noncapitalizable Facilities Acquisition and Construction	-	1,300,867	5,183,631	6,484,498	10,448,070
Fiscal Services	-	-	-	-	51,471
Food Services	-	-	-	-	67,164,828
Central Services	-	-	-	-	6,143,677
Student Transportation Services	-	-	-	-	2,890,949
Operation of Plant	-	-	-	-	10,874,557
Maintenance of Plant	-	-	-	-	6,581,216
Administrative Technology Services	-	-	-	-	13,500
Community Services and Other	-	-	-	-	146,765
Debt Service:					
Principal Retirement	-	-	-	-	27,417,621
Interest	-	-	-	-	10,554,049
Dues, Fees, and Other	-	5,300	-	5,300	20,965
Capital Outlay:					
Facilities Acquisition and Construction	-	103,070	-	103,070	144,782
Other Capital Outlay	-	-	-	-	9,917,386
Total Expenditures	-	1,409,237	5,183,631	6,592,868	237,648,487
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	2,137,236	82,949,922	85,087,158	53,595,907
OTHER FINANCING SOURCES (USES)					
SBITAs	-	-	-	-	4,219,308
Transfers In	-	-	-	-	35,560,505
Transfers Out	-	-	(86,566,588)	(86,566,588)	(86,566,588)
Total Other Financing Sources and Uses	-	-	(86,566,588)	(86,566,588)	(46,786,775)
NET CHANGE IN FUND BALANCES	-	2,137,236	(3,616,666)	(1,479,430)	6,809,132
Fund Balances - Beginning	17,677	5,044,523	36,671,940	41,734,140	89,633,535
FUND BALANCES - ENDING	<u>\$ 17,677</u>	<u>\$ 7,181,759</u>	<u>\$ 33,055,274</u>	<u>\$ 40,254,710</u>	<u>\$ 96,442,667</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NONMAJOR SPECIAL REVENUE FUNDS
FOOD SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Food Services	\$ 715,000	\$ 715,000	\$ 826,596	\$ 111,596
Other	-	-	308,402	308,402
Total Local Sources	<u>715,000</u>	<u>715,000</u>	<u>1,134,998</u>	<u>419,998</u>
State Sources:				
Food Services	<u>789,000</u>	<u>789,000</u>	<u>797,870</u>	<u>8,870</u>
Total State Sources	<u>789,000</u>	<u>789,000</u>	<u>797,870</u>	<u>8,870</u>
Federal Sources:				
Federal Through State and Local:				
Food Services	<u>69,772,873</u>	<u>69,772,873</u>	<u>71,727,787</u>	<u>1,954,914</u>
Total Revenues	<u>71,276,873</u>	<u>71,276,873</u>	<u>73,660,655</u>	<u>2,383,782</u>
EXPENDITURES				
Current:				
Food Service	68,239,845	68,239,845	66,957,862	1,281,983
Capital Outlay:				
Other Capital Outlay	<u>1,150,000</u>	<u>1,150,000</u>	<u>558,938</u>	<u>591,062</u>
Total Expenditures	<u>69,389,845</u>	<u>69,389,845</u>	<u>67,516,800</u>	<u>1,873,045</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,887,028	1,887,028	6,143,855	4,256,827
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	<u>153,996</u>	<u>153,996</u>
NET CHANGE IN FUND BALANCES	1,887,028	1,887,028	6,297,851	4,410,823
Fund Balances - Beginning	<u>19,977,721</u>	<u>19,977,721</u>	<u>19,977,721</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 21,864,749</u>	<u>\$ 21,864,749</u>	<u>\$ 26,275,572</u>	<u>\$ 4,410,823</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NONMAJOR SPECIAL REVENUE FUNDS
FEDERAL EDUCATION STABILIZATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
REVENUES				
Federal Sources:				
Federal Through State and Local	\$ 314,960,968	\$ 314,960,968	\$ 120,287,505	\$ (194,673,463)
Total Revenues	314,960,968	314,960,968	120,287,505	(194,673,463)
EXPENDITURES				
Current:				
Instruction	142,835,113	142,904,989	71,089,186	71,815,803
Student Personnel Services	11,934,343	11,934,343	2,763,033	9,171,310
Instructional Media Services	3,285,702	3,285,702	666,413	2,619,289
Instruction and Curriculum Development Services	3,336,099	3,336,099	1,085,503	2,250,596
Instruction Staff Training Services	10,237,484	10,237,484	2,711,882	7,525,602
Instruction Related Technology	28,293,747	28,293,747	671,437	27,622,310
General Administration	11,865,081	11,865,081	5,443,372	6,421,709
School Administration	11,138	11,138	10,329	809
Noncapitalizable Facilities				
Acquisition and Construction	23,264,338	23,264,338	2,415,266	20,849,072
Fiscal Services	140,158	140,158	51,471	88,687
Food Service	431,355	431,355	206,966	224,389
Central Services	21,174,537	21,201,753	6,140,366	15,061,387
Student Transportation	14,708,847	14,708,847	2,345,061	12,363,786
Operation of Plant	16,185,172	16,185,172	10,689,468	5,495,704
Maintenance of Plant	6,577,808	6,577,808	6,581,216	(3,408)
Administrative Technology Services	23,500	23,500	13,500	10,000
Community Services	1,897,630	1,897,630	146,765	1,750,865
Debt Service:				
Principal	-	-	2,844,561	(2,844,561)
Interest	-	-	18,611	(18,611)
Capital Outlay:				
Facilities Acquisition and Construction	6,043,642	6,043,642	37,300	6,006,342
Other Capital Outlay	12,715,274	12,618,182	8,575,107	4,043,075
Total Expenditures	<u>314,960,968</u>	<u>314,960,968</u>	<u>124,506,813</u>	<u>190,454,155</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(4,219,308)</u>	<u>(4,219,308)</u>
OTHER FINANCING SOURCES (USES)				
SBITAs	<u>-</u>	<u>-</u>	<u>4,219,308</u>	<u>4,219,308</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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
NONMAJOR SPECIAL REVENUE FUNDS
MISCELLANEOUS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Federal Sources:				
Federal Through State and Local:				
Miscellaneous	7,415,116	7,415,116	3,907,843	(3,507,273)
Total Revenues	7,415,116	7,415,116	3,907,843	(3,507,273)
EXPENDITURES				
Current:				
Instruction	954,108	954,108	316,137	637,971
Student Personnel Services	1,749	1,749	1,749	-
Instruction and Curriculum				
Development Services	152,325	152,325	97,803	54,522
Instruction Staff Training Services	839,436	839,436	421,807	417,629
Noncapitalizable Facilities				
Acquisition and Construction	1,594,470	1,594,470	1,548,306	46,164
Central Services	3,311	3,311	3,311	-
Student Transportation	548,890	548,890	545,888	3,002
Operation of Plant	1,795,679	1,795,679	185,089	1,610,590
Capital Outlay:				
Facilities Acquisition and				
Construction	4,412	4,412	4,412	-
Other Capital Outlay	1,520,736	1,520,736	783,341	737,395
Total Expenditures	7,415,116	7,415,116	3,907,843	3,507,273
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
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
Other	\$ 569,070	\$ 569,070	\$ 562,958	\$ (6,112)
Total Revenues	569,070	569,070	562,958	(6,112)
EXPENDITURES				
Debt Service:				
Principal Retirement	-	-	433,000	(433,000)
Interest	-	-	138,510	(138,510)
Dues, Fees, and Other	-	-	185	(185)
Total Expenditures	-	-	571,695	(571,695)
NET CHANGE IN FUND BALANCES	569,070	569,070	(8,737)	(577,807)
Fund Balances - Beginning	69,402	69,402	69,402	-
FUND BALANCES - ENDING	<u>\$ 638,472</u>	<u>\$ 638,472</u>	<u>\$ 60,665</u>	<u>\$ (577,807)</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
DEBT SERVICE FUNDS
OTHER DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Other	\$ 1,849	\$ 1,849	\$ 36,579	\$ 34,730
Total Revenues	1,849	1,849	36,579	34,730
EXPENDITURES				
Debt Service:				
Principal Retirement	-	-	22,610,000	(22,610,000)
Interest	-	-	10,390,183	(10,390,183)
Dues, Fees, and Other	-	-	15,480	(15,480)
Total Expenditures	-	-	33,015,663	(33,015,663)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,849	1,849	(32,979,084)	(32,980,933)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	33,005,153	33,005,153
Total Other Financing Sources and Uses	-	-	33,005,153	33,005,153
NET CHANGE IN FUND BALANCES	1,849	1,849	26,069	24,220
Fund Balances - Beginning	59,944	59,944	59,944	-
FUND BALANCES - ENDING	<u>\$ 61,793</u>	<u>\$ 61,793</u>	<u>\$ 86,013</u>	<u>\$ 24,220</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
DEBT SERVICE FUNDS
ARRA DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Other	\$ -	\$ -	\$ 570,376	\$ 570,376
Total Local Sources	-	-	570,376	570,376
Federal Sources:				
Federal Direct	1,141,797	1,141,797	538,452	(603,345)
Total Federal Sources	1,141,797	1,141,797	538,452	(603,345)
Total Revenues	1,141,797	1,141,797	1,108,828	(32,969)
EXPENDITURES				
Debt Service:				
Principal Retirement	-	-	1,530,060	(1,530,060)
Interest	-	-	6,745	(6,745)
Total Expenditures	-	-	1,536,805	(1,536,805)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,141,797	1,141,797	(427,977)	(1,569,774)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	2,401,356	2,401,356
NET CHANGE IN FUND BALANCES	1,141,797	1,141,797	1,973,379	831,582
Fund Balances - Beginning	27,792,328	27,792,328	27,792,328	-
FUND BALANCES - ENDING	<u>\$ 28,934,125</u>	<u>\$ 28,934,125</u>	<u>\$ 29,765,707</u>	<u>\$ 831,582</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
CAPITAL PROJECTS FUNDS
CAPITAL OUTLAY BOND ISSUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Total Expenditures	-	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning	<u>17,677</u>	<u>17,677</u>	<u>17,677</u>	<u>-</u>
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
CAPITAL OUTLAY AND DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Other	\$ -	\$ -	\$ 86,668	\$ 86,668
Total Local Sources	-	-	86,668	86,668
State Sources:				
Other	3,345,918	3,345,918	3,459,805	113,887
Total State Sources	3,345,918	3,345,918	3,459,805	113,887
Total Revenues	3,345,918	3,345,918	3,546,473	200,555
EXPENDITURES				
Current:				
Noncapitalizable Facilities				
Acquisition and Construction	6,848,000	6,848,000	1,300,867	5,547,133
Debt Service:				
Dues, Fees, and Other	-	-	5,300	(5,300)
Capital Outlay:				
Facilities Acquisition and				
Construction	-	-	103,070	(103,070)
Total Expenditures	6,848,000	6,848,000	1,409,237	5,438,763
NET CHANGE IN FUND BALANCES	(3,502,082)	(3,502,082)	2,137,236	5,639,318
Fund Balances - Beginning	5,044,523	5,044,523	5,044,523	-
FUND BALANCES - ENDING	<u>\$ 1,542,441</u>	<u>\$ 1,542,441</u>	<u>\$ 7,181,759</u>	<u>\$ 5,639,318</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
CAPITAL PROJECTS FUNDS
LOCAL CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 86,108,371	\$ 86,108,371	\$ 86,751,350	\$ 642,979
Other	-	-	1,381,042	1,381,042
Total Local Sources	<u>86,108,371</u>	<u>86,108,371</u>	<u>88,132,392</u>	<u>2,024,021</u>
State Sources:				
Other	-	-	1,161	1,161
Total State Sources	<u>-</u>	<u>-</u>	<u>1,161</u>	<u>1,161</u>
Total Revenues	86,108,371	86,108,371	88,133,553	2,025,182
EXPENDITURES				
Current:				
Noncapitalizable Facilities				
Acquisition and Construction	7,783,139	7,783,139	5,183,631	2,599,508
Total Expenditures	<u>7,783,139</u>	<u>7,783,139</u>	<u>5,183,631</u>	<u>2,599,508</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	78,325,232	78,325,232	82,949,922	4,624,690
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(86,566,588)	(86,566,588)
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>(86,566,588)</u>	<u>(86,566,588)</u>
NET CHANGE IN FUND BALANCES	78,325,232	78,325,232	(3,616,666)	(81,941,898)
Fund Balances - Beginning	<u>36,671,940</u>	<u>36,671,940</u>	<u>36,671,940</u>	<u>-</u>
FUND BALANCES - ENDING	<u><u>\$ 114,997,172</u></u>	<u><u>\$ 114,997,172</u></u>	<u><u>\$ 33,055,274</u></u>	<u><u>\$ (81,941,898)</u></u>

