



# THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FL

Continuing Disclosure Report

*For the Fiscal Year Ended June 30, 2022*

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## GENERAL INFORMATION

### The School Board and District

The School Board is a public body corporate and politic existing under the laws of the State of Florida and is the governing body of the School District of Osceola County, Florida (the “District”). The School Board consists of five members elected from single-member districts for overlapping four-year terms. The District is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Part II, Florida Statutes, as amended. The District covers the same geographic area as Osceola County, Florida (the “County”). Management of the District is independent of the County government and the other local governments within the County. The County Tax Collector collects ad valorem taxes for the District but exercises no control over the disposition of the District’s tax receipts.

### General Statistical Data

The following table presents a summary of certain general statistical data regarding the School Board.

<u>School Year</u>	<u>Number of Schools</u>	<u>Number of Classroom Instructors*</u>	<u>FTE Enrollment</u>	<u>Average Expenditure per FTE Student</u>
2021/22	79	3,812	75,158	8,617
2020/21	78	4,104	69,194	8,857
2019/20	78	4,206	69,378	8,924
2018/19	74	4,087	67,724	8,758
2017/18	69	3,730	66,010	8,284

\* Does not include charter schools teachers.

Source: The School District of Osceola County, FL.

## Summary of General Fund Operations

### School District of Osceola County, Florida Summary of General Fund Operations

	Audited			Budget
	FY 2020	FY 2021	FY 2022	FY 2023
<b>Revenues</b>				
Federal	\$ 2,981,907	\$ 2,935,898	\$ 3,119,732	\$ 2,570,000
State Sources	370,256,152	381,287,756	390,029,194	421,934,298
Local Sources	155,899,110	160,359,971	167,424,754	183,145,033
Total Revenues	<u>\$ 529,137,169</u>	<u>\$ 544,583,625</u>	<u>\$ 560,573,680</u>	<u>\$ 607,649,331</u>
<b>Expenditures</b>				
Current - Education:				
Instruction	\$ 354,708,041	\$ 363,185,511	\$ 369,730,040	\$ 436,024,156
Pupil Personnel Services	26,954,446	27,283,496	30,011,874	31,982,990
Instructional Media Services	4,604,709	4,686,037	5,339,280	6,139,303
Instruction & Curr. Dev. Svcs.	14,432,644	14,659,138	16,105,610	19,659,916
Instructional Staff Training	6,477,313	6,376,257	5,387,267	6,150,561
Instruction Related Technology	4,755,501	3,358,770	2,144,643	2,459,084
Board of Education	1,189,679	1,763,849	5,350,821	1,619,859
General Administration	1,730,113	1,766,801	1,957,871	2,244,640
School Administration	25,577,894	25,723,322	26,873,312	27,992,025
Facilities Services	10,678,794	13,182,403	14,342,417	15,507,198
Fiscal Services	2,211,899	2,401,309	2,241,128	2,629,511
Food Services	266,646	312,546	391,145	446,564
Central Services	8,266,947	8,177,353	7,932,256	9,120,529
Pupil Transportation Services	22,848,071	21,299,956	25,349,090	29,101,220
Operation of Plant	38,867,348	36,414,746	43,670,824	46,024,040
Maintenance of Plant	9,905,839	10,379,000	10,701,414	12,328,090
Administrative Tech. Services	4,326,968	4,693,861	4,636,976	5,820,631
Community Services	3,506,394	3,332,492	3,631,155	5,431,295
Fixed Capital Outlay:				
Facilities Acq. and Construction	30,062			-
Other Capital Outlay	886,848	1,308,782	743,521	-
Debt Service	-	-	-	-
Total Expenditures	<u>\$ 542,226,156</u>	<u>\$ 550,305,629</u>	<u>\$ 576,540,644</u>	<u>\$ 660,681,612</u>
Excess (Deficiency) of				
Revenues over Expenditures	<u>\$ (13,088,987)</u>	<u>\$ (5,722,004)</u>	<u>\$ (15,966,964)</u>	<u>\$ (53,032,281)</u>
Other Financing Sources (Uses)	<u>\$ 22,083,141</u>	<u>\$ 16,764,941</u>	<u>\$ 14,648,996</u>	<u>\$ 24,484,224</u>
Excess (Deficiency) of Revenues				
and Other Sources Over				
Expenditures and Other Uses	<u>\$ 8,994,154</u>	<u>\$ 11,042,937</u>	<u>\$ (1,317,968)</u>	<u>\$ (28,548,057)</u>
Beginning Fund Balance	<u>\$ 68,951,189</u>	<u>\$ 77,945,343</u>	<u>\$ 88,988,280</u>	<u>\$ 87,670,312</u>
Ending Fund Balance	<u>\$ 77,945,343</u>	<u>\$ 88,988,280</u>	<u>\$ 87,670,312</u>	<u>\$ 59,122,255</u>

