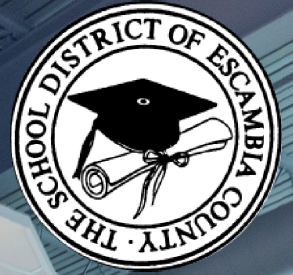


ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2023



**ESCAMBIA COUNTY SCHOOL DISTRICT
PENSACOLA, FLORIDA**



Escambia County

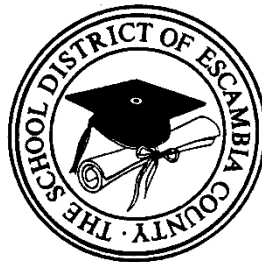
PUBLIC SCHOOLS

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District School Board
Of Escambia County
Pensacola, Florida

Annual Comprehensive
Financial Report

For The
Fiscal Year
Ended June 30, 2023



Prepared By:
Finance Department



Escambia County

PUBLIC SCHOOLS

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DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

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INTRODUCTORY SECTION





Escambia County

PUBLIC SCHOOLS

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THE SCHOOL DISTRICT OF ESCAMBIA COUNTY

75 NORTH PACE BOULEVARD

PENSACOLA, FL 32505

PH (850)432-6121 FX (850)469-6379

<http://escambiaschools.org>

KEITH LEONARD, SUPERINTENDENT

December 15, 2023

To the Honorable Members of the District School Board of Escambia County
and the Citizens of Escambia County, Florida

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America. Pursuant to this requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the District School Board of Escambia County, Florida (District) for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the District. Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management 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 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.

The District's financial statements have been independently audited by The Florida Auditor General. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget (OMB) Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. A separate report related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and independent auditor's

To the Honorable Members of the District School Board of Escambia County
and the Citizens of Escambia County, Florida
December 15, 2023

report on the system of internal control and on compliance with applicable requirements, are included in the Single Audit Section.

This report includes all funds of the District, The Escambia County Public Schools Foundation for Excellence, Inc. (the Foundation), and charter schools, which comprise the reporting entity. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. The Foundation's purpose is exclusively educational and charitable for the constituents of Escambia County. Charter schools are public schools operating under performance contracts with the District's governing board (Board). The Foundation and the applicable charter schools are included as discretely presented component units in the accompanying financial statements except for one charter school operated by Pensacola State College (PSC). This school was reported as a component unit of the college rather than the District in accordance with GASB 14.

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). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A immediately follows the independent auditor's report.

PROFILE OF THE DISTRICT

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

The geographic boundaries of the District are those of Escambia County. During the 2022-23 fiscal year, the District operated sixty-one (61) schools, special centers, and other programs, including thirty-two (32) elementary schools, nine (9) middle schools, seven (7) high schools, three (3) special centers, and ten (10) other programs. The District also has five (5) charter schools that are component units of the District and one (1) non-component unit charter school in association with Pensacola State College. The District continues to provide on-line learning opportunities through its virtual education offerings.

District school facilities vary greatly in age. Year of occupancy for elementary schools range from the year 1936 to 2018; middle schools range from 1953 to 2018; and high school facilities range from 1949 to 1993.

The District receives the majority of its operating funds through the Florida Education Finance Program (FEFP), the state funding formula based on student membership and attendance. The state legislature sets the FEFP per pupil funding each legislative session and is funded according to a combination of state and local revenue. The local portion is made up of a Required Local Effort (RLE) millage rate applied to the county certified tax roll. The RLE for the 2022-23 fiscal year is 3.310 mills. In addition, a prior period funding adjustment rate of 0.002 mills and a local operating discretionary rate of 0.748 mills is also levied by the District for general fund operations in order to receive the full amount of FEFP formula funds.

To the Honorable Members of the District School Board of Escambia County
and the Citizens of Escambia County, Florida
December 15, 2023

The FEFP is made up of various components, including categorical earmarks, that insures both local flexibility of funds and adherence to legislative educational programs. The FEFP formula is also designed to equalize funding across the various school districts. In addition to funding traditional public schools, charter schools, operating through a contract with the District, are provided with their proportionate share of FEFP funds according to the number of full-time equivalent students so enrolled.

The District's general fund financial condition ratio at June 30, 2023 was 8.3 percent, well above the minimum statutory requirement of 3 percent (local board requirement is 8.0 percent). The financial condition ratio is calculated by dividing the combined assigned and unassigned fund balance by total general fund revenue. The financial condition ratio is an indication of the district's level of liquidity and flexible operating reserves. The ratio improved over the prior year due to a sharp increase in the assigned and unassigned fund balance totals. In contrast to the prior fiscal year, the District was in a more favorable position for determining student population and related revenue as the Family Empowerment Scholarships (FES) awarded to students from traditional District schools tended to stabilize.