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL – OTHER CAPITAL PROJECTS



**POLK COUNTY
PUBLIC SCHOOLS**

STUDENTS FIRST

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
OTHER CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>Final Budget - Positive (Negative)</u>
REVENUES				
Local Sources:				
Local Sales Tax	\$ 62,724,470	\$ 62,724,470	\$ 77,180,302	\$ 14,455,832
Impact Fees	26,445,561	26,445,561	26,448,341	2,780
Other	-	-	9,218,575	9,218,575
Total Local Sources	<u>89,170,031</u>	<u>89,170,031</u>	<u>112,847,218</u>	<u>23,677,187</u>
State Sources:				
Charter School Capital Outlay	<u>5,989,030</u>	<u>5,989,030</u>	<u>5,950,766</u>	<u>(38,264)</u>
Total Local Sources	<u>95,159,061</u>	<u>95,159,061</u>	<u>118,797,984</u>	<u>23,638,923</u>
Total Revenues	95,159,061	95,159,061	118,797,984	23,638,923
EXPENDITURES				
Current:				
Noncapitalizable Facilities				
Acquisition and Construction	-	-	1,234,979	(1,234,979)
Capital Outlay:				
Facilities Acquisition and				
Construction	<u>295,547,297</u>	<u>295,547,297</u>	<u>106,502,337</u>	<u>189,044,960</u>
Total Expenditures	<u>295,547,297</u>	<u>295,547,297</u>	<u>107,737,316</u>	<u>187,809,981</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(200,388,236)	(200,388,236)	11,060,668	211,448,904
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	13,000	13,000
Transfers Out	-	-	(27,348,820)	(27,348,820)
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>(27,335,820)</u>	<u>(27,335,820)</u>
NET CHANGE IN FUND BALANCES	(200,388,236)	(200,388,236)	(16,275,152)	184,113,084
Fund Balances - Beginning	<u>247,350,337</u>	<u>247,350,337</u>	<u>247,350,337</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 46,962,101</u>	<u>\$ 46,962,101</u>	<u>\$ 231,075,185</u>	<u>\$ 184,113,084</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
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 and Omissions/Boiler and 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
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	Governmental Activities		Internal Service Funds		Total
	Workers' Compensation	General Liability/ Fleet Liability	Errors and Omissions/ Boiler and Machinery	Group Health Insurance	
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 810,173	\$ 931,135	\$ 126	\$ 5,514,411	\$ 7,255,845
Investments	6,828,754	4,403,896	2,089,854	27,097,029	40,419,533
Accounts Receivable	20,502	-	-	295,288	315,790
Total Current Assets	<u>7,659,429</u>	<u>5,335,031</u>	<u>2,089,980</u>	<u>32,906,728</u>	<u>47,991,168</u>
Noncurrent Assets:					
Buildings	-	-	-	1,457,295	1,457,295
Improvements Other than Buildings	-	15,447	-	3,184	18,631
Furniture, Fixtures, and Equipment	-	-	-	27,281	27,281
Right of Use - Building	-	-	-	48,432	48,432
Total Noncurrent Assets	<u>-</u>	<u>15,447</u>	<u>-</u>	<u>1,536,192</u>	<u>1,551,639</u>
Total Assets	7,659,429	5,350,478	2,089,980	34,442,920	49,542,807
LIABILITIES					
Current Liabilities:					
Accounts Payable	11,177	143,189	-	12,535,447	12,689,813
Lease Liability	-	-	-	44,180	44,180
Payroll Deductions and Withholdings	-	-	-	155,669	155,669
Estimated Liability for Claims	2,429,050	1,525,880	-	2,990,290	6,945,220
Total Current Liabilities	<u>2,440,227</u>	<u>1,669,069</u>	<u>-</u>	<u>15,725,586</u>	<u>19,834,882</u>
Noncurrent Liabilities:					
Estimated Liability for Claims	4,135,950	2,598,120	-	5,091,576	11,825,646
Total Noncurrent Liabilities	<u>4,135,950</u>	<u>2,598,120</u>	<u>-</u>	<u>5,091,576</u>	<u>11,825,646</u>
Total Liabilities	6,576,177	4,267,189	-	20,817,162	31,660,528
NET POSITION					
Investment in Capital Assets	-	15,447	-	1,536,192	1,551,639
Unrestricted	1,083,252	1,067,842	2,089,980	12,089,566	16,330,640
Total Net Position	<u>\$ 1,083,252</u>	<u>\$ 1,083,289</u>	<u>\$ 2,089,980</u>	<u>\$ 13,625,758</u>	<u>\$ 17,882,279</u>

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

	Governmental Activities		Internal Service Funds		
	Workers' Compensation	General Liability/ Fleet Liability	Errors and Omissions/ Boiler and Machinery	Group Health Insurance	Total
OPERATING REVENUES					
Premium Revenue from Other Funds	\$ (2,412)	\$ 2,000,000	\$ -	\$ 128,150,130	\$ 130,147,718
Other Revenue	-	-	-	915,397	915,397
Total Operating Revenues	<u>(2,412)</u>	<u>2,000,000</u>	<u>-</u>	<u>129,065,527</u>	<u>131,063,115</u>
OPERATING EXPENSES					
Salaries	87,137	69,939	-	243,971	401,047
Benefits	33,813	25,467	-	95,260	154,540
Purchased Services	1,122,268	429,955	4	1,187,966	2,740,193
Energy Services	-	-	-	21,378	21,378
Materials and Supplies	129,108	-	-	14,300	143,408
Claims	4,640,149	2,692,607	45	121,240,281	128,573,082
Depreciation	-	-	-	194,317	194,317
Total Operating Expenses	<u>6,012,475</u>	<u>3,217,968</u>	<u>49</u>	<u>122,997,473</u>	<u>132,227,965</u>
OPERATING INCOME (LOSS)	(6,014,887)	(1,217,968)	(49)	6,068,054	(1,164,850)
NONOPERATING REVENUE(EXPENSE)					
Interest Revenue	192,257	170,132	103,780	767,913	1,234,082
Interest Expense	-	-	-	(1,473)	(1,473)
Loss Recoveries	424,876	107,886	-	-	532,762
Total Nonoperating Revenue (Expense)	<u>617,133</u>	<u>278,018</u>	<u>103,780</u>	<u>766,440</u>	<u>1,765,371</u>
INCOME (LOSS) BEFORE TRANSFERS	(5,397,754)	(939,950)	103,731	6,834,494	600,521
Transfers In	5,000,000	-	-	678,545	5,678,545
Transfers Out	<u>(657,964)</u>	<u>-</u>	<u>-</u>	<u>(5,020,581)</u>	<u>(5,678,545)</u>
CHANGE IN NET POSITION	(1,055,718)	(939,950)	103,731	2,492,458	600,521
Net Position - Beginning	<u>2,138,970</u>	<u>2,023,239</u>	<u>1,986,249</u>	<u>11,133,300</u>	<u>17,281,758</u>
NET POSITION - ENDING	<u>\$ 1,083,252</u>	<u>\$ 1,083,289</u>	<u>\$ 2,089,980</u>	<u>\$ 13,625,758</u>	<u>\$ 17,882,279</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023**

	Governmental Activities		Internal Service Funds		
	Workers' Compensation	General Liability/ Fleet Liability	Errors and Omissions/ Boiler and Machinery	Group Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Interfund Services Provided	\$ 3,306	\$ 2,000,000	\$ -	\$ 132,547,811	\$ 134,551,117
Payment to Suppliers	(1,251,376)	(429,955)	(4)	(1,223,644)	(2,904,979)
Payment/Premium to Employees	(120,950)	(95,406)	-	(378,166)	(594,522)
Insurance Claims Payments	-	-	-	(1,728,771)	(1,728,771)
Payments for Interfund Services Used	(4,740,732)	(2,670,418)	(45)	(121,197,709)	(128,608,904)
Other Receipts (Payments)	-	-	-	915,397	915,397
Net Cash Provided (Used) by Operating Activities	(6,109,752)	(1,195,779)	(49)	8,934,918	1,629,338
CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES					
Transfers from Other Funds	5,000,000	-	-	678,545	5,678,545
Transfers to Other Funds	(657,964)	-	-	(5,020,581)	(5,678,545)
Loss Recoveries	424,876	107,886	-	-	532,762
Net Cash Provided (Used) by Noncapital and Related Financing Activities	4,766,912	107,886	-	(4,342,036)	532,762
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases (Sales) of Investments	1,958,584	1,195,359	(103,605)	145,599	3,195,937
Principal and Interest Payments on Debt	192,257	170,132	103,780	766,440	1,232,609
Net Cash Provided (Used) by Investing Activities	2,150,841	1,365,491	175	912,039	4,428,546
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	808,001	277,598	126	5,504,921	6,590,646
Cash and Cash Equivalents - Beginning of Year	2,172	653,537	-	9,490	665,199
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 810,173	\$ 931,135	\$ 126	\$ 5,514,411	\$ 7,255,845
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (6,014,887)	\$ (1,217,968)	\$ (49)	\$ 6,068,054	\$ (1,164,850)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	-	-	-	194,317	194,317
Change in Assets and Liabilities:					
Accounts Receivable	5,718	-	-	88,544	94,262
Due from Other Funds	-	-	-	4,202,271	4,202,271
Accounts Payable	(2,583)	143,189	-	106,638	247,244
Lease Liability	-	-	-	44,180	44,180
Payroll Deductions and Withholdings	-	-	-	(38,935)	(38,935)
Due to Other Agencies	-	-	-	(1,380)	(1,380)
Estimated Liability for Claims Adjust Expense	(98,000)	(121,000)	-	(1,728,771)	(1,947,771)
Total Adjustments	(94,865)	22,189	-	2,866,864	2,794,188
Net Cash Provided (Used) by Operating Activities	\$ (6,109,752)	\$ (1,195,779)	\$ (49)	\$ 8,934,918	\$ 1,629,338

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
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, 2023**