Source: Audited financial statements for the fiscal years ended June 30, 2020 and 2021 prepared by MSL, P.A.; audited financial statements for fiscal year ended June 30, 2022 prepared by the State of Florida Auditor General's Office; Annual Budget for Fiscal Year Ending June 30, 2023 prepared by The School District of Osceola County, FL.

## Summary of Capital Projects Funds

### School District of Osceola County, Florida Summary of Revenues and Expenses - Capital Projects Funds

	Audited			Budget
	FY 2020	FY 2021	FY 2022	FY 2023
<b>Revenues</b>				
Federal	\$ -	\$ -	\$ -	\$ -
State Sources	9,682,792	10,061,381	13,392,539	9,110,000
Local Sources	172,012,476	186,723,895	225,040,620	196,944,371
<b>Total Revenues</b>	<b>\$ 181,695,268</b>	<b>\$ 196,785,276</b>	<b>\$ 238,433,159</b>	<b>\$ 206,054,371</b>
<b>Expenditures</b>				
Current - Education:				
Facilities Services	21,036,339	82,226	11,209,716	
Fixed Capital Outlay:				
Facilities Acquisition and Construction	57,322,359	77,773,444	38,691,965	452,311,845
Charter School Local Capital Improvement	404,992			
Other Capital Outlay	8,540,739		1,947,649	
Debt Service	2,840	3,015	3,337	
<b>Total Expenditures</b>	<b>\$ 87,307,269</b>	<b>\$ 77,858,685</b>	<b>\$ 51,852,667</b>	<b>\$ 452,311,845</b>
Excess (Deficiency) of Revenues over Expenditures	<b>\$ 94,387,999</b>	<b>\$ 118,926,591</b>	<b>\$ 186,580,492</b>	<b>\$ (246,257,474)</b>
Other Financing Sources (Uses)	<b>\$ (51,667,045)</b>	<b>\$ 28,205,281</b>	<b>\$ (55,044,681)</b>	<b>\$ (61,931,257)</b>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<b>\$ 42,720,954</b>	<b>\$ 147,131,872</b>	<b>\$ 131,535,811</b>	<b>\$ (308,188,731)</b>
Beginning Fund Balance	<b>\$ 217,242,812</b>	<b>\$ 259,963,766</b>	<b>\$ 407,095,638</b>	<b>\$ 538,631,449</b>
Ending Fund Balance	<b>\$ 259,963,766</b>	<b>\$ 407,095,638</b>	<b>\$ 538,631,449</b>	<b>\$ 230,442,718</b>

Source: Audited financial statements for the fiscal years ended June 30, 2020 and 2021 prepared by MSL, P.A; audited financial statements for fiscal year ended June 30, 2022 prepared by the State of Florida Auditor General's Office; annual budget for fiscal year ending June 30, 2023 prepared by The School District of Osceola County, FL.

## Indebtedness

**School District of Osceola County, Florida  
Summary of General Long-Term Debt  
As of June 30, 2022**

General Description	Outstanding Balance
<b>Self-Supporting State Bonds <sup>(1)</sup></b>	
Series 2011A	165,000
Series 2014A	559,000
Series 2017A	536,000
Plus unamortized bond premium	144,980
<b>District Revenue Bonds: <sup>(2)</sup></b>	
Series 2015 Sales Tax Revenue Bonds	13,582,000
Series 2017 Sales Tax Revenue Bonds	5,785,000
Series 2017 Capital Outlay Sales Tax Revenue Bonds	66,575,000
Series 2020 Capital Outlay Sales Tax Revenue Bonds	68,180,000
<b>Certificates of Participation</b>	
Series 2010A	40,500,000
Series 2013	2,820,000
Series 2014	3,605,000
Series 2015	2,990,000
Series 2017	38,335,000
Series 2020	3,190,000
Series 2021	20,885,000
Plus unamortized bond premium	304,782
<b>Education Facilities Benefit District Agreement Payable</b>	7,820,993
<b>Impact Fee Credit Vouchers</b>	1,501,521
<b>Net Pension Liability</b>	151,318,672
<b>Liability for Other Postemployment Benefits</b>	15,279,565
<b>Liability for Compensated Absences</b>	37,951,973
<b>Total</b>	<u><u>482,029,486</u></u>

(1) Bonds are issued by the State Board of Education on behalf of the District, and are secured by a pledge of the District's portion of the State assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for such bonds.