During the 2022-23 fiscal year, the District provided general, special, vocational, and other education programs to 39,065 unweighted full-time equivalent students (UFTE), an increase of 110 UFTE from the prior fiscal year (38,955 UFTE). The increase was primarily due to FES recipients who are counted in the various student surveys, even though they are not a part of the District's traditional population. However, since FES funding is deducted from the FEFP calculation and follows the student to schools outside the District, there was no financial benefit to the District for those students.

Based on forecasting models, the District projects its 2023-24 student membership to reach 39,546 UFTE which represents an increase of 481 UFTE over the 2022-23 fiscal year (39,065 UFTE). However, these projections continue to be affected by the statewide increase in Family Empowerment Scholarships and virtually all of the projected increase is attributed to that. In addition, subsequent to the projected FTE dated February 23, 2023, one of the District's middle schools was turned over to a private charter school company to begin operating under a charter agreement for the 2023-24 school year. The amount of FTE projected for that school totaled 596 UFTE.

ECONOMIC CONDITION AND OUTLOOK

Escambia County, located in the northwestern part of the State, was established July 21, 1821, as a non-charter government when the Provisional Governor Andrew Jackson signed an ordinance making the County one of the first two counties in Florida, the other being St. John's County. There are two municipalities within the County, the City of Pensacola, which is the County seat, and the Town of Century.

Escambia County encompasses approximately 661 square miles, or 420,480 acres, with an additional 64,000 acres of water area and serves a population of approximately 333,452. The county population has increased by approximately 27,635 or 9.0 percent over the last 10 years (305,817). The statewide population at the end of the 2022-23 fiscal year was 22.6 million, a 15.3 percent increase over the same period (19.6 million).

The Escambia county unemployment rate has decreased from 4.5 percent a year ago to 3.0 percent in June 2023. The decrease is directly related to the reopening of businesses from the coronavirus shutdown and the expansion of Navy Federal Credit Union.

To the Honorable Members of the District School Board of Escambia County
and the Citizens of Escambia County, Florida
December 15, 2023

Local sales tax revenues continue to increase on a yearly basis. 2022-23 fiscal year receipts totaled \$40.3 million which was a 4.4% increase over the 2021-22 fiscal year (\$38.6 million).

Per pupil funding for the Escambia County School District was \$8,060 per UFTE at the fourth FEFP calculation, an increase of 5.5 percent over the 2021-22 fiscal year (\$7,639). The increase was in accordance with legislative intent for K-12 FEFP funding.

The FEFP funding formula is made up of state and local revenue. It includes several funding components including local ad valorem taxes and state categorical programs. School taxes in Escambia County generate both operating and capital outlay revenue according to millage rates set by the State (required local effort) and the local school board (discretionary operating and capital outlay millage rates).

The total fund balance of the general fund increased by \$6 million and totals \$42.2 million. Unrestricted fund balance (the assigned and unassigned portion) was \$26.8 million which was an increase of \$9.4 million. Meanwhile, nonspendable and restricted fund balance decreased by \$3.3 million. This indicates that restricted funds were utilized at a rate that exceeded the spending of unrestricted funds as is consistent with utilizing the categorical earmarks for their intended purposes.

MAJOR INITIATIVES

Capital Outlay Funds – Local Sales Tax Receipts

Section 212.055(6), Florida Statutes, authorizes local school boards the ability to levy a one-half cent School Capital Outlay Sales Surtax. Accordingly, the Escambia County School District has successfully placed a referendum on the ballot four separate times beginning with two five-year levies starting in January 1998 and renewed through December 2007, and two ten-year levies starting in January 2008 and renewed through the current referendum ending in December 2027. Accordingly, the District has successfully used these funds to build, remodel, and retrofit new schools, classroom additions, sports and physical education facilities, playground equipment, technology and related infrastructure, HVAC projects, and other school related capital projects. In addition, the following projects were financed using sales tax proceeds:

- In January 2016, the District issued Sales Tax Revenue Bonds, Series 2016 to build the new Beulah Middle School. This was the first use of debt financing serviced by sales tax proceeds. All previous school and other remodel/renovation construction projects had been completed on a cash pay-as-you-go basis. The bond will be paid off at the end of the current ten-year referendum (December 2027).
- The District issued Certificates of Participation, Series 2020A early in the 2020-21 fiscal year for the construction/rebuild of Pleasant Grove Elementary School. The debt is serviced with a combination of capital outlay ad valorem taxes and local sales tax proceeds from the current referendum. The debt on the Series 2020A Certificates will be paid off by the end of the ten-year sales tax referendum on December 31, 2027.