	Dale R. Fair Babson Park Elementary School	Berkley Accelerated Middle School	Berkley Elementary School	Bridgeprep Academy
ASSETS				
Cash	\$ -	\$ 1,876,199	\$ 3,181,193	\$ 1,271,939
Certificates of Deposit	-	-	-	-
Investments	-	-	929,218	-
Accounts Receivable	31,493	-	-	-
Due from Other Funds	1,304,378	232,388	101,375	46,320
Prepaid Items	-	44,614	-	-
Other Assets	-	-	140,426	8,000
Capital Assets:				
Land	-	215,000	-	-
Land Improvements	-	-	-	-
Construction in Progress	-	-	-	-
Improvements Other than Buildings	236,798	-	51,783	-
Buildings and Systems	-	3,023,364	-	-
Furniture, Fixtures, and Equipment	132,298	100,692	90,282	275,601
Motor Vehicles	-	-	159,068	-
Right to Use - Equipment	-	-	-	22,857,577
Computer Software	-	-	-	-
Total Assets	<u>1,704,967</u>	<u>5,492,257</u>	<u>4,653,345</u>	<u>24,459,437</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	<u>950,703</u>	<u>835,447</u>	<u>1,401,727</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,655,670</u>	<u>\$ 6,327,704</u>	<u>\$ 6,055,072</u>	<u>\$ 24,459,437</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 35,600	\$ 285,583	\$ 7,515
Due to Other Governmental Agencies	-	99,017	-	-
Salaries and Wages Payable	-	388,885	-	102,770
Compensated Absences Payable	-	-	318,973	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses:				
Noncurrent Liabilities:				
Due Within One Year	165,710	124,846	-	45,092
Due in More than One Year	2,508,574	5,238,853	-	24,797,212
Net Pension Liability	-	2,270,095	3,936,201	-
Total Liabilities	<u>2,674,284</u>	<u>8,157,296</u>	<u>4,540,757</u>	<u>24,952,589</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	158,161	165,698	316,772	-
NET POSITION				
Net Investment in Capital Assets	369,096	(2,024,643)	301,134	(1,227,163)
Restricted for:				
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	27,815
Unrestricted	(545,871)	29,353	896,409	706,196
Total Net Position	<u>(176,775)</u>	<u>(1,995,290)</u>	<u>1,197,543</u>	<u>(493,152)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,655,670</u>	<u>\$ 6,327,704</u>	<u>\$ 6,055,072</u>	<u>\$ 24,459,437</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Edward W. Bok Academy	Edward W. Bok Academy North	Compass Charter Middle School	Cypress Junction Montessori
ASSETS				
Cash	\$ -	\$ -	\$ 674,389	\$ 592,767
Certificates of Deposit	-	-	-	-
Investments	-	-	-	-
Accounts Receivable	143,864	40,906	1,567	125,585
Due from Other Funds	1,176,934	3,014,870	31,092	-
Prepaid Items	-	-	16,398	-
Other Assets	10,666	1,288	-	18,732
Capital Assets:				
Land	-	62,000	-	-
Land Improvements	-	-	-	-
Construction in Progress	-	-	-	-
Improvements Other than Buildings	71,796	22,199	-	63,357
Buildings and Systems	4,113,475	8,291,432	-	398,962
Furniture, Fixtures, and Equipment	33,573	386	11,884	190,260
Motor Vehicles	-	-	318,655	-
Right to Use - Equipment	-	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>5,550,308</u>	<u>11,433,081</u>	<u>1,053,985</u>	<u>1,389,663</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	908,916	1,517,645	332,741	-
Total Assets and Deferred Outflows of Resources	<u>\$ 6,459,224</u>	<u>\$ 12,950,726</u>	<u>\$ 1,386,726</u>	<u>\$ 1,389,663</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 6,047	\$ 97,000
Due to Other Governmental Agencies	-	-	26,882	-
Salaries and Wages Payable	-	-	69,054	-
Compensated Absences Payable	-	-	-	-
Unearned Revenue	-	-	-	20,250
Other Liabilities	-	-	-	-
Accrued Expenses:				
Noncurrent Liabilities:				
Due Within One Year	256,398	328,652	-	134,854
Due in More than One Year	4,353,691	10,056,026	27,292	294,064
Net Pension Liability	-	-	778,380	-
Total Liabilities	<u>4,610,089</u>	<u>10,384,678</u>	<u>907,655</u>	<u>546,168</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	225,317	101,582	52,899	-
NET POSITION				
Net Investment in Capital Assets	2,028,554	114,735	330,539	223,661
Restricted for:				
Debt Service	-	-	-	-
Capital Outlay	-	2,707,262	-	-
Endowment - Nonexpendable	-	-	-	56,074
Other Purposes	-	-	-	8,282
Unrestricted	(404,736)	(357,531)	95,633	555,478
Total Net Position	<u>1,623,818</u>	<u>2,464,466</u>	<u>426,172</u>	<u>843,495</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 6,459,224</u>	<u>\$ 12,950,726</u>	<u>\$ 1,386,726</u>	<u>\$ 1,389,663</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Discovery Academy of Lake Alfred	Discovery High School	Hartridge Academy	Hillcrest Elementary School
ASSETS				
Cash	\$ 1,551,327	\$ 184,290	\$ 1,285,241	\$ -
Certificates of Deposit	1,621,670	-	13,260	-
Investments	301	-	-	-
Accounts Receivable	-	-	131,025	41,274
Due from Other Funds	985,095	209,945	-	-
Prepaid Items	-	-	43,701	-
Other Assets	593,229	26,385,165	-	3,117,895
Capital Assets:				
Land	2,681,713	-	-	-
Land Improvements	-	-	-	-
Construction in Progress	289,204	-	-	-
Improvements Other than Buildings	-	-	119,867	23,058
Buildings and Systems	21,180,172	-	65,588	-
Furniture, Fixtures, and Equipment	356,354	72,280	80,080	122,986
Motor Vehicles	683,528	-	-	-
Right to Use - Equipment	-	-	218,418	-
Computer Software	-	-	-	-
Total Assets	<u>29,942,593</u>	<u>26,851,680</u>	<u>1,957,180</u>	<u>3,305,213</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	3,185,157	-	-	1,085,404
Total Assets and Deferred Outflows of Resources	<u>\$ 33,127,750</u>	<u>\$ 26,851,680</u>	<u>\$ 1,957,180</u>	<u>\$ 4,390,617</u>
LIABILITIES				
Accounts Payable	\$ 746,474	\$ 412,028	\$ 211,582	\$ -
Due to Other Governmental Agencies	-	744,153	-	-
Salaries and Wages Payable	-	-	-	-
Compensated Absences Payable	554,985	253,405	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses:	-	-	-	-
Noncurrent Liabilities:				
Due Within One Year	457,780	375,000	58,477	147,825
Due in More than One Year	26,013,246	26,598,185	126,780	3,161,687
Net Pension Liability	7,188,117	-	-	-
Total Liabilities	<u>34,960,602</u>	<u>28,382,771</u>	<u>396,839</u>	<u>3,309,512</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	360,026	-	-	235,340
NET POSITION				
Net Investment in Capital Assets	(1,280,055)	72,280	298,696	146,044
Restricted for:				
Debt Service	1,621,670	-	-	-
Capital Outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	737,068	-	-	-
Unrestricted	(3,271,561)	(1,603,371)	1,261,645	699,721
Total Net Position	<u>(2,192,878)</u>	<u>(1,531,091)</u>	<u>1,560,341</u>	<u>845,765</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 33,127,750</u>	<u>\$ 26,851,680</u>	<u>\$ 1,957,180</u>	<u>\$ 4,390,617</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Janie Howard Wilson Elementary School	Lake Wales Senior High School	Lakeland Montessori Schoolhouse	Lakeland Montessori Middle
ASSETS				
Cash	\$ -	\$ -	\$ 3,096,650	\$ 731,358
Certificates of Deposit	-	-	2,228	-
Investments	-	-	-	-
Accounts Receivable	50,914	50,795	93,030	26,621
Due from Other Funds	2,478,218	2,766,605	-	-
Prepaid Items	-	96	13,081	610
Other Assets	-	-	43,912	-
Capital Assets:				
Land	-	-	306,000	-
Land Improvements	-	-	-	-
Construction in Progress	-	-	-	-
Improvements Other than Buildings	8,551	567,138	-	-
Buildings and Systems	-	-	823,266	-
Furniture, Fixtures, and Equipment	33,134	512,926	24,208	12,846
Motor Vehicles	-	9,528	-	-
Right to Use - Equipment	-	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>2,570,817</u>	<u>3,907,088</u>	<u>4,402,375</u>	<u>771,435</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	<u>856,998</u>	<u>2,316,728</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 3,427,815</u>	<u>\$ 6,223,816</u>	<u>\$ 4,402,375</u>	<u>\$ 771,435</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 165,669	\$ 43,912
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	-	-	-	-
Compensated Absences Payable	-	-	-	-
Unearned Revenue	-	-	163,554	-
Other Liabilities	-	-	-	-
Accrued Expenses:	-	-	-	-
Noncurrent Liabilities:				
Due Within One Year	90,477	242,218	30,656	-
Due in More than One Year	1,852,207	6,192,672	501,686	-
Net Pension Liability	-	-	-	-
Total Liabilities	<u>1,942,684</u>	<u>6,434,890</u>	<u>861,565</u>	<u>43,912</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	245,037	384,983	-	-
NET POSITION				
Net Investment in Capital Assets	41,685	1,089,592	647,499	12,846
Restricted for:				
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	-
Unrestricted	<u>1,198,409</u>	<u>(1,685,649)</u>	<u>2,893,311</u>	<u>714,677</u>
Total Net Position	<u>1,240,094</u>	<u>(596,057)</u>	<u>3,540,810</u>	<u>727,523</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 3,427,815</u>	<u>\$ 6,223,816</u>	<u>\$ 4,402,375</u>	<u>\$ 771,435</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Language & Literacy Academy for Learning	Mater Academy	Magnolia Montessori Academy	McKeel Schools System
ASSETS				
Cash	\$ 126,513	\$ 166,912	\$ 732,501	\$ 10,079,027
Certificates of Deposit	30,000	-	-	600,949
Investments	-	229,000	-	-
Accounts Receivable	-	-	14,279	2,077,889
Due from Other Funds	68,017	1,595,700	-	15,049
Prepaid Items	-	138,775	-	-
Other Assets	101,951	-	-	305,270
Capital Assets:				
Land	-	-	187,857	607,178
Land Improvements	-	-	-	492,209
Construction in Progress	-	198,641	-	1,196,593
Improvements Other than Buildings	223,156	-	-	-
Buildings and Systems	-	-	1,898,955	15,850,163
Furniture, Fixtures, and Equipment	44,553	1,147,992	53,876	1,719,845
Motor Vehicles	82,619	194,247	-	2,007,479
Right to Use - Equipment	-	9,951,871	4,877	-
Computer Software	51,312	111,193	-	-
Total Assets	<u>728,121</u>	<u>13,734,331</u>	<u>2,892,345</u>	<u>34,951,651</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	1,452,767	-	-	6,365,123
Total Assets and Deferred Outflows of Resources	<u>\$ 2,180,888</u>	<u>\$ 13,734,331</u>	<u>\$ 2,892,345</u>	<u>\$ 41,316,774</u>
LIABILITIES				
Accounts Payable	\$ 9,420	\$ 429,667	\$ 6,180	\$ 354,775
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	210,449	133,873	168,383	-
Compensated Absences Payable	-	-	-	-
Unearned Revenue	-	-	26,100	8,093
Other Liabilities	-	-	-	-
Accrued Expenses:	-	-	-	2,519,466
Noncurrent Liabilities:				
Due Within One Year	425,474	157,908	50,874	2,527,445
Due in More than One Year	122,625	-	1,920,677	25,990,608
Net Pension Liability	2,092,814	12,032,292	-	-
Total Liabilities	<u>2,860,782</u>	<u>12,753,740</u>	<u>2,172,214</u>	<u>31,400,387</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	184,675	-	-	873,272
NET POSITION				
Net Investment in Capital Assets	401,640	1,613,744	193,912	10,025,510
Restricted for:				
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	-	-	-	699,452
Unrestricted	(1,266,209)	(633,153)	526,219	(1,681,847)
Total Net Position	<u>(864,569)</u>	<u>980,591</u>	<u>720,131</u>	<u>9,043,115</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 2,180,888</u>	<u>\$ 13,734,331</u>	<u>\$ 2,892,345</u>	<u>\$ 41,316,774</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Mi Escuela Montessori	Navigator Academy of Leadership	New Beginnings High School	Victory Ridge Academy
ASSETS				
Cash	\$ 438,933	\$ 2,754,651	\$ 1,075,148	\$ 4,260,230
Certificates of Deposit	-	-	-	-
Investments	-	-	-	-
Accounts Receivable	67,013	40,970	191,361	52,063
Due from Other Funds	-	-	-	4,189,963
Prepaid Items	-	100	167,252	-
Other Assets	9,739	-	2,367,255	963
Capital Assets:				
Land	-	1,100,000	-	-
Land Improvements	-	-	-	-
Construction in Progress	-	-	-	-
Improvements Other than Buildings	151,651	-	16,732	-
Buildings and Systems	573,437	13,274,092	-	4,615,888
Furniture, Fixtures, and Equipment	56,284	226,382	12,772	57,027
Motor Vehicles	-	-	2,730	180,009
Right to Use - Equipment	-	-	-	264,581
Computer Software	-	-	-	-
Total Assets	<u>1,297,057</u>	<u>17,396,195</u>	<u>3,833,250</u>	<u>13,620,724</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	-	-	410,261	2,034,239
Total Assets and Deferred Outflows of Resources	<u>\$ 1,297,057</u>	<u>\$ 17,396,195</u>	<u>\$ 4,243,511</u>	<u>\$ 15,654,963</u>
LIABILITIES				
Accounts Payable	\$ 104,654	\$ 15,352	\$ 39,484	\$ 770,783
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	-	121,804	32,335	59,805
Compensated Absences Payable	-	-	-	-
Unearned Revenue	18,250	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses:	-	-	-	-
Noncurrent Liabilities:				
Due Within One Year	193,143	-	775,013	538,581
Due in More than One Year	515,659	15,835,786	1,677,820	7,645,845
Net Pension Liability	-	-	1,328,668	4,189,916
Total Liabilities	<u>831,706</u>	<u>15,972,942</u>	<u>3,853,320</u>	<u>13,204,930</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	-	-	353,193	241,440
NET POSITION				
Net Investment in Capital Assets	88,466	(1,235,312)	383,934	4,852,924
Restricted for:				
Debt Service	-	27,024	-	-
Capital Outlay	-	197,927	-	-
Endowment - Nonexpendable	-	-	-	-
Other Purposes	7,149	-	-	-
Unrestricted	369,736	2,433,614	(346,936)	(2,644,331)
Total Net Position	<u>465,351</u>	<u>1,423,253</u>	<u>36,998</u>	<u>2,208,593</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 1,297,057</u>	<u>\$ 17,396,195</u>	<u>\$ 4,243,511</u>	<u>\$ 15,654,963</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Polk Avenue Elementary School	Polk Pre-Collegiate Academy	Ridgeview Global Studies Academy	Polk Education Foundation and Business Partnership, Inc.
ASSETS				
Cash	\$ -	\$ 104,251	\$ 4,862,514	\$ 3,380,550
Certificates of Deposit	-	-	717,808	-
Investments	-	-	-	4,082,579
Accounts Receivable	183,888	-	-	354,999
Due from Other Funds	1,869,298	-	1,237,996	-
Prepaid Items	-	-	-	1,988,949
Other Assets	-	-	168,501	-
Capital Assets:				
Land	-	-	1,254,590	-
Land Improvements	76,399	-	-	-
Construction in Progress	-	-	-	-
Improvements Other than Buildings	-	-	-	-
Buildings and Systems	-	-	12,852,133	-
Furniture, Fixtures, and Equipment	56,599	1,478	225,420	-
Motor Vehicles	-	13,500	319,000	-
Right to Use - Equipment	-	-	-	-
Computer Software	-	-	-	-
Total Assets	<u>2,186,184</u>	<u>119,229</u>	<u>21,637,962</u>	<u>9,807,077</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferred Outflows of Resources	<u>936,678</u>	<u>-</u>	<u>3,491,214</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 3,122,862</u>	<u>\$ 119,229</u>	<u>\$ 25,129,176</u>	<u>\$ 9,807,077</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 10,091	\$ 10,983	\$ 65,737
Due to Other Governmental Agencies	-	-	-	-
Salaries and Wages Payable	-	-	377,005	-
Compensated Absences Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Other Liabilities	-	-	-	-
Accrued Expenses:				
Noncurrent Liabilities:				
Due Within One Year	112,935	-	249,295	-
Due in More than One Year	2,611,517	-	15,738,834	-
Net Pension Liability	<u>-</u>	<u>-</u>	<u>8,059,464</u>	<u>-</u>
Total Liabilities	<u>2,724,452</u>	<u>10,091</u>	<u>24,435,581</u>	<u>65,737</u>
DEFERRED INFLOWS OF RESOURCES				
Pension Related Deferred Inflows of Resources	203,481	-	359,296	-
NET POSITION				
Net Investment in Capital Assets	132,998	14,978	(1,336,986)	-
Restricted for:				
Debt Service	-	-	-	-
Capital Outlay	-	-	-	-
Endowment - Nonexpendable	-	-	-	3,959,469
Other Purposes	-	-	27,063	2,070,297
Unrestricted	<u>61,931</u>	<u>94,160</u>	<u>1,644,222</u>	<u>3,711,574</u>
Total Net Position	<u>194,929</u>	<u>109,138</u>	<u>334,299</u>	<u>9,741,340</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 3,122,862</u>	<u>\$ 119,229</u>	<u>\$ 25,129,176</u>	<u>\$ 9,807,077</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
JUNE 30, 2023**