(2) Payable from certain sales tax revenues of the District.

Source: The School District of Osceola County, FL.

## **State and District Retirement Programs**

All regular employees of the District are covered by the Florida Retirement System (the "FRS"), a State-administered cost-sharing, multiple-employer, defined benefit retirement plan (the "Plan"). Included in the Plan is a Deferred Retirement Option Program (the "DROP"), a defined contribution pension plan titled the FRS Investment Plan (the "Investment Plan"), and a Retiree Health Insurance Subsidy (the "HIS") Program. The Plan also includes an early retirement provision, but imposes a penalty for each year a member retires before the normal retirement age. The Plan provides retirement, disability and death benefits and annual cost-of-living adjustments.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees in the Plan on or after July 1, 2011 vest at eight years of creditable service. The District's Plan recognized pension expense for the fiscal year ended June 30, 2022 totaled \$1,390,590. The District's contributions to the Plan totaled \$26,489,646 and the proportionate share of the net pension liability totaled \$46,339,922.

The DROP Program permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

The HIS Plan provides a monthly benefit payment to assist retirees in paying their health insurance costs. For the fiscal year ended June 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive a HIS Plan benefit, the retiree must provide proof of health insurance coverage, which may include Medicare. The HIS Plan is funded by a required employer contributions, based on the gross compensation for all active FRS members. For the fiscal year ending June 30, 2022 the District's contributions to the HIS Plan totaled \$5,229,542, the recognized pension expense totaled \$7,280,905, and the net pension liability totaled \$104,978,750 for its proportionate share of the HIS Plan's net pension liability.

The Investment Plan is administered by the State of Florida SBA. 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. Essentially, the Investment Plan benefits depend on the performance of the investment funds. The Investment Plan is funded with the same employer and employee contribution rates 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. For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. The District's Investment Plan pension expense totaled \$9,206,761 for the fiscal year ended June 30, 2022.

Additional information regarding the retirement programs is included in Note 11 of the District's 2021-2022 Annual Comprehensive Financial Report.

## **Other Post Employment Benefit Programs**

In addition to its contributions under the State's retirement plan and the District's Plan described above, the District provides other post-employment benefits ("OPEB") for certain of its retired employees in the form of an implicit rate subsidy, by providing access to health insurance plans requiring the use of the single "blended" or "common" rate for both active and retired employees. The offering of this health insurance coverage is required by Section 112.0801, Florida Statutes.

As with all governmental entities providing similar plans, the District was required to comply with the Governmental Accounting Standards Board Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, ("GASB 75") effective for fiscal years beginning after June 15, 2017. The District implemented GASB 75 prospectively on July 1, 2017. Historically, the District accounted for its OPEB contributions on a pay-as-you-go basis. GASB 75 applies accounting methodology similar to that used for pension liabilities to OPEB and requires the recognition of the proportionate share of the net OPEB liability on the face of the financial statements.

In order to comply with GASB 75, the District retained Gabriel, Roeder, Smith & Company (the "Actuary"), to review the District's OPEB liability and provide the District with a valuation. The valuation indicated that the District's total OPEB liability was \$15,279,565 as of June 30, 2021, the measurement date.

Additional information regarding the District's OPEB liability is included in Note 12 to the District's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2022.

### Millage Rates

The following table contains historical millage rates for the School District for the fiscal years ended June 30, 2017 through June 30, 2022, and budgeted millage rates for the fiscal year ending June 30, 2023.

**School District of Osceola County, Florida**  
**Historical and Projected Tax Millage and Levies**  
**(Tax per \$1,000 of assessment value)**

	2017	2018	2019	2020	2021	2022	<u>Budgeted</u> 2023
State - Required Local Effort	4.643	4.501	4.161	3.984	3.761	3.639	3.262
Prior Period Adjustment	0.014	0.000	0.002	0.008	0.017	0.010	0.006
Local - Discretionary	0.748	0.748	0.748	0.748	0.748	0.748	0.748
Supplemental Discretionary	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Subtotal Operating Millage	<u>5.405</u>	<u>5.249</u>	<u>4.911</u>	<u>4.740</u>	<u>4.526</u>	<u>4.397</u>	<u>4.016</u>
Capital Outlay	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Debt Service	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	<u>6.905</u>	<u>6.749</u>	<u>6.411</u>	<u>6.240</u>	<u>6.026</u>	<u>5.897</u>	<u>5.516</u>

Source: The School District of Osceola County, FL.