Elementary and Secondary School Emergency Relief Funds (ESSER)

ESSER funds were established as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020. The CARES Act provided direct funding to state educational agencies to distribute to local school districts. The funds were to address the impact COVID-19 has had on elementary and secondary schools. This initial CARES Act funding became known as ESSER I and totaled \$12.3 million for the Escambia County School District. The funds were to provide additional dollars specifically for the

To the Honorable Members of the District School Board of Escambia County
and the Citizens of Escambia County, Florida
December 15, 2023

safe operation of schools and to keep employees working through a period of school closures or reduced capacity.

In December 2020, ESSER funding was expanded through the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act. Allowable uses of the funds, known as ESSER II, were expanded from operational costs to include air quality projects such as facility upgrades and retrofits of HVAC systems, air filter replacements, and other physical plant needs affecting student and staff learning and work environments. The original ESSER II allocation totaled \$48.5 million.

The third and currently final round of ESSER funding was added through the American Rescue Plan (ARP) Act. The ARP, or ESSER III, provides a greater emphasis on the safe reopening of schools and addressing learning loss due to the pandemic shutdown. The allocation of ESSER III funds also addresses facility air quality needs as well to help ensure the safe continuous operation of schools for the longer term. ESSER III funds are the largest by far and total \$109 million for the District.

The grant period for the various phases of ESSER funding run through September 2022, September 2023, and September 2024, respectively.

FINANCIAL INFORMATION

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

Budgetary Controls The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established at the object level.

Budgetary information is integrated into the accounting system and, to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent fiscal year's appropriations. In order to provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the Board adopts a District staffing plan that establishes teacher positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

LONG-TERM FINANCIAL PLANNING

General Operating The District's financial objectives for general operating revenue may be summarized as follows: (1) provide for adequate classroom resources and operational support to accomplish curriculum and instructional goals, (2) provide for a competitive salary and benefits program for all employees, and (3) maintain adequate fund balance consistent with School Board policy.

To the Honorable Members of the District School Board of Escambia County
and the Citizens of Escambia County, Florida
December 15, 2023

AWARDS AND ACKNOWLEDGMENTS

The District's ACFR for the fiscal year ended June 30, 2022, received the following awards:

- The Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).
- The Certificate of Excellence in Financial Reporting from the Association of School Business Officials (ASBO).

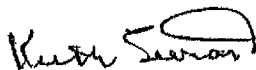
This was the fifteenth consecutive year that the District's ACFR has been so recognized and demonstrates the District's commitment to transparency for the benefit of the taxpayers of Escambia County. Accordingly, the District will also submit the current 2022-23 ACFR for such consideration.

Note: Beginning with the 2021-22 fiscal year, the Comprehensive Annual Financial Report (CAFR) became known as the Annual Comprehensive Financial Report (ACFR) in compliance with Government Accounting Standards Board (GASB) Statement No. 98. Previous fiscal year financial information is still posted to the District website as Comprehensive Annual Financial Report.

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

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

Respectfully submitted,



Keith Leonard
Superintendent of Schools



Terry St Cyr, CPA
Assistant Superintendent
Finance and Business
Services



Debbie Fussell, CPA
Director, Accounting Operations



Escambia County

PUBLIC SCHOOLS

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District School Board of Escambia County, Florida

School Board Members and Superintendent

(Members are elected for a four-year term; Superintendent is an appointed position)