	Totals Component Units
ASSETS	
Cash	\$ 42,426,583
Certificates of Deposit	2,985,915
Investments	5,241,098
Accounts Receivable	3,719,536
Due from Other Funds	21,323,243
Prepaid Items	2,413,576
Other Assets	33,272,992
Capital Assets:	
Land	6,414,338
Land Improvements	568,608
Construction in Progress	1,684,438
Improvements Other than Buildings	1,556,086
Buildings and Systems	86,960,927
Furniture, Fixtures, and Equipment	5,652,018
Motor Vehicles	3,970,363
Right to Use - Equipment	33,297,324
Computer Software	162,505
Total Assets	251,649,550
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Deferred Outflows of Resources	28,081,748
Total Assets and Deferred Outflows of Resources	\$ 279,731,298
LIABILITIES	
Accounts Payable	\$ 3,828,536
Due to Other Governmental Agencies	870,052
Salaries and Wages Payable	1,664,363
Compensated Absences Payable	1,127,363
Unearned Revenue	236,247
Other Liabilities	-
Accrued Expenses:	2,519,466
Noncurrent Liabilities:	
Due Within One Year	7,488,653
Due in More than One Year	183,781,546
Net Pension Liability	41,875,947
Total Liabilities	243,392,173
DEFERRED INFLOWS OF RESOURCES	
Pension Related Deferred Inflows of Resources	4,461,172
NET POSITION	
Net Investment in Capital Assets	16,280,308
Restricted for:	
Debt Service	1,648,694
Capital Outlay	2,905,189
Endowment - Nonexpendable	4,015,543
Other Purposes	3,577,126
Unrestricted	3,451,093
Total Net Position	31,877,953
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 279,731,298