## Property Tax Levies and Collections

The following table contains historical property tax levies and collections for the School District for the fiscal year ended June 30, 2013 through June 30, 2022.

### School District of Osceola County, Florida Property Tax Levies and Collections

Fiscal Year	Taxes Levied for the Fiscal Year	Collected with the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	128,129,837	123,305,931	96.24%	462,603	123,768,534	96.60%
2014	137,619,241	131,876,045	95.83%	550,115	132,426,160	96.23%
2015	144,752,427	139,488,248	96.36%	206,607	139,694,855	96.51%
2016	153,424,444	147,442,560	96.10%	164,884	147,607,444	96.21%
2017	155,326,218	149,783,923	96.43%	121,820	149,905,743	96.51%
2018	166,007,030	159,897,312	96.32%	237,430	160,134,742	96.46%
2019	175,782,158	170,009,659	96.72%	74,249	170,083,908	96.76%
2020	192,931,890	185,073,447	95.93%	67,973	185,141,420	95.96%
2021	204,181,105	196,441,845	96.21%	-	196,441,845	96.21%
2022	215,248,061	206,730,733	96.04%	-	206,730,733	96.04%

Source: The School District of Osceola County, FL.

## Estimated Actual and Assessed Value of Property

The following table shows the total estimated actual value and total assessed value for operating millage in each of the past ten years.

### Estimated Actual and Taxable Value of Property Osceola County, Florida (In Thousands)

Tax Year	Fiscal Year	Estimated Actual Value "EAV"	Total Assessed Value "AV"	Percentage of AV to EAV
2011	2012	17,357,237	16,645,590	95.9%
2012	2013	17,439,420	16,462,812	94.4%
2013	2014	18,238,706	17,071,429	93.6%
2014	2015	20,474,563	19,512,258	95.3%
2015	2016	23,076,947	21,000,022	91.0%
2016	2017	24,764,631	22,956,813	92.7%
2017	2018	27,484,434	25,368,133	92.3%
2018	2019	30,151,465	28,402,680	94.2%
2019	2020	33,148,526	31,391,654	94.7%
2020	2021	50,588,912	34,102,442	67.4%

Source: The School District of Osceola County, FL

## **DISTRICT REVENUES**

The School Board derives its revenues from certain State and local sources. The major categories of these revenue sources are briefly described under the following subheadings.

### **Local Revenue Sources**

Local revenue for the support of school districts in the State is derived almost entirely from real and tangible personal property taxes. School districts in the State are permitted to levy ad valorem property taxes separately for (i) operational purposes, (ii) the payment of debt service, and (iii) capital outlays and maintenance of school facilities. The amount of each such levy is subject to various constitutional and statutory limitations. In addition, the District earns interest on cash invested and collects other miscellaneous revenues.

For operational purpose, the Florida Legislature annually places requirements on each school district to levy a millage rate that is defined by law to be the “district required local effort” for those school districts desiring to participate in the allocation of State funds available to school districts. In 2021-22 the District’s required local effort was 3.639 mills. School boards are also authorized to levy an additional "discretionary millage" for operations, not to exceed an amount established annually by the Legislature. In 2021-22, the discretionary operating millage for all school districts was .748 mills.

Budgeted revenues from ad valorem taxes are based on applying millage levies to ninety-six percent (96%) of the non-exempt assessed valuation of real and personal property. Historically, the local taxes have been received at less than one hundred percent (100%) of assessed valuation due to the discounts for early payment. The County usually collects approximately ninety-six percent (96%) of the levied taxes.

Ad valorem tax receipts increased from \$196 million during the 2020-21 fiscal year to \$206 million during the 2021-22 fiscal year. The District has budgeted approximately \$170 million of ad valorem tax receipts for the 2022-23 fiscal year.