District 1
Kevin Adams
7 years
November 2026



District 2
Paul H. Fetsko
5 years
Chairman
November 2026



District 3
David Williams
1 year
November 2026



District 4
Patty Hightower
19 years
Vice Chairman
November 2024



District 5
Bill Slayton
15 years
November 2024



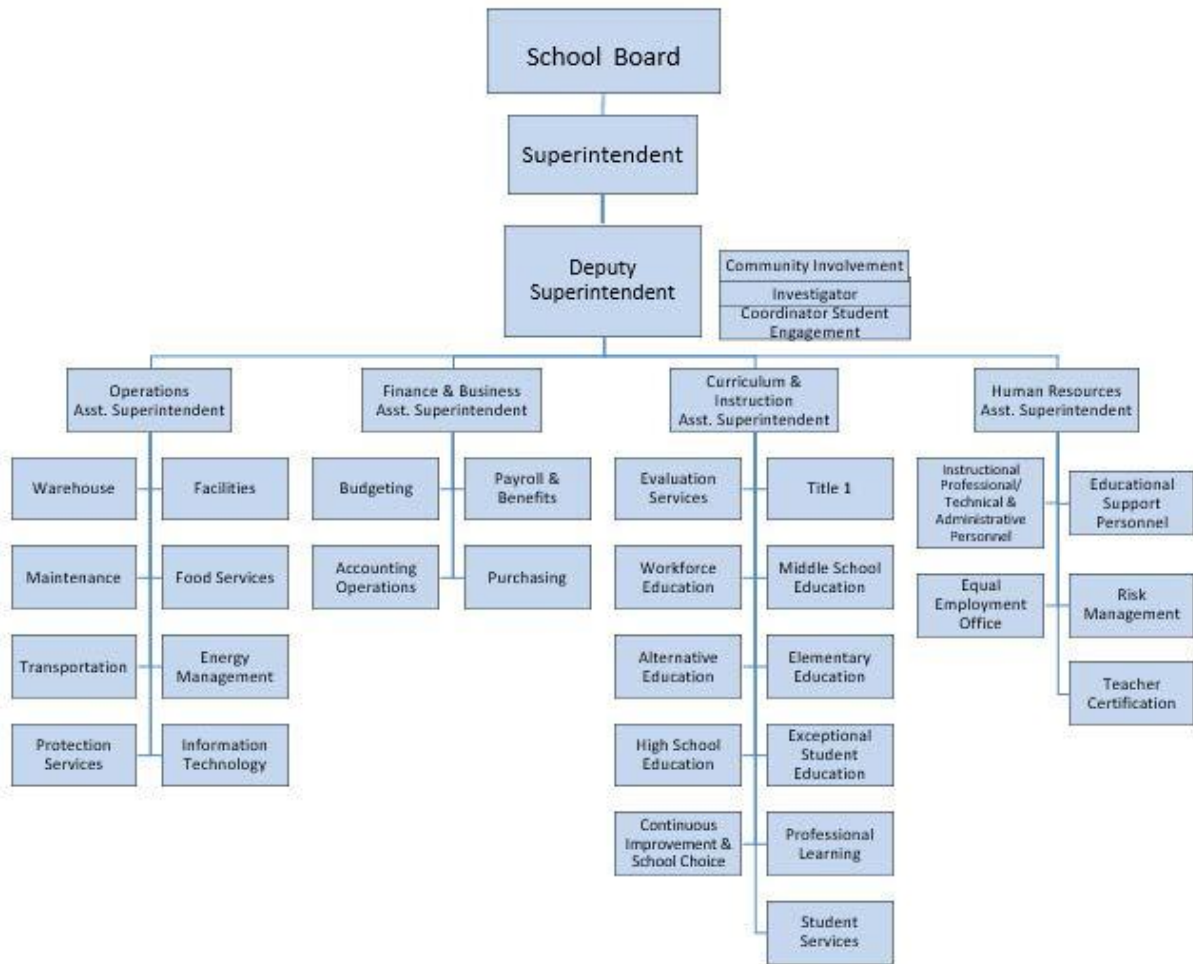
Superintendent
Keith Leonard

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA

PRINCIPAL OFFICIALS - APPOINTED

Keith Leonard	Superintendent
Shenna Payne	Deputy Superintendent
Shawn Dennis	Assistant Superintendent Operations
Denny Wilson	Assistant Superintendent Curriculum and Instruction
Terry St. Cyr	Assistant Superintendent Finance and Business Services
Kelly Krostag	Assistant Superintendent Human Resources

District School Board of Escambia County, Florida Organizational Chart





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

**District School Board of Escambia
County, Florida**

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style and is positioned above a horizontal line.

John W. Hutchison
President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style and is positioned above a horizontal line.