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2023**

	Dale R. Fair Babson Park Elementary School	Berkley Accelerated Middle School	Berkley Elementary School	Bridgeprep Academy
EXPENSES				
Instruction	\$ 2,781,263	\$ 3,615,119	\$ 4,890,786	\$ 1,862,340
Student Support Services	25,583	113,176	203,096	3,000
Instructional Media	87,141	-	5,048	-
Instruction and Curriculum Development	167,659	-	-	-
Instructional Staff Training	4,541	11,940	20,407	-
Instruction-Related Technology	3,802	-	-	-
Board	9,000	27,424	8,458	-
General Administration	17,525	-	37,107	667,419
School Administration	534,918	976,876	603,459	606,640
Facilities Acquisition and Construction	16,727	-	6,797	-
Fiscal Services	-	69,832	88,583	541
Food Services	-	375	465,600	103,177
Central Services	-	29,514	38,212	-
Pupil Transportation	140,321	187,493	326,958	-
Operation of Plant	196,503	384,535	622,358	2,040,116
Maintenance of Plant	-	-	-	106,656
Community Services	37,628	-	36,844	35,240
Interest	-	254,318	-	15,400
Other Operating Expenses	1,764	-	-	20,837
Total Expenses	<u>4,024,375</u>	<u>5,670,602</u>	<u>7,353,713</u>	<u>5,461,366</u>
PROGRAM REVENUES				
Charges for Services	149,140	-	446,926	115,428
Operating Grants and Contributions	205,987	270,821	1,372,838	35,825
Capital Grants and Contributions	-	335,384	-	210,245
Net Program Expenses	(3,669,248)	(5,064,397)	(5,533,949)	(5,099,868)
GENERAL REVENUES				
Federal	-	-	-	-
State and Local Sources	3,726,689	4,581,627	6,118,630	-
Grants and Contributions Not Restricted to Specific Programs	14,013	415,526	187,521	4,623,890
Investment Earnings	-	-	-	-
Miscellaneous	-	118,232	-	-
Total General Revenues	<u>3,740,702</u>	<u>5,115,385</u>	<u>6,306,151</u>	<u>4,623,890</u>
CHANGE IN NET POSITION	71,454	50,988	772,202	(475,978)
Net Position - Beginning	(248,229)	(2,046,278)	425,341	-
Restatement	-	-	-	(17,174)
Net Position - Beginning as Restated	<u>(248,229)</u>	<u>(2,046,278)</u>	<u>425,341</u>	<u>(17,174)</u>
NET POSITION - ENDING	<u>\$ (176,775)</u>	<u>\$ (1,995,290)</u>	<u>\$ 1,197,543</u>	<u>\$ (493,152)</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Edward W. Bok Academy	Edward W. Bok Academy North	Compass Charter Middle School	Cypress Junction Montessori
EXPENSES				
Instruction	\$ 2,996,116	\$ 2,783,405	\$ 942,557	\$ 1,333,428
Student Support Services	30,995	52,511	702	-
Instructional Media	-	-	-	-
Instruction and Curriculum Development	150,987	72,805	-	-
Instructional Staff Training	-	-	10,952	23,042
Instruction-Related Technology	7,020	13,010	-	-
Board	6,750	12,750	10,477	42,231
General Administration	24,123	22,211	-	74,914
School Administration	707,177	777,346	235,417	419,395
Facilities Acquisition and Construction	88,079	99,887	-	-
Fiscal Services	-	34	42,592	22,200
Food Services	-	-	-	-
Central Services	-	-	1,305	-
Pupil Transportation	532,754	395,032	436,399	65,242
Operation of Plant	296,551	430,200	35,666	169,145
Maintenance of Plant	-	-	-	-
Community Services	2,429	20,354	-	29,611
Interest	121,454	169,918	-	28,664
Other Operating Expenses	-	1,176	-	-
Total Expenses	<u>4,964,435</u>	<u>4,850,639</u>	<u>1,716,067</u>	<u>2,207,872</u>
PROGRAM REVENUES				
Charges for Services	-	-	-	163,342
Operating Grants and Contributions	191,262	115,526	265,227	451,230
Capital Grants and Contributions	-	-	-	-
Net Program Expenses	(4,773,173)	(4,735,113)	(1,450,840)	(1,593,300)
GENERAL REVENUES				
Federal	-	-	-	-
State and Local Sources	4,909,461	4,761,483	1,104,061	1,708,431
Grants and Contributions Not Restricted to Specific Programs	155,085	70,955	229,857	27,360
Investment Earnings	-	-	-	-
Miscellaneous	-	-	109,319	-
Total General Revenues	<u>5,064,546</u>	<u>4,832,438</u>	<u>1,443,237</u>	<u>1,735,791</u>
CHANGE IN NET POSITION	291,373	97,325	(7,603)	142,491
Net Position - Beginning	1,332,445	2,367,141	433,775	701,004
Restatement	-	-	-	-
Net Position - Beginning as Restated	<u>1,332,445</u>	<u>2,367,141</u>	<u>433,775</u>	<u>701,004</u>
NET POSITION - ENDING	<u>\$ 1,623,818</u>	<u>\$ 2,464,466</u>	<u>\$ 426,172</u>	<u>\$ 843,495</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Discovery Academy of Lake Alfred	Discovery High School	Hartridge Academy	Hillcrest Elementary School
EXPENSES				
Instruction	\$ 5,116,298	\$ 5,113,747	\$ 1,133,440	\$ 3,822,398
Student Support Services	692,322	797,671	-	34,684
Instructional Media	17,386	-	-	129,661
Instruction and Curriculum Development	-	-	-	242,160
Instructional Staff Training	83,879	171,190	417	-
Instruction-Related Technology	-	-	-	9,344
Board	57,753	15,722	33,462	9,000
General Administration	90,222	88,079	-	24,903
School Administration	1,140,548	693,717	268,779	710,739
Facilities Acquisition and Construction	492,054	-	-	-
Fiscal Services	87,375	51,000	-	-
Food Services	949,031	15,889	-	-
Central Services	95,844	55,952	42,212	-
Pupil Transportation	1,672,910	314,703	51,886	169,731
Operation of Plant	737,215	1,904,468	309,459	248,792
Maintenance of Plant	-	-	42,242	-
Community Services	-	-	-	17,045
Interest	1,342,586	-	14,739	-
Other Operating Expenses	-	-	-	1,470
Total Expenses	<u>12,575,423</u>	<u>9,222,138</u>	<u>1,896,636</u>	<u>5,419,927</u>
PROGRAM REVENUES				
Charges for Services	168,846	25,596	-	138,323
Operating Grants and Contributions	2,728,856	1,503,257	359,021	374,782
Capital Grants and Contributions	-	614,414	-	-
Net Program Expenses	(9,677,721)	(7,078,871)	(1,537,615)	(4,906,822)
GENERAL REVENUES				
Federal	56,567	-	-	-
State and Local Sources	7,017,465	6,337,279	1,555,878	5,192,179
Grants and Contributions Not Restricted to Specific Programs	1,431,614	286,394	-	1,119
Investment Earnings	-	-	248	-
Miscellaneous	-	-	21,557	-
Total General Revenues	<u>8,505,646</u>	<u>6,623,673</u>	<u>1,577,683</u>	<u>5,193,298</u>
CHANGE IN NET POSITION	(1,172,075)	(455,198)	40,068	286,476
Net Position - Beginning	(1,172,223)	(1,075,893)	1,520,273	559,289
Restatement	151,420	-	-	-
Net Position - Beginning as Restated	<u>(1,020,803)</u>	<u>(1,075,893)</u>	<u>1,520,273</u>	<u>559,289</u>
NET POSITION - ENDING	<u>\$ (2,192,878)</u>	<u>\$ (1,531,091)</u>	<u>\$ 1,560,341</u>	<u>\$ 845,765</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Janie Howard Wilson Elementary School	Lake Wales Senior High School	Lakeland Montessori Schoolhouse	Lakeland Montessori Middle
EXPENSES				
Instruction	\$ 2,524,531	\$ 7,017,477	\$ 800,201	\$ 133,521
Student Support Services	23,936	463,243	11,417	5,232
Instructional Media	6,189	445	-	-
Instruction and Curriculum Development	314,975	123,149	-	-
Instructional Staff Training	23,655	54,654	7,780	1,922
Instruction-Related Technology	15,335	31,563	-	-
Board	9,000	12,500	12,381	7,260
General Administration	15,756	58,176	-	-
School Administration	486,949	1,731,061	314,024	56,930
Facilities Acquisition and Construction	-	22,684	-	-
Fiscal Services	-	-	-	-
Food Services	-	-	-	-
Central Services	-	-	15,898	4,062
Pupil Transportation	234,706	779,598	95	95
Operation of Plant	246,814	898,419	248,542	45,142
Maintenance of Plant	65,578	-	-	-
Community Services	-	803,974	-	-
Interest	-	1,057	37,002	-
Other Operating Expenses	294	10,472	-	-
Total Expenses	<u>3,967,718</u>	<u>12,008,472</u>	<u>1,447,340</u>	<u>254,164</u>
PROGRAM REVENUES				
Charges for Services	89,602	423,334	702,023	-
Operating Grants and Contributions	423,596	460,405	373,963	84,492
Capital Grants and Contributions	-	-	-	-
Net Program Expenses	(3,454,520)	(11,124,733)	(371,354)	(169,672)
GENERAL REVENUES				
Federal	-	14,081	-	-
State and Local Sources	3,585,986	11,840,089	844,075	216,442
Grants and Contributions Not Restricted to Specific Programs	901	1,488	-	-
Investment Earnings	-	-	74,298	7,884
Miscellaneous	-	-	1,895	-
Total General Revenues	<u>3,586,887</u>	<u>11,855,658</u>	<u>920,268</u>	<u>224,326</u>
CHANGE IN NET POSITION	132,367	730,925	548,914	54,654
Net Position - Beginning	1,107,727	(1,326,982)	2,991,896	664,135
Restatement	-	-	-	8,734
Net Position - Beginning as Restated	<u>1,107,727</u>	<u>(1,326,982)</u>	<u>2,991,896</u>	<u>672,869</u>
NET POSITION - ENDING	<u>\$ 1,240,094</u>	<u>\$ (596,057)</u>	<u>\$ 3,540,810</u>	<u>\$ 727,523</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Language & Literacy Academy for Learning	Mater Academy	Magnolia Montessori Academy	McKeel Schools System
EXPENSES				
Instruction	\$ 2,458,118	\$ 3,161,995	\$ 1,267,975	\$ 21,149,444
Student Support Services	1,045,414	56,890	20,245	1,062,713
Instructional Media	-	-	-	159,815
Instruction and Curriculum Development	-	-	-	-
Instructional Staff Training	99,584	3,275	3,093	400,311
Instruction-Related Technology	-	-	-	1,012,073
Board	3,013	36,348	10,039	82,371
General Administration	95,674	47,357	-	72,429
School Administration	632,274	734,964	302,658	2,178,866
Facilities Acquisition and Construction	332,655	-	-	-
Fiscal Services	54,695	90,150	-	999,644
Food Services	236,804	389,759	24,195	2,533,055
Central Services	64,180	163,172	24,258	-
Pupil Transportation	274,309	36,025	-	2,535,438
Operation of Plant	325,983	939,611	192,933	2,206,893
Maintenance of Plant	26,709	68,214	-	817,806
Community Services	-	86,256	56,386	566,916
Interest	81,986	-	76,036	503,960
Other Operating Expenses	-	464,838	-	-
Total Expenses	<u>5,731,398</u>	<u>6,278,854</u>	<u>1,977,818</u>	<u>36,281,734</u>
PROGRAM REVENUES				
Charges for Services	87,195	533,902	484,478	2,649,789
Operating Grants and Contributions	1,167,154	1,761,486	155,822	6,209,031
Capital Grants and Contributions	389,277	382,375	-	-
Net Program Expenses	(4,087,772)	(3,601,091)	(1,337,518)	(27,422,914)
GENERAL REVENUES				
Federal	-	-	-	9,426
State and Local Sources	3,898,849	-	1,287,024	28,034,842
Grants and Contributions Not Restricted to Specific Programs	-	4,566,084	-	916,138
Investment Earnings	-	15,598	20,773	-
Miscellaneous	75,053	-	51,314	-
Total General Revenues	<u>3,973,902</u>	<u>4,581,682</u>	<u>1,359,111</u>	<u>28,960,406</u>
CHANGE IN NET POSITION	(113,870)	980,591	21,593	1,537,492
Net Position - Beginning	(750,699)	-	460,432	7,505,623
Restatement	-	-	238,106	-
Net Position - Beginning as Restated	<u>(750,699)</u>	<u>-</u>	<u>698,538</u>	<u>7,505,623</u>
NET POSITION - ENDING	<u>\$ (864,569)</u>	<u>\$ 980,591</u>	<u>\$ 720,131</u>	<u>\$ 9,043,115</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Mi Escuela Montessori	Navigator Academy of Leadership	New Beginnings High School	Victory Ridge Academy
EXPENSES				
Instruction	\$ 1,725,832	\$ 3,051,405	\$ 1,585,871	\$ 4,004,365
Student Support Services	41,547	300,351	344,675	2,677,259
Instructional Media	-	-	-	-
Instruction and Curriculum Development	9,167	-	-	-
Instructional Staff Training	76,986	48,088	41,425	3,739
Instruction-Related Technology	16,586	64,242	-	-
Board	16,141	108,627	35,342	57,911
General Administration	78,619	442,164	87,038	87,031
School Administration	322,553	488,794	3,164,210	1,035,264
Facilities Acquisition and Construction	-	-	13,562	367,578
Fiscal Services	32,855	285,373	62,708	152,690
Food Services	115,990	392,374	2,001	16,036
Central Services	-	-	88,256	245
Pupil Transportation	28,855	-	220,631	1,279,529
Operation of Plant	254,154	176,238	1,420,258	904,928
Maintenance of Plant	-	558,828	-	66,928
Community Services	66,746	160,622	-	-
Interest	47,840	1,003,603	99,905	194,716
Other Operating Expenses	-	353,599	-	-
Total Expenses	<u>2,833,871</u>	<u>7,434,308</u>	<u>7,165,882</u>	<u>10,848,219</u>
PROGRAM REVENUES				
Charges for Services	508,722	239,722	-	-
Operating Grants and Contributions	821,413	359,526	641,678	752,119
Capital Grants and Contributions	-	522,573	99,905	238,433
Net Program Expenses	(1,503,736)	(6,312,487)	(6,424,299)	(9,857,667)
GENERAL REVENUES				
Federal	-	-	-	-
State and Local Sources	1,773,116	6,573,967	6,187,848	9,227,008
Grants and Contributions Not Restricted to Specific Programs	52,440	78,754	1,924	1,288,265
Investment Earnings	-	-	-	-
Miscellaneous	-	157,045	-	-
Total General Revenues	<u>1,825,556</u>	<u>6,809,766</u>	<u>6,189,772</u>	<u>10,515,273</u>
CHANGE IN NET POSITION	321,820	497,279	(234,527)	657,606
Net Position - Beginning	143,531	925,974	271,525	1,540,971
Restatement	-	-	-	10,016
Net Position - Beginning as Restated	<u>143,531</u>	<u>925,974</u>	<u>271,525</u>	<u>1,550,987</u>
NET POSITION - ENDING	<u>\$ 465,351</u>	<u>\$ 1,423,253</u>	<u>\$ 36,998</u>	<u>\$ 2,208,593</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Polk Avenue Elementary School	Polk Pre-Collegiate Academy	Ridgeview Global Studies Academy	Polk Education Foundation and Business Partnership, Inc.
EXPENSES				
Instruction	\$ 3,144,608	\$ 102,081	\$ 10,665,759	\$ -
Student Support Services	31,016	3,116	429,904	-
Instructional Media	104,447	-	140,898	-
Instruction and Curriculum Development	325,418	-	-	-
Instructional Staff Training	4,236	-	6,146	-
Instruction-Related Technology	1,396	-	-	-
Board	9,000	6,525	46,995	-
General Administration	19,778	2,157	37,770	-
School Administration	602,329	152,604	1,067,810	-
Facilities Acquisition and Construction	594	-	378,048	-
Fiscal Services	-	14,384	70,483	-
Food Services	-	8,286	999,074	-
Central Services	-	42,500	14,208	-
Pupil Transportation	157,249	24,316	688,446	-
Operation of Plant	209,680	135,929	935,524	-
Maintenance of Plant	-	-	-	-
Community Services	-	-	123,314	-
Interest	-	-	475,420	-
Other Operating Expenses	-	-	-	1,405,896
Total Expenses	<u>4,609,751</u>	<u>491,898</u>	<u>16,079,799</u>	<u>1,405,896</u>
PROGRAM REVENUES				
Charges for Services	93,911	-	213,938	-
Operating Grants and Contributions	652,015	-	3,790,825	1,703,352
Capital Grants and Contributions	-	10,851	518,398	-
Net Program Expenses	(3,863,825)	(481,047)	(11,556,638)	297,456
GENERAL REVENUES				
Federal	3,792	-	-	-
State and Local Sources	4,211,502	185,122	12,330,342	-
Grants and Contributions Not Restricted to Specific Programs	22,110	5,426	290,392	-
Investment Earnings	-	-	-	271,802
Miscellaneous	-	-	-	220,437
Total General Revenues	<u>4,237,404</u>	<u>190,548</u>	<u>12,620,734</u>	<u>492,239</u>
CHANGE IN NET POSITION	373,579	(290,499)	1,064,096	789,695
Net Position - Beginning	(178,650)	399,637	(729,797)	8,951,645
Restatement	-	-	-	-
Net Position - Beginning as Restated	<u>(178,650)</u>	<u>399,637</u>	<u>(729,797)</u>	<u>8,951,645</u>
NET POSITION - ENDING	<u>\$ 194,929</u>	<u>\$ 109,138</u>	<u>\$ 334,299</u>	<u>\$ 9,741,340</u>

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023**

	Totals Component Units
EXPENSES	
Instruction	\$ 99,184,080
Student Support Services	8,470,698
Instructional Media	651,030
Instruction and Curriculum Development	1,406,320
Instructional Staff Training	1,101,262
Instruction-Related Technology	1,174,371
Board	686,480
General Administration	2,090,452
School Administration	20,946,301
Facilities Acquisition and Construction	1,818,665
Fiscal Services	2,125,139
Food Services	6,251,646
Central Services	679,818
Pupil Transportation	10,552,721
Operation of Plant	16,516,056
Maintenance of Plant	1,752,961
Community Services	2,043,365
Interest	4,468,604
Other Operating Expenses	2,260,346
Total Expenses	184,180,315
PROGRAM REVENUES	
Charges for Services	7,234,217
Operating Grants and Contributions	27,231,509
Capital Grants and Contributions	3,321,855
	3,321,855
Net Program Expenses	(146,392,734)
GENERAL REVENUES	
Federal	83,866
State and Local Sources	137,209,395
Grants and Contributions Not Restricted to Specific Programs	14,667,256
Investment Earnings	390,603
Miscellaneous	754,852
Total General Revenues	153,105,972
CHANGE IN NET POSITION	6,713,238
Net Position - Beginning	24,773,613
Restatement	391,102
Net Position - Beginning as Restated	25,164,715
NET POSITION - ENDING	\$ 31,877,953

STATISTICAL SECTION
(UNAUDITED)



POLK COUNTY
PUBLIC SCHOOLS

STUDENTS FIRST

SCHOOL BOARD OF POLK COUNTY, FLORIDA 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					Fiscal Year				
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Government activities:										
Net investment in capital assets	\$ 1,043,025	\$ 937,302	\$ 867,688	\$ 696,724	\$ 669,794	\$ 849,717	\$ 822,501	\$ 797,167	\$ 765,624	\$ 752,300
Restricted	355,542	357,320	264,977	389,447	371,159	140,890	127,208	105,187	109,845	120,340
Unrestricted	(422,449)	(430,014)	(415,940)	(372,616)	(358,078)	(347,043)	(296,766)	(252,998)	(253,284)	11,509
Total governmental activities net position	<u>976,118</u>	<u>864,608</u>	<u>716,725</u>	<u>713,555</u>	<u>682,875</u>	<u>643,564</u>	<u>652,943</u>	<u>649,356</u>	<u>622,185</u>	<u>884,149</u>
Business-type activities:										
Unrestricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>398</u>	<u>290</u>	<u>122</u>	<u>-</u>
Total primary government	<u>\$ 976,118</u>	<u>\$ 864,608</u>	<u>\$ 716,725</u>	<u>\$ 713,555</u>	<u>\$ 682,875</u>	<u>\$ 643,564</u>	<u>\$ 653,341</u>	<u>\$ 649,646</u>	<u>\$ 622,307</u>	<u>\$ 884,149</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.