Commencing in calendar year 2000, the District began receiving a portion of a one cent infrastructure sales surtax (the “Sales Surtax”) that is levied by the County on all taxable sales of tangible personal property sold at retail within the County. Pursuant to an interlocal agreement with the County, the District received 10% of the Sales Surtax receipts during calendar years 2000 through and including 2005 and 25% of the Sales Surtax receipts during the calendar years 2006 through and including 2025 (the amounts to be received by the District, the “Sales Tax Revenues”). The District issued \$42,325,000 of its Sales Tax Revenue Bonds, Series 2001 (the “2001 Sales Tax Bonds”) in May 2001, and pledged proceeds of the Sales Surtax as security thereof. The District issued its Sales Tax Revenue Bonds, Series 2007A (the “2007A Sales Tax Bonds”) and Sales Tax Revenue Refunding Bonds, Series 2007B (the “2007B Sales Tax Bonds”) in the aggregate principal amount of \$79,835,000 (collectively, the “2007 Sales Tax Bonds”) in April 12, 2007. The proceeds of the 2007B Sales Tax Bonds, were used to refund a portion of the 2001 Sales Tax Bonds. During fiscal year 2015-16, the District issued its Sales Tax Revenue Bonds, Series 2015 (the “2015 Sales Tax Bonds”), in an aggregate principal amount of \$30,087,000, to refund a portion of the 2007A Sales Tax Bonds. The District issued its Sales Tax Revenue Bonds, Series 2017 (the “2017 Sales Tax Bonds”) in the aggregate principal amount of \$19,420,000, to refund a portion of the 2007B Sales Tax Bonds in June, 2017. The 2015 Sales Tax Bonds and the 2017 Sales Tax Bonds outstanding balance as of June 30, 2022 is \$19,367,000.

In November 2016, Osceola County voters approved by referendum the imposition of a one-half cent discretionary sales surtax, effective beginning January 1, 2017, and ending December 31, 2036.

In May 2017, the District issued its Capital Outlay Sales Tax Bonds (the “2017 CO Sales Tax Bonds”) in the

amount of \$86,250,000. In September 2020, the District issued its Capital Outlay Sales Tax Bonds (the “2020 CO Sales Tax Bonds”) in the amount of \$75,150,000. The proceeds of the bonds are for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses, land acquisition, land improvement, design and engineering costs, retrofitting and providing for technology implementation, including hardware and software, for the various sites within the District. Security for repayment of both Capital Outlay Sales Tax Bonds principal and interest is provided by a pledge of the levy and collection of the one-half cent discretionary sales surtax. The 2017 CO Sales Tax Bonds and 2020 CO Sales Tax Bonds outstanding principal balance as of June 30, 2022 is \$134,755,000.

Sales Surtax and CO Sales Surtax combined revenues for Fiscal Year 2021-22 were \$66 million and are budgeted to be the same amount for fiscal year 2022-23.

The District also receives educational system facilities impact fees that are collected from new residential construction in the County. The District received \$108 million in fiscal year 2021-22, and budgeted \$80 million for fiscal year 2022-23. Effective August 1, 2018, Osceola County educational system impact fees per dwelling unit are:

<b>Residential Category</b>	<b>Countywide</b>	<b>Vacation Villas</b>	<b>Short-Term Rentals</b>
Single Family Detached	\$ 11,823	N/A	\$ 6,264
Townhouse	7,591	N/A	3,951
Multi-Family	11,362	N/A	7,033
Condominium	4,243	N/A	2,325
Mobile Home	7,672	N/A	7,672

### State Revenue Sources

Capital Outlay. State revenues represented \$11 million or approximately 4.70% of the District’s total capital outlay revenues for fiscal year 2021-22. Budgeted state capital outlay revenues available to the District are expected to be \$9 million or approximately 5.07% of the District’s budgeted total capital outlay revenues in the adopted budget for fiscal year 2022-23. Many of the capital outlay revenues budgeted to be received are not necessarily recurring items.

The Public Education Capital Outlay Program (“PECO”) program provides the District with funds for remodeling, renovation, maintenance, repairs and site improvements of educational facilities. Allocation of PECO funds are determined as provided by State law, based upon a statutory formula that considers building age and value. PECO funds are to be used for projects that will expand or upgrade current educational plants to prolong the useful life of the plant. At least one-tenth of the annual allocation is to be spent to correct unsafe, unhealthy or unsanitary conditions in educational facilities. The State also established, as part of the PECO program, a separate account known as “Special Facility Construction Account” to provide funds to districts for urgent construction needs, for which the district cannot reasonably anticipate sufficient resources within the period of the next three years. The Commissioner of Education administers the PECO program and allocates or reallocates funds as authorized by law. The District did not receive any PECO funding for fiscal year 2021-22 and does not expect to receive any PECO funds for fiscal year 2022-23.