Siobhán McMahon, CAE
Chief Operations Officer/
Interim Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**District School Board of Escambia County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

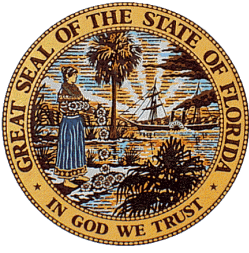




Escambia County

PUBLIC SCHOOLS

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Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722
Fax: (850) 488-6975

The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Escambia County District School Board, as of and for the fiscal 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 reports of other auditors, the accompanying 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 Escambia County District School Board, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and major special revenue funds for the fiscal 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 employee benefit trust fund, a blended component unit, which represent 24 percent, 21 percent, 26 percent, 36 percent, and 37 percent, respectively, of the assets, liabilities, net position, revenues, and expenses 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 percent of the transactions and account balances of the aggregate discretely presented component units columns as of June 30, 2023. The financial statements of the employee benefit trust fund and the aggregate discretely presented component units 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 employee benefit trust fund and the aggregate 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 ***Auditor's 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.

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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's 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 **Management's Discussion and Analysis, Schedule of Changes in the District's Total OPEB Liability and Related Ratios, Schedule of District Contributions – OPEB, Notes to Required Supplementary Information, Schedule of the District's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan, Schedule of District Contributions – Florida Retirement System Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan, and Schedule of District Contributions – Health Insurance Subsidy Pension Plan** 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 financial statements and schedules and the accompanying **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 relate 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. In our opinion, the combining and individual fund financial statements and schedules, and the accompanying **SCHEDULE OF**

EXPENDITURES OF FEDERAL AWARDS, are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s 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 December 15, 2023, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. 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 the District’s internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 15, 2023
Audit Report No. 2024-094

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the District School Board of Escambia County, Florida (District) has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2023. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2022-23 fiscal year are as follows:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at June 30, 2023, by \$340.6 million (net position).
- The District's total net position increased by \$32.5 million from the prior fiscal year (\$308.1 million). The increase in net position is primarily due to a \$13.5 million net increase in capital assets (school construction) and due to revenues exceeding expenditures.
- At June 30, 2023, the combined assigned and unassigned fund balance for the General Fund was \$26.8 million, an increase of \$9.4 million over the prior fiscal year (\$17.4 million). Likewise, the Financial Condition Ratio (Ratio) increased from 5.8 percent to 8.3 percent of total General Fund revenue. The Ratio is a measure of liquidity and is calculated by dividing the total assigned and unassigned fund balance by total General Fund revenue (\$321.9 million).
- Total General Fund balance increased by \$6.0 million and totals \$42.2 million at June 30, 2023.
- The District's total long-term debt (Bonds Payable and Certificates of Participation) was \$64.9 million, a decrease of \$13.3 million from the prior fiscal year (\$78.2 million). The decrease is due to the reduction of principal through normal debt service payments during the 2022-23 fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements consist of three components:

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

This report also includes supplementary information intended to furnish additional details to support the basic financial statements.

Government-wide Financial Statements

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

All of the District's activities and services are reported in the government-wide financial statements as governmental activities. The District's governmental activities include instruction, student support services, instructional support services, administrative support services, facility maintenance, transportation, and food services. Property taxes and State revenues finance most of these activities. Additionally, all capital and debt financing activities are reported as governmental activities.

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

- Governmental activities – This represents most of the District's services, including its educational programs: basic, vocational, adult, and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.
- Component units – The District presents aggregate financial information for the following six separate legal entities in this report: Capstone Academy Pensacola, Jacqueline Harris Preparatory Academy, Beulah Academy of Science, Inc., Byrneville Elementary School, Inc., Pensacola Beach Elementary School, Inc., and the Escambia County Public Schools Foundation for Excellence, Inc.

Each school is considered to be a component unit of the District due to the following criteria:

1. The District is financially accountable for each school.
2. Each school was established based on school board approval of the charter (which is tantamount to the initial appointment of the charter schools).
3. There is potential for each charter school to impose specific financial burdens on the District.

In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the

District. Financial information for these component units is reported separately from the financial information presented for the primary government.

Blended Component Unit - The Escambia School District Employee Benefit Trust (Trust) was established to administer the District's employee life, health, and dental insurance programs. All activities of the Trust are solely for the benefit of the District and its employees. Therefore, the financial activities of the Trust have been included (blended) as an integral part of the primary government.

Fund Financial Statements

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund financial statements to provide information 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 assessing the District's near-term financing arrangements.

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

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Special Revenue – Other Federal Programs Fund, Special Revenue – Federal Education Stabilization Fund, and the Capital Projects – Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the General Fund, Special Revenue – Other Federal Programs Fund, and the Special Revenue – Federal Education Stabilization Fund to demonstrate compliance with the budget.

Proprietary Funds. Proprietary funds, including internal service funds, may be established to account for activities in which a fee is charged for services. Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses the internal service funds to account for risk management and employee benefits activities. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

The internal service funds are combined into a single, aggregated column in the proprietary fund financial statements.