Source: District Records

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						Fiscal Year			
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
GOVERNMENTAL ACTIVITIES										
EXPENSES										
Instructional services	\$ 770,102	\$ 711,902	\$ 708,268	\$ 677,891	\$ 643,843	\$ 631,644	\$ 593,877	\$ 554,005	\$ 536,529	\$ 531,412
Instructional support services	131,384	148,497	123,828	116,799	102,525	100,814	93,061	90,111	83,923	84,267
Student transportation services	57,648	47,310	40,515	29,380	34,350	36,464	30,558	31,946	33,256	35,115
Operation and maintenance of plant	125,176	100,604	91,821	83,618	82,113	73,057	70,149	66,475	66,575	66,916
School administration	54,768	51,460	51,058	50,695	48,737	47,568	45,929	42,959	39,702	39,775
General administration	70,409	110,744	72,518	96,189	64,201	52,499	58,518	50,970	53,496	43,475
Food services	69,909	59,157	55,617	58,056	59,938	57,653	56,311	52,535	49,440	48,350
Community services and other	4,152	3,522	3,358	3,601	3,651	3,321	2,598	2,335	2,821	2,836
Interest on long term debt	36,177	19,045	11,738	2,225	6,723	8,599	12,995	15,789	12,998	16,288
Unallocated fiscal charges on long-term debt and	-	-	-	-	-	-	-	-	-	-
Unallocated depreciation expense	447	562	260	505	516	547	1,075	241	642	578
Total primary government expenses	<u>1,320,172</u>	<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>	<u>965,071</u>	<u>907,366</u>	<u>879,382</u>	<u>869,012</u>
PROGRAM REVENUES										
Charges for services:										
Instructional services	3,121	2,915	2,477	2,904	2,965	2,774	2,552	3,662	2,807	2,227
Student transportation services	494	349	146	364	552	560	586	572	532	509
Food services	827	724	570	757	1,142	1,907	2,157	2,820	4,740	6,427
Operating grants and contributions	72,526	68,004	48,040	52,921	57,600	52,075	51,939	49,120	43,618	38,673
Capital grants and contributions	30,832	8,997	7,967	7,960	10,802	5,888	6,882	5,672	6,864	3,388
Total primary government program revenues	<u>107,800</u>	<u>80,989</u>	<u>59,200</u>	<u>64,906</u>	<u>73,061</u>	<u>63,204</u>	<u>64,116</u>	<u>61,846</u>	<u>58,561</u>	<u>51,224</u>
Total primary government net (expenses) reve	<u>(1,212,372)</u>	<u>(1,171,814)</u>	<u>(1,099,781)</u>	<u>(1,054,053)</u>	<u>(973,536)</u>	<u>(948,962)</u>	<u>(900,955)</u>	<u>(845,520)</u>	<u>(820,821)</u>	<u>(817,788)</u>
GENERAL REVENUES										
Property taxes levied for operational purposes	232,428	204,597	191,141	181,854	175,403	170,105	162,002	162,423	155,374	155,565
Property taxes levied for capital projects	86,751	71,094	63,714	59,536	55,363	50,873	45,862	42,918	40,529	38,597
Local sales taxes	77,180	71,195	59,124	50,907	50,197	45,161	43,048	40,757	38,290	43,260
Unrestricted grants and contributions	895,702	862,746	763,551	721,445	686,695	663,408	630,276	607,096	598,347	572,735
Investment earnings	16,505	220	4,373	9,523	6,220	2,467	1,290	1,393	796	775
Miscellaneous	15,315	18,492	11,013	22,344	8,306	12,473	22,064	18,104	17,241	9,880
Impact Fees	-	91,353	10,035	39,123	30,663	-	-	-	-	-
Total primary government general revenues	<u>1,323,881</u>	<u>1,319,697</u>	<u>1,102,951</u>	<u>1,084,732</u>	<u>1,012,847</u>	<u>944,487</u>	<u>904,542</u>	<u>872,691</u>	<u>850,577</u>	<u>820,812</u>
CHANGE IN NET POSITION										
Total governmental activities	111,509	147,883	3,170	30,679	39,311	(4,475)	3,587	27,171	29,756	3,024
BUSINESS-TYPE ACTIVITIES										
EXPENSES	-	-	-	-	-	108	637	391	82	-
PROGRAM REVENUES										
Charges for services	-	-	-	-	-	234	744	560	203	-
CHANGE IN NET POSITION										
Total business-type activities	-	-	-	-	-	126	107	169	121	-
TOTAL PRIMARY GOVERNMENT	<u>\$ 111,509</u>	<u>\$ 147,883</u>	<u>\$ 3,170</u>	<u>\$ 30,679</u>	<u>\$ 39,311</u>	<u>\$ (4,349)</u>	<u>\$ 3,694</u>	<u>\$ 27,340</u>	<u>\$ 29,877</u>	<u>\$ 3,024</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

**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	
2023	\$ 77,180	\$ 9,005	\$ 6,939	20.7%
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%

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		
2023	\$ 227,501	\$ 84,909	\$ 77,180	\$ 389,590
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

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					Fiscal Year				
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Nonspendable	\$ 13,838	\$ 12,884	\$ 14,509	\$ 11,265	\$ 13,301	\$ 9,972	\$ 9,354	\$ 9,148	\$ 10,382	\$ 7,220
Restricted	36,516	22,483	17,275	17,205	12,997	10,257	14,838	10,679	6,508	5,901
Assigned	2,131	1,495	1,130	975	452	442	336	1,588	1,177	691
Unassigned	72,754	77,873	66,841	51,687	29,443	33,527	36,153	42,409	44,984	45,981
Total general fund	<u>\$ 125,239</u>	<u>\$ 114,735</u>	<u>\$ 99,755</u>	<u>\$ 81,132</u>	<u>\$ 56,193</u>	<u>\$ 54,198</u>	<u>\$ 60,681</u>	<u>\$ 63,824</u>	<u>\$ 63,051</u>	<u>\$ 59,793</u>
All Other Governmental Funds										
Nonspendable, reported in:										
Special revenue funds	\$ 2,142	\$ 3,013	\$ 1,925	\$ 3,458	\$ 2,554	\$ 2,452	\$ 2,198	\$ 1,678	\$ 1,468	\$ 1,237
Restricted, reported in:										
Special revenue funds	24,376	58,754	6,195	6,597	7,285	5,770	6,474	6,421	5,930	8,075
Capital projects funds	271,330	247,207	215,245	346,681	325,310	101,045	86,328	71,583	83,680	95,180
Debt service funds	29,912	27,922	24,341	22,835	24,821	20,160	17,882	15,554	13,272	11,695
Total all other governmental funds	<u>\$ 452,999</u>	<u>\$ 336,896</u>	<u>\$ 247,706</u>	<u>\$ 379,571</u>	<u>\$ 359,970</u>	<u>\$ 129,427</u>	<u>\$ 112,882</u>	<u>\$ 95,236</u>	<u>\$ 104,350</u>	<u>\$ 116,187</u>

Source: District Records

**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					Fiscal Year				
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
Local sources:										
Ad valorem taxes	\$ 319,179	\$ 275,691	\$ 254,855	\$ 241,390	\$ 230,766	\$ 220,978	\$ 207,864	\$ 205,341	\$ 195,903	\$ 194,161
Local sales tax	77,180	71,195	59,124	50,907	50,197	45,161	43,048	40,757	38,290	35,881
Impact Fees	26,448	91,218	10,010	39,234	30,807	4,334	13,545	10,325	8,494	7,379
Food services	827	724	570	756	1,142	1,907	2,157	2,820	4,740	6,446
Interest income	16,504	2,587	4,284	8,625	5,115	2,133	1,043	928	540	572
Other	12,867	19,389	13,726	25,163	11,823	10,872	11,007	10,814	12,107	13,482
Total local sources	<u>453,005</u>	<u>460,804</u>	<u>342,569</u>	<u>366,075</u>	<u>329,850</u>	<u>285,385</u>	<u>278,664</u>	<u>270,985</u>	<u>260,074</u>	<u>257,921</u>
State sources:										
Florida education finance program	546,428	498,910	497,720	483,036	455,521	430,572	420,095	400,711	386,495	368,371
Public education capital outlay	-	-	-	66	3,377	2,163	3,271	2,162	1,881	-
Food services	798	797	793	752	737	752	720	676	631	634
Grants and other	138,519	130,599	137,139	137,739	143,470	131,127	131,369	129,445	130,037	130,433
Total state sources	<u>685,745</u>	<u>630,306</u>	<u>635,652</u>	<u>621,593</u>	<u>603,105</u>	<u>564,614</u>	<u>555,455</u>	<u>532,994</u>	<u>519,044</u>	<u>499,438</u>
Federal sources:										
Food services	71,728	67,207	-	-	56,863	51,324	51,219	48,444	42,959	38,038
Federal grants direct	13,365	13,007	13,808	15,937	17,266	18,634	16,840	15,025	15,825	14,749
Federal grants through state and local	201,775	229,227	170,098	144,800	77,863	86,799	65,583	65,426	70,973	61,667
Total federal sources	<u>286,868</u>	<u>309,441</u>	<u>183,906</u>	<u>160,737</u>	<u>151,992</u>	<u>156,757</u>	<u>133,642</u>	<u>128,895</u>	<u>129,757</u>	<u>114,454</u>
Total revenues	<u>1,425,619</u>	<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>	<u>967,761</u>	<u>932,874</u>	<u>908,875</u>	<u>871,813</u>
EXPENDITURES										
Current:										
Instructional services:	740,071	682,562	651,375	625,580	605,887	592,456	556,426	533,801	528,291	510,130
Instructional support services:										
Student personnel services	55,429	51,171	50,099	44,214	40,103	40,068	38,215	38,302	37,182	36,456
Instructional media services	8,418	8,271	8,412	8,422	8,275	8,873	8,077	8,050	8,338	8,725
Instruction and curriculum development services	16,139	13,810	14,833	14,564	13,719	13,229	12,461	13,259	13,765	17,064
Instructional staff training services	11,589	9,669	21,458	24,672	24,227	22,555	19,976	17,215	16,189	9,455
Instructional related technology	26,885	60,397	19,091	17,423	10,466	10,081	9,429	10,577	8,680	9,085
Total instructional support services	<u>118,460</u>	<u>143,318</u>	<u>113,893</u>	<u>109,295</u>	<u>96,790</u>	<u>94,806</u>	<u>88,158</u>	<u>87,403</u>	<u>84,154</u>	<u>80,785</u>
Student transportation services	<u>55,540</u>	<u>45,568</u>	<u>37,222</u>	<u>36,801</u>	<u>37,798</u>	<u>35,742</u>	<u>34,288</u>	<u>32,964</u>	<u>32,785</u>	<u>33,999</u>
Operation and maintenance of plant:										
Operation of plant	89,616	72,113	62,788	55,147	54,890	46,326	44,545	44,030	43,103	42,344
Maintenance of plant	34,843	24,764	21,328	23,100	22,849	23,680	21,987	20,233	21,652	21,666
Total operation and maintenance of plant	<u>124,459</u>	<u>96,877</u>	<u>84,116</u>	<u>78,247</u>	<u>77,739</u>	<u>70,006</u>	<u>66,532</u>	<u>64,263</u>	<u>64,755</u>	<u>64,010</u>
School administration	<u>52,675</u>	<u>49,276</u>	<u>47,131</u>	<u>46,658</u>	<u>45,797</u>	<u>44,462</u>	<u>42,984</u>	<u>41,258</u>	<u>39,124</u>	<u>38,215</u>
General administration:										
Central services	19,708	23,388	12,641	13,422	14,882	13,138	12,528	12,413	11,493	10,885
Board	2,424	1,814	2,765	2,286	1,815	1,909	2,324	2,018	1,904	1,975
General administration	10,606	15,287	6,472	5,768	5,668	6,161	5,792	5,315	4,790	4,844
Fiscal services	3,552	2,897	3,182	2,924	3,261	3,232	2,884	3,121	3,173	3,169
Administrative technology services	7,727	6,927	7,475	6,711	6,652	5,862	5,942	6,009	5,927	5,489
Total general administration	<u>44,017</u>	<u>50,313</u>	<u>32,535</u>	<u>31,111</u>	<u>32,278</u>	<u>30,302</u>	<u>29,470</u>	<u>28,876</u>	<u>27,287</u>	<u>26,362</u>