The District receives motor vehicle license revenues, also known as capital outlay and debt service (“CO&DS”) funds. The annual allocation of CO&DS funds is determined by the number of instruction units for each school district. CO&DS funds may be used for capital outlay projects included on a school district’s Project Priority List approved by the State Board of Education. CO&DS funds can be used to make the lease purchase payments of facilities included in the project priority list. None of the facilities currently subject to the Master

Lease Agreement are on the project priority list. In fiscal year 2021-22, the District received approximately \$2,288,193 in State bond proceeds with respect to such CO&DS funds. The District is budgeted to receive \$1,000,000 in CO&DS funds in fiscal year 2022-23.

Under the Act, the District may be entitled to receive other State revenues pursuant to other programs if the District achieves certain standards relating to its capital outlay efforts. Some of such revenues may be used to make lease purchase payments. It is not possible at this time to determine or estimate the amount of such State revenues, if any, that the District may receive in the future.

Operating Revenue. The three primary sources of educational funding from the State are (i) basic Florida Educational Finance Program (“FEFP”) receipts, (ii) FEFP categorical program receipts, and (iii) certain other specified revenue sources.

The major portion of State support is distributed under the provisions of the FEFP, which was enacted by the Florida Legislature in 1973. Basic FEFP funds are provided on a weighted full-time equivalent student (“FTE”) basis using a formula that takes into account varying program cost factors and district cost differentials. The program cost factors which are used to determine the level of each school district’s FEFP funding are determined by the Florida Legislature. The amount of FEFP funds disbursed by the State is adjusted four times during each year to reflect changes in FTE and in variables comprising the weighing formula. In addition, the level of State funding is adjusted during each year to compensate for increases or decreases in ad valorem tax revenue resulting from adjustments to the valuation of non-exempt property in the County. General Fund receipts from FEFP were \$282.6 million for the 2019-20 fiscal year, \$293.9 million for the 2020-21 fiscal year and \$306.7 million for the 2021-22 fiscal year. The district has budgeted approximately \$335.7 million of FEFP General Fund receipts for the 2022-23 fiscal year.

FEFP categorical program receipts are lump sum appropriations from the State intended to supplement local school district revenues to enhance the delivery of educational and support services by each district. Among the larger categorical programs are the programs for class size reduction, supplemental academic instruction, school bus transportation and instructional materials. Allocations for these categorical appropriations are based on funding formula and discretionary Florida Department of Education grants. The majority of the funds available require actual appropriation by the Board for the purposes for which they were provided. Total State categorical aid was \$123 million for the 2019-20 fiscal year, \$123 million for fiscal year 2020-21 and 125 million for fiscal year 2021-22. Total State categorical aid is budgeted at \$135.8 million for the 2022-23 fiscal year.

### **Other Revenue**

The District also receives certain local, state and federal monies, substantially all of which are restricted for specific programs. Programs funded with these special revenue sources include school food service operations and programs financed through the Educational Handicapped Act, now codified as the Individuals with Disabilities Education Act, the Education Consolidation and Improvement Act and other federally financed programs.

## ADDITIONAL INFORMATION - SALES TAX REVENUE BONDS

### Sales Surtax

The table below sets forth the total amount of the One Cent Infrastructure Sales Surtax and Half Cent Capital Outlay Surtax distributed by the Florida Department of Revenue to Osceola County municipalities during the last five fiscal years.

#### Historical One Cent Infrastructure Sales Surtax Distributions

Fiscal Year Ending June 30	Sales Tax Revenues Distributions to All Agencies <sup>(1,3)</sup>	Sales Tax Revenues Distributions to Issuer <sup>(2,3,4)</sup>
2018	98,345,850	45,404,305
2019	95,132,032	47,849,163
2020	91,697,693	44,396,967
2021	87,180,282	45,489,330
2022	125,588,698	66,335,040

Source: State of Florida, Department of Revenue

and The School District of Osceola County, FL

- (1) Represents the aggregate amount distributed to the Issuer, Osceola County BOCC and the Cities of Kissimmee and St. Cloud.
- (2) In each of the calendar years 2001 through 2005, the Issuer received 10% of the One Cent Sales Surtax. In each of the calendar years 2006 through 2025, the Issuer shall receive 25% of the One Cent Sales Surtax.
- (3) Amounts are net of administrative charges of the State of Florida.
- (4) Amounts reported by the District vary slightly from State due to estimates in accruing June receipts.