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide other postemployment benefits to its employees and required supplementary information concerning the District's liability and required contributions to the state retirement system.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position over time may serve as a useful indicator of a government’s financial health. The following is a summary of the District’s net position as of June 30, 2023, compared to net position as of June 30, 2022:

	Net Position, End of Year	
	Governmental	
	Activities	
	6/30/23	6/30/22
Current Assets	\$ 226,390,419	\$ 222,725,277
Capital Assets	455,442,270	441,947,559
Total Assets	681,832,689	664,672,836
Deferred Outflow of Resources	83,735,262	77,830,947
Total Assets and Deferred Outflow of Resources	\$ 765,567,951	\$ 742,503,783
Long-Term Liabilities	\$ 386,922,661	\$ 278,994,353
Other Liabilities	16,588,356	18,430,789
Total Liabilities	403,511,017	297,425,142
Deferred Inflow of Resources	21,472,702	136,994,448
Net Position:		
Net Investment in Capital Assets	387,867,596	365,205,460
Restricted	136,473,744	132,958,785
Unrestricted (Deficit)	(183,757,108)	(190,080,052)
Total Net Position	340,584,232	308,084,193
Total Liabilities, Deferred Inflow of Resources, and Net Position	\$ 765,567,951	\$ 742,503,783

The largest portion of the District’s net position, \$387.9 million, is its net investment in capital assets (e.g., land, construction in progress, buildings, improvements, equipment, motor vehicles, computer software, and audio-visual materials), less any related debt still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources used to repay the debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

The restricted portion of the District’s net position, \$136.5 million, represents resources that are subject to external restrictions on how they may be used. The deficit unrestricted net position of \$183.8 million was mainly due to the accrual of net pension liability totaling \$238.1 million. The District reported net pension liability according to the requirements of GASB Statement No. 68 – *Accounting and Reporting for Pensions*.

Long-term liabilities increased and deferred inflows of resources decreased primarily due to the District recognizing its proportionate share of the Florida Retirement System's net position liability and deferred inflows or resources.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2023, and June 30, 2022, are as follows:

	Operating Results for the Year	
	Governmental	
	Activities	
	<u>6/30/23</u>	<u>6/30/22</u>
Program Revenues:		
Charges for Services	\$ 3,788,679	\$ 3,091,994
Operating Grants and Contributions	23,373,347	23,725,739
Capital Grants and Contributions	4,652,940	4,182,274
General Revenues:		
Property Taxes, Levied for Operational Purposes	108,089,784	99,970,540
Property Taxes, Levied for Capital Projects	32,322,922	27,315,572
Local Sales Taxes	40,327,587	38,644,476
Grants and Contributions Not Restricted to Specific Programs	319,460,335	263,035,349
Unrestricted Investment Earnings	2,590,696	(2,427,938)
Miscellaneous	13,801,923	10,588,929
Total Revenues	<u>548,408,213</u>	<u>468,126,935</u>
Functions/Program Expenses:		
Instruction	241,010,958	215,035,755
Student Support Services	30,726,531	26,822,187
Instructional Media Services	4,933,427	4,466,961
Instruction and Curriculum Development Services	20,813,766	19,337,414
Instructional Staff Training Services	10,680,159	8,186,185
Instruction-Related Technology	4,434,449	4,277,502
Board	1,462,226	1,160,356
General Administration	5,529,565	3,570,643
School Administration	21,156,285	17,618,971
Facility Acquisition and Construction	55,434,048	37,836,854
Fiscal Services	2,886,770	2,431,969
Food Services	26,182,084	21,063,400
Central Services	7,537,963	8,534,886
Student Transportation Services	24,374,270	20,995,470
Operation of Plant	36,994,021	30,984,683
Maintenance of Plant	14,611,417	12,035,449
Administrative Technology Services	4,497,339	4,106,357
Community Services	1,781,198	2,296,605
Unallocated Interest on Long-Term Debt	861,698	1,164,902
Total Functions/Program Expenses	<u>515,908,174</u>	<u>441,926,549</u>
Increase (Decrease) in Net Position	<u>32,500,039</u>	<u>26,200,386</u>
Beginning Net Position	<u>308,084,193</u>	<u>281,883,807</u>
Ending Net Position	<u>\$ 340,584,232</u>	<u>\$ 308,084,193</u>