Source: District Records

**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									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
EXPENDITURES										
Non-capitalizable facilities acquisition and construction	23,687	52,072	15,517	17,722	12,211	7,373	8,990	11,174	11,261	10,757
Food services	67,230	56,644	50,927	53,673	56,849	54,239	53,220	50,985	49,471	46,674
Community services and other	3,993	3,367	3,064	3,315	3,430	3,125	2,449	2,255	2,742	2,694
Debt Service:										
Principal retirement	27,418	22,183	27,336	16,994	41,447	37,870	36,237	35,484	34,366	32,775
Interest	12,638	13,881	13,887	13,210	7,062	8,233	9,447	12,185	14,544	16,941
Fiscal charges	280	240	30	671	1,168	91	755	507	153	75
Capital outlay										
Facilities acquisitions & construction	107,746	68,759	179,991	67,807	20,587	11,097	15,763	35,377	18,239	7,743
Other capital outlay	55,162	12,140	18,346	10,189	11,725	8,561	10,402	7,401	11,554	5,835
Total expenditures	1,433,376	1,297,200	1,275,370	1,111,273	1,050,768	998,363	955,121	943,933	918,726	876,995
Excess (deficiency) of revenues over (under) expenditures	(7,758)	103,351	(113,243)	37,131	34,179	8,393	12,640	(11,059)	(9,851)	(5,182)
OTHER FINANCING SOURCES (USES):										
Long term bonds issued	-	-	-	-	160,025	-	-	-	-	-
Premium on sale of bonds	-	-	-	-	34,182	-	-	-	-	140
Refunding bonds issued	-	15,850	-	87,861	2,752	-	26,891	118,935	46,179	900
Premium on sale of refunding bonds	-	-	-	3	435	-	85	-	200	-
Issuance of debt	-	-	-	6,000	-	-	-	-	-	-
Proceeds from sale of capital assets	-	400	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	-	(15,776)	-	(87,462)	-	-	(26,229)	(118,528)	(47,061)	(268)
Proceeds from capital leases	-	961	-	-	-	-	-	-	1,133	-
Insurance loss recoveries	-	-	-	315	-	601	-	1,199	7	19
Leases	37	-	-	-	-	-	-	-	-	-
SBITAs	8,474	-	-	-	-	-	-	-	-	-
Transfers in	114,069	90,950	86,436	79,519	96,635	85,342	81,080	77,260	87,407	94,287
Transfers out	(114,069)	(90,950)	(86,436)	(78,828)	(95,669)	(84,275)	(79,964)	(76,148)	(86,593)	(93,086)
Total other financing sources and uses	8,511	1,435	-	7,408	198,360	1,668	1,863	2,718	1,272	1,992
Net change in fund balances	\$ 753	\$ 104,786	\$ (113,243)	\$ 44,539	\$ 232,539	\$ 10,061	\$ 14,503	\$ (8,341)	\$ (8,579)	\$ (3,190)
Debt service as a percentage of non-capital expenditures	3.15%	2.97%	3.83%	2.93%	4.76%	4.71%	4.92%	5.29%	5.50%	5.76%

Source: District Records

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							Less: Exemptions	Net Taxable Assessed Value	Total Direct Tax Rate	Estimated Taxable Value	Net Assessed Value as a Percentage of Estimated Taxable Value
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Other (1) Property	Tangible Property						
2023	\$ 69,205,604	\$ 7,433,764	\$ 5,209,573	\$ 2,743,717	\$ 5,583,860	\$ 9,434,679	30,118,947	\$ 69,492,250	5.4080	\$ 99,740,427	69.67%	
2022	42,834,602	5,803,370	3,798,265	2,281,778	4,564,401	8,273,473	18,571,404	48,984,485	5.8290	67,681,190	72.38%	
2021	38,866,706	5,672,090	3,411,087	2,190,133	4,462,899	7,838,273	17,448,526	44,992,662	5.9350	62,556,042	71.92%	
2020	34,680,388	5,463,586	3,130,348	2,202,537	4,108,453	7,412,557	15,911,875	41,085,994	6.0860	57,101,226	71.95%	
2019	31,491,549	5,224,663	2,885,916	2,174,082	3,885,577	7,241,148	14,727,845	38,175,090	6.2510	53,020,095	72.00%	
2018	28,148,924	4,932,713	2,659,652	2,033,639	3,785,351	6,743,583	13,233,779	35,070,083	6.5140	48,404,657	72.45%	
2017	25,612,576	4,547,618	2,022,272	2,071,902	3,537,946	6,074,402	12,292,797	31,573,919	6.7970	43,967,539	71.81%	
2016	23,771,417	4,236,898	1,766,486	1,956,536	3,347,595	6,176,176	11,521,005	29,734,103	7.1490	41,350,735	71.91%	
2015	21,763,759	4,043,575	1,618,218	1,837,079	3,194,730	5,859,292	10,286,736	28,029,917	7.2080	38,400,400	72.99%	
2014	19,419,786	3,966,947	1,562,888	1,710,091	3,141,635	5,869,626	9,125,755	26,545,218	7.5470	35,752,837	74.25%	

(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

**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					Fiscal Year				
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
District School Board:										
Required Local Effort	3.2710	3.5810	3.6870	3.8380	3.9980	4.2660	4.5490	4.9010	4.9600	5.2990
Discretionary Local	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
Supplemental Discretionary	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Debt Service	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Capital Improvement	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
Total District School Board	5.5190	5.8290	5.9350	6.0860	6.2460	6.5140	6.7970	7.1490	7.2080	7.5470
Other County-Wide:										
Board of County Commissioners	6.6852	6.8990	6.8990	7.1565	7.1565	6.7815	6.7815	6.7815	6.8665	6.8665
Total County-Wide	12.2042	12.7280	12.8340	13.2425	13.4025	13.2955	13.5785	13.9305	14.0745	14.4135
Non-County Wide:										
Board of County Commissioners										
Public Library Service	0.1985	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109
Parks & Recreation (unincorporated)	0.5286	0.5619	0.5619	0.5619	0.5619	0.5619	0.5619	0.5619	0.4219	0.4219
Municipalities:										
Auburndale	4.2515	4.2515	4.2515	4.2515	4.2515	4.2657	4.2657	4.2657	4.2657	4.2657
Bartow	6.1080	4.0000	3.0862	3.2768	3.5378	3.6541	3.8044	3.8387	3.9075	3.9960
Davenport	7.2500	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.7500
Eagle Lake	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516
Fort Meade	8.0000	8.6306	7.8899	7.8899	6.8704	6.8704	6.2458	5.6484	5.6484	5.6484
Frostproof	6.5530	6.5530	6.5530	6.9705	7.3045	7.4978	7.7716	8.0587	8.0587	8.0587
Haines City	7.5895	7.5895	7.5895	7.5895	7.5895	7.5895	7.5895	7.7900	7.7900	7.7900
Lake Alfred	6.8500	7.2390	7.2390	7.2390	7.2390	7.2390	7.2390	7.4890	7.5890	7.5890
Lake Wales	7.1214	6.7697	6.7974	6.9339	7.0438	7.0438	7.3273	7.3638	8.3638	8.5866
Lakeland	5.4323	5.4323	5.4644	5.4644	5.4644	5.5644	5.5644	5.5644	4.6644	4.6644
Mulberry	6.4400	6.4400	6.4400	6.4400	6.4400	6.5900	6.7900	7.2900	7.6500	8.4000
Polk City	5.5000	5.7000	6.0000	6.0000	7.2500	7.4877	8.0000	8.2500	8.6000	8.6547
Winter Haven	6.5900	6.7900	6.7900	6.7900	6.7900	5.7900	5.7900	5.7900	5.7900	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.

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

Fiscal Year						
Taxpayer	2023			2014		
	Rank	Taxable Value	Percentage of Total Assessed Value	Rank	Taxable Value	Percentage of Total Assessed Value
Duke Energy/Florida Power	1	\$ 1,282,903,253	2.94%	1	\$ 1,134,662,798	4.90%
Tampa Electric	2	1,091,658,681	2.50%	2	553,039,533	2.39%
Mosaic /Streamsong/Stillwaters	3	826,659,569	1.89%	3	453,757,970	1.96%
Publix Supermarkets	4	513,430,748	1.18%	4	292,196,666	1.26%
Amazon	5	351,551,652	0.81%			
Invitation Homes	6	297,450,086	0.68%			
Walmart	7	236,168,378	0.54%	9	114,334,088	0.49%
Coca Cola	8	235,933,890	0.54%		204,322,381	0.88%
Florida Southeast Connection LLC	9	223,505,329	0.51%		-	-
Frontier	10	197,523,552	0.45%	6	-	-
Verizon Florida		-	-	5	218,589,516	0.94%
Gulfstream Natural Gas		-	-	8	154,209,455	0.67%
Calpine Construction Finance		-	-	7	150,993,434	0.65%
Cutral Citrus Juice Inc USA		-	-	10	97,684,036	0.42%
Total		\$ 5,256,785,138	12.05%		\$3,373,789,877	14.56%

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		
2023	\$134,280	\$ 2,384	\$ -	\$ 117,461	\$ -	\$ 254,125	0.76%	330
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

(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
2023	\$ 330,022,292	\$ 317,336,715	96.16%	\$ 6,770,108	324,106,823	98.21%
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%

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	\$ 59,441,238	100%	\$ 59,441,238	100%	\$ 59,441,238
Polk County District School Board	-	100%	280,670,560	100%	-
Totals	<u>\$ 59,441,238</u>		<u>\$ 340,111,798</u>		<u>\$ 59,441,238</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)
2023	\$ 69,492,250	\$ 13,605,000	0.2061
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

(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.

Source: Florida Department of Revenue and District Records

**SCHOOL BOARD OF POLK COUNTY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
TABLE 14
(UNAUDITED)**

Fiscal Year	Population (A)	Personal Income (1) (B)	Per Capita Personal Income (B)	Unemployment Rate (B)
2023	797,616	27,432,407	34,393	3.8%
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%

(1) Personal Income in thousands

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					
	2023			2014		
	Employees	Rank	Percentage of County Employment	Employees	Rank	Percentage of County Employment
Publix Super Markets	13,701	1	4.00%	10,470	2	3.89%
Polk County School Board	13,363	2	3.90%	13,800	1	5.13%
Lakeland Regional Health	5,888	3	1.72%	4,500	5	1.67%
Walmart	5,523	4	1.61%	5,100	3	1.89%
Amazon	5,000	5	1.46%	-	-	-
Polk County Government	4,789	6	1.40%	4,500	4	1.67%
Geico	3,700	7	1.08%	2,300	10	0.85%
City of Lakeland	2,800	8	0.82%	2,600	8	0.97%
BayCare	2,614	9	0.76%	-	-	-
Advent Health	2,466	10	0.72%	-	-	-
State of Florida	-	-	-	4,300	6	1.60%
Winter Haven Hospital	-	-	-	2,500	9	0.93%
Mosaic	-	-	-	3,000	7	1.11%
	<u>59,844</u>		<u>17.47%</u>	<u>53,070</u>		<u>19.71%</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					Fiscal Years				
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Schools										
Elementary										
Locations	67	66	66	66	65	66	66	66	66	67
Square feet	6,475,309	6,364,400	6,249,626	6,181,996	6,069,905	6,293,636	6,515,678	6,102,843	6,108,489	6,273,582
Capacity	46,097	52,552	51,846	51,213	385,816	51,419	53,928	50,714	50,686	51,616
Enrollment	42,222	41,472	46,853	37,520	40,622	40,226	41,975	40,540	40,379	38,619
Middle										
Locations	21	20	20	20	20	20	20	20	20	19
Square feet	2,813,939	2,848,437	2,787,509	2,812,996	2,804,098	2,825,675	2,800,879	2,654,893	2,653,573	2,607,658
Capacity	22,707	25,034	24,493	24,542	24,179	22,578	21,803	24,321	22,894	22,997
Enrollment	17,667	17,128	16,089	15,793	17,123	17,867	16,084	16,409	16,659	15,635
Senior High										
Locations	15	15	15	14	14	15	15	15	16	15
Square feet	4,197,531	4,561,449	4,561,446	4,367,695	4,351,929	4,344,534	4,297,686	4,302,843	4,285,656	4,295,866
Capacity	32,986	37,391	37,337	35,438	34,771	33,106	32,237	33,846	34,150	34,223
Enrollment	27,154	25,431	24,215	25,489	25,798	25,923	25,523	25,537	25,014	24,086
Other (A)										
Locations	15	13	13	13	13	12	12	11	11	10
Square feet	1,813,920	1,720,478	1,543,291	1,567,074	1,268,049	1,067,481	1,143,280	988,116	987,396	914,943
Capacity	11,806	11,618	10,961	11,208	7,912	6,445	7,385	6,212	6,184	5,861
Enrollment	7,729	6,198	7,179	5,432	6,642	4,637	5,694	4,302	4,339	4,045
Conversion Charter (B)										
Locations	9	9	9	9	9	9	9	9	9	9
Square feet	1,115,318	1,179,108	1,177,484	1,177,484	1,165,534	1,163,225	1,160,446	1,160,446	1,162,582	1,162,538
Capacity	8,193	9,321	9,242	9,242	8,883	8,483	8,360	8,685	8,439	8,439
Enrollment	7,134	7,996	7,634	8,013	7,942	7,749	7,982	7,744	7,351	7,153
Administrative / Support Services										
Locations	21	18	17	19	13	15	16	17	17	18
Square feet	620,816	605,334	532,856	595,259	1,268,049	571,682	591,512	593,317	593,333	664,623
Total Enrollment in District Facilities	101,906	72,794	77,755	92,247	98,127	96,402	97,258	94,532	93,742	89,538