Governmental Activities increased the District's net position by \$32.5 million. Grants and Contributions increased by \$56.4 million, or 21.5 percent, mainly due to additional FEFP and FES grant funding received

during the 2022-23 fiscal year. Instruction expenses increased by \$26 million, or 12.1 percent, mainly due to the increased cost of providing basic instruction and exceptional education to students.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Major Governmental Funds

General Fund. The General Fund is the District's chief operating fund. Total fund balance is \$42.2 million at June 30, 2023, an increase of \$6.0 million over the prior fiscal year (\$36.2 million). The components of fund balance based on Government Accounting Standards Board (GASB) Statement No. 54 were as follows in comparison to the 2021-22 fiscal year:

Fund Balance Component	6/30/2023	6/30/2022	Change
Nonspendable	\$ 1,989,310	\$ 2,044,218	\$ (54,908)
Restricted	13,438,497	16,732,615	(3,294,118)
Assigned	13,837,158	16,699,797	(2,862,639)
Unassigned	12,923,792	692,336	12,231,456
Total Fund Balance	\$ 42,188,757	\$ 36,168,966	\$ 6,019,791

The assigned and unassigned fund balances total \$26.8 million for the current fiscal year which is an increase of \$9.4 million over the prior year. Meanwhile, the nonspendable and restricted components total \$15.4 million which is a decrease of \$3.3 million. Key fund balance performance indicators are as follows:

- ESSER federal funds were utilized to fund and maintain instructional personnel that were allocated in excess of earned units. Many of these instructional units would otherwise have been charged to the general fund if the positions were determined necessary to address learning loss.
- Adjusted FEFP revenue at the 2022-23 fourth calculation provided a total of \$152.7 million which was an increase of \$7.9 million over the prior year total of \$144.8 million. This increase helped the District comply with the state's beginning teacher salary initiative and minimum \$15 per hour requirement for all employees. Included in these expenditures was a 1.09 percent increase in the regular class retirement contribution amount to the Florida Division of Retirement.

Special Revenue – Other Federal Programs Fund. The Special Revenue – Other Federal Programs Fund had revenues and expenditures of \$35.8 million each. This is a decrease over the prior fiscal year of \$0.3 million (\$36.1 million). Funds are typically recorded as revenue when expended.

Special Revenue – Federal Education Stabilization Fund. The Special Revenue – Federal Education Stabilization Fund consists of the original Coronavirus Aid, Relief, and Economic Security (CARES) Act and subsequent allocations to Florida school districts:

- Elementary and Secondary School Emergency Relief (ESSER) Funds

- ESSER I – the original allocation to provide safe re-openings of schools, offsite remote learning platforms, sanitation, medical support, instructional hardware and software, and continued employment of personnel during the pandemic shutdown. The District was allocated \$12.3 million through September 30, 2022.
- ESSER II – the second allocation to provide additional funds for the same allowable uses as ESSER I but also included facility upgrades for air quality. This allowed the District to plan for and utilize funds to retrofit HVAC systems, remove and replace certain carpeting, and other applicable facilities improvements leading to improved air quality. The District’s original allocation was \$48.5 million but that total was adjusted to \$40.5 million after the Florida Department of Education recalled \$8 million during a statewide reversion of funds. The grant period ends on September 30, 2023. At June 30, 2023, the District had expended a total of \$37.3 million of the allocated funds.
- ESSER III – Also known as the American Rescue Plan, the allocation provided more funds with the same allowable uses as ESSER II. The original allocation was \$109 million through September 30, 2024. At June 30, 2023, the District had expended a total of \$63.1 million of the allocated funds with significant emphasis on HVAC and other air quality upgrades and salaries and benefits for additional instructional and instructional support staff to address learning loss.

It should be noted that the District planned to utilize the entire grant period for each allocation. Therefore, expenditures were planned for current and future years. In the case of facilities planning, architectural and engineering requirements, along with the bidding of projects and selection of contractors, requires significant lead times and careful coordination of contractors with school administration.

Capital Projects – Other Fund. The Capital Projects – Other Fund has a fund balance of \$76.2 million for the 2022-23 fiscal year. The fund balance decreased from the prior year by \$6.7 million (\$82.9 million) due to various school projects such as Pleasant Grove Elementary School and Myrtle Grove Elementary School new construction, various auditoriums, new classrooms, cafeterias, and school renovations projects using local sales tax proceeds.

The original net proceeds of the Series 2016, Sales Tax Revenue Bonds totaled \$60 million and has a remaining balance of \$29.2 million at June 30, 2023 (a decrease of \$5.1 million during the 2022-23 fiscal year).