(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

**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>
2023	\$ 46,980	\$ 74,468	\$ 49,135
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

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					Fiscal Year				
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Days Meals Served:	174	180	175	131	180	174	178	180	180	180
Student Lunches Served:										
Paid Lunches (regular)	-	-	-	-	-	440,716	522,762	633,470	1,148,306	1,297,759
Reduced Lunches (regular)	-	-	-	-	-	29,460	47,065	106,093	306,398	478,147
Free Lunches (regular)	10,942,673	10,551,366	7,805,540	8,515,869	11,666,364	10,608,564	10,740,732	10,421,805	9,198,230	8,125,512
Total Student Lunches Served	10,942,673	10,551,366	7,805,540	8,515,869	11,666,364	11,078,740	11,310,559	11,161,368	10,652,934	9,901,418
Daily Average Student Lunches Served	62,889	58,619	44,603	65,007	64,813	63,671	63,542	62,008	59,183	55,008
Student Breakfasts Served:										
Paid Breakfasts (regular)	-	-	-	-	-	113,894	150,768	139,378	173,192	250,749
Reduced Breakfasts (regular)	-	-	-	-	-	8,377	12,374	25,546	71,598	121,221
Free Breakfasts (regular)	5,451,253	5,420,557	4,331,904	4,249,798	5,853,353	5,285,375	5,446,493	5,306,261	4,645,245	3,880,971
Total Student Breakfasts Served	5,451,253	5,420,557	4,331,904	4,249,798	5,853,353	5,407,646	5,609,635	5,471,185	4,890,035	4,252,941
Daily Average Student Breakfasts Served	31,329	30,114	24,754	32,441	32,519	31,078	31,515	30,395	27,167	23,627
LUNCH PRICES:										
Elementary	\$0.00	\$0.00	\$0.00	\$0.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Middle	\$0.00	\$0.00	\$0.00	\$0.00	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30	\$2.30
High	\$0.00	\$0.00	\$0.00	\$0.00	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$2.30
BREAKFAST PRICES:										
Elementary	\$0.00	\$0.00	\$0.00	\$0.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Secondary	\$0.00	\$0.00	\$0.00	\$0.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Free and Reduced Percentages:										
Paid	-	-	-	-	-	3.4%	4.0%	4.6%	8.5%	10.9%
Reduced	-	-	-	-	-	0.2%	0.4%	0.8%	2.4%	4.2%
Free	100.0%	100.0%	100.0%	100.0%	100.0%	96.4%	95.7%	94.6%	89.1%	84.8%

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, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster	Assistance Listing Number	Pass - Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
<u>Clustered</u>				
Child Nutrition Cluster				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	22002	\$ -	\$ 14,292,140
National School Lunch Program	10.555	22001, 22003	-	56,339,979
Summer Food Service Program for Children	10.559	21006, 21007, 22006, 22007	-	595,514
Total Child Nutrition Cluster			-	71,227,633
Student Financial Assistance Cluster				
United States Department of Education:				
Federal Pell Grant Program	84.063	N/A	-	2,233,487
Total Student Financial Assistance Cluster			-	2,233,487
Special Education Cluster				
United States Department of Education:				
Florida Department of Education				
Special Education - Grants to States	84.027	262, 263	2,219,388	21,798,294
Special Education - Preschool Grants	84.173	267	-	429,437
Total Special Education Cluster			2,219,388	22,227,731
<u>Not Clustered</u>				
United States Department of Agriculture				
Florida Department of Health:				
Child and Adult Care Food Program	10.558	S-4372	-	500,155
Florida Department of Agriculture and Consumer Services:				
National School Lunch Program Equipment Assistance Grant	10.579	26792	-	7,200
Total United States Department of Agriculture			-	507,355
United States Department of Defense				
Florida Department of Health:				
Army Junior Reserve Officers Training Corps	12.UNK	Not Available	-	1,016,403
Marine Corps Junior Reserve Officers Training Corps	12.UNK	Not Available	-	60,960
Air Force Junior Reserve Officers Training Corps	12.UNK	Not Available	-	86,506
Navy Junior Reserve Officers Training Corps	12.UNK	Not Available	-	41,080
Total United States Department of Defense Cluster			-	1,204,949
United States Department of Labor				
Florida Department of Education:				
National Farmworker Jobs Program	17.264	405	-	337,579

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster	Assistance Listing Number	Pass - Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
United States Department of Education				
Magnet Schools Assistance	84.165	N/A	\$ -	\$ 585,331
Education Stabilization Fund Under the COVID-19 - Coronavirus Aid, Relief, and Economic Security Act:	84.425			
Higher Education Emergency Relief Fund - Student Aid Portion	84.425E	N/A	-	1,704,199
Higher Education Emergency Relief Fund - Institutional Portion	84.425F	N/A	-	50,638
Florida Department of Education:				
Governor's Emergency Education Relief Fund	84.425C	123	4,355,639	37,439,179
Elementary and Secondary School Emergency Relief Fund	84.425D	124	8,941,071	77,172,071
ARP: Elementary & Secondary School Emergency Relief Fund	84.425U	121	-	645,050
Total Education Stabilization Fund Under the Coronavirus Aid, Relief, and Economic Security Act	84.425		<u>13,296,710</u>	<u>117,011,137</u>
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	-	1,524,922
Title 1 Grants to Local Educational Agencies	84.010	126,212, 223, 226	1,361,461	44,207,219
Migrant Education - State Grant Program	84.011	217	-	1,125,321
Career and Technical Education - Basic Grants to States	84.048	161	27,559	1,453,780
Safe and Drug-Free Schools and Communities - National Program	84.186	241	-	2,359,494
Education for Homeless Children and Youth	84.196	127	-	174,304
Charter Schools	84.282	298	120,133	120,133
Special Education - State Personnel Development	84.323	361	-	2,952
English Language Acquisition State Grants	84.365	102	-	1,282,920
Supporting Effective Instruction State Grants	84.367	224	-	4,044,938
School Improvement Grant	84.377A	126	-	600,341
Total United States Department of Education			<u>14,805,863</u>	<u>174,492,792</u>
United States Department of Health and Human Services				
Head Start Cluster	93.600	N/A	-	8,710,655
Total United States Department of Health and Human Services			<u>-</u>	<u>8,710,655</u>
Total Expenditures of Federal Awards			<u>\$ 17,025,251</u>	<u>\$ 280,942,181</u>

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
ENDED JUNE 30, 2023**

NOTE 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, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for 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.

NOTE 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.

NOTE 3 INDIRECT COST RATE

The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

NOTE 4 NONCASH ASSISTANCE – NATIONAL SCHOOL LUNCH PROGRAM

Includes \$3,996,244 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.

NOTE 5 HEAD START

Expenditures include \$3,548,055 for grant number/program year 04CH0191101/23, \$4,831,489 for 04CH0191102/22, and \$331,111 for 04CH0191102/21.



**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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Polk County, Florida (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 7, 2024. 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 District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

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

Report on Compliance and Other Matters

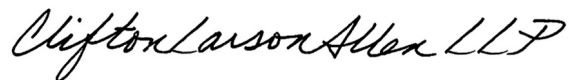
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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*.

School Board of Polk County, Florida's Response to Finding

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

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
March 7, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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 District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The 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 District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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

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

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

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

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.

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

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
March 7, 2024

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

Section I – Summary of the Auditors' Results

Financial Statements

- | | |
|--|--|
| 1. Type of auditors' report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| • Material weakness(es) identified? | <u> X </u> yes <u> </u> no |
| • Significant deficiency(ies) identified? | <u> </u> yes <u> X </u> none reported |
| 3. Noncompliance material to financial statements noted? | <u> </u> yes <u> X </u> no |

Federal Awards

- | | |
|---|--|
| 1. Internal control over major federal programs: | |
| • Material weakness(es) identified? | <u> </u> yes <u> X </u> no |
| • Significant deficiency(ies) identified? | <u> </u> yes <u> X </u> 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)? | <u> </u> yes <u> X </u> no |

Identification of Major Federal Programs

Assistance Listing Numbers

84.425 (E, F, C, D, U)
84.027, 84.173
84.367
93.600

Name of Federal Program

COVID-19 – Education Stabilization
IDEA - Special Education Cluster
Improving Teacher Quality Grant
Head Start Cluster

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, 2023**

Section II – Financial Statement Findings

2023-001 – Material Audit Adjustments

Type of Finding:

Material Weakness in Internal Control over Financial Reporting

Condition:

A material adjustment was 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:

One journal entry identified during the audit, totaling approximately \$5.0 million dollars, was necessary for the financial statements to be reported in accordance with U.S. GAAP.

Effect:

Prior to the adjustment, receivables and revenue were materially understated.

Cause:

The District's year-end close process did not identify the unrecorded receivable and revenue.

Repeat Finding:

See prior year finding 2022-001.

Recommendation:

District Management should implement additional year-end close internal controls. Those controls should include reconciling every account and ensuring each reconciliation is reviewed for accuracy.

Views of Responsible Officials and Planned Corrective Actions:

There is no disagreement with the audit finding.

Section III – Federal Award Findings and Questioned Costs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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 District) as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated March 7, 2024. 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 Financial Statements Performed in Accordance With *Government Auditing Standards*, Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and our Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.800, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 7, 2024, 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. The status of prior year audit findings is described below.

Prior Audit Findings (Continued)

Prior Year Findings		Current Year Status		Current Year Finding #
		Cleared	Not Cleared	
2022-001- Material Audit Adjustments	Material Weakness in Internal Control over Financial Reporting		X	2023-001
2022-002- Schedule of Expenditures of Federal Awards	Material Weakness in Internal Control over Financial Reporting	X		
2022-003- Controls over Allowable Costs	Significant Deficiency in Internal Control over Compliance	X		

Financial Condition and Management

Section 10.804(1)(f)2., Rules of the Auditor General, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, the results of our tests did not indicate that the District 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 District’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 District maintains on its website the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained on its website the information specified in Section 1011.035, Florida Statutes.

Additional Matters

Section 10.804(1)(f)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. Our recommendation is included in the accompanying Schedule of Findings and Responses as 2023-002.

Honorable Chairman and Members of the
School Board of Polk County, Florida

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

CliftonLarsonAllen LLP

Lakeland, Florida
March 7, 2024



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 District), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended June 30, 2023. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District'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 District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended June 30, 2023.

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
March 7, 2024

**SCHOOL BOARD OF POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2023**

2023-002 – Payroll Documentation

Type of Finding: Control Deficiency

Condition: Supervisory approval of payroll documentation is not clear and consistent across the District.

Criteria or Specific Requirement: Management is responsible for establishing and maintaining internal control to ensure transactions are properly approved and documented.

Effect: Inappropriate payroll transactions may not be detected in a timely manner. Additionally, the District could be out of compliance with various funding sources if proper and consistent documentation of payroll transactions is not maintained.

Cause: The District has multiple manual processes to document employee time and supervisory approval. A centralized record keeping system is not in place.

Repeat Finding: No

Recommendation: The District should implement a standardized payroll timekeeping and approval process across the District to ensure consistent and accurate documentation is maintained. An electronic records management system should be considered to aid in document storage and retention.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the audit finding.