GENERAL FUND BUDGETARY HIGHLIGHTS

- **Revenues** - Final budgeted revenue totaled \$315.6 million. Actual revenue at \$321.9 million exceeded budgeted revenue by \$6.3 million.

- Expenditures - Final budgeted expenditures totaled \$341.6 million. Actual expenditures at \$330 million were below budgeted expenditures by \$11.6 million.
- Other financing sources – Final budgeted financing sources totaled \$9.4 million. Actual financing sources at \$14.1 million exceeded budgeted financing sources by \$4.7 million. A portion of the financing sources (\$2.9 million) were from eligible ESSER expenditures that were not captured in the prior fiscal year. Funds were transferred in from ESSER III after being identified as eligible salary and benefits costs in the general fund.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District’s investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$455.4 million (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; and audio-visual materials and computer software. The District’s investment in capital assets (net of accumulated depreciation) for the current fiscal year increased \$13.5 million (approximately 3.1 percent).

Major construction projects initiated, continued, or completed during the current fiscal year included the following:

- Pensacola High School – Renovations
- Pleasant Grove Elementary School – New construction
- Myrtle Grove Elementary School – Building 1 replacement
- Beulah Elementary School – Cafeteria and classroom
- West Pensacola Elementary School - Renovations
- Tate High School – Agriscience building
- Ferry Pass Middle School - Renovations
- Northview High School – Wastewater treatment plant
- Escambia High School - Auditorium

Additional information on the District’s capital assets can be found in Notes 5 and 11 to the financial statements.

Long-Term Debt

At June 30, 2023, the District has total long-term debt outstanding of \$64.9 million, a decrease of \$13.3 million over the prior fiscal year (\$78.2 million). The District has \$698.8 thousand outstanding of State School Bonds issued by the State Board of Education (SBE) and backed by the full faith and credit of the

State of Florida. Certificates of Participation outstanding total \$35.0 million and the remainder of the long-term debt is made up of Sales Tax Revenue Bonds, Series 2016, which have an outstanding balance of \$29.2 million at June 30, 2023.

Additional information on the District's long-term debt can be found in Notes 6 through 8 to the financial statements.

CONSIDERATION OF ECONOMIC FACTORS IN BUDGETARY PLANNING

Factors considered in preparing the District budget for the 2023-24 fiscal year:

Student Enrollment - The District receives the majority of its general operating funds through the Florida Education Finance Program (FEFP). The funds are based on the number of full-time equivalent (FTE) students and is a combination of state and local revenue. Key issues related to the proposed 2023-24 FEFP funding formula over the 2022-23 fiscal year include:

- The District will begin the 2023-24 fiscal year with FEFP funds totaling \$341.0 million (Second FEFP calculation) which is an increase of \$26.4 million over the 2022-23 Fourth FEFP calculation.

However, when the total FEFP revenue is adjusted for Family Empowerment Scholarship (FES) deductions, the increase over the prior year is reduced to \$19.0 million.
- The following factors concerning FEFP revenue should be noted:
 - (1) Total District UFTE is projected to increase from 39,031 (2022-23 Fourth FEFP Calculation) to 40,046 UFTE (2023-24 Second FEFP Calculation).
 - (2) The projected increase of 1,015 UFTE is mainly due to the FES Program which increased by 843 UFTE. Projected FES recipients total 3,016 UFTE (7.5 percent of the District total).
 - (3) Revenues generated for Family Empowerment Scholarships are projected to increase from \$18.8 million (2022-23) to \$25.1 million (2023-24), an increase of \$6.3 million. FES revenue totals are deducted from the FEFP calculation.
 - (4) A charter school sponsored by Pensacola State College will enter its second year of operation and continue to provide full-time instruction to approximately 100 eleventh and twelfth grade students. Most of the students are dual enrolled from traditional District high schools and the school intends to expand its student population with additional transfers.
 - (5) Warrington Middle School was converted to a charter school as mandated by FDOE. The operator will be Charter Schools USA and the school name was changed to Warrington Preparatory Academy. The school will continue to serve its attendance zone and is expected to provide instruction for approximately 600 students in grades 6-8. The school will be funded by its portion of FEFP revenue.
 - (6) The District agreed to meet compliance with the state minimum teacher salary requirement of \$47,500. The beginning teacher salary during the 2022-23 school year was \$45,700. The salary initiative was originally funded by the Teacher Salary Increase Allocation, an FEFP categorical

program. In the 2023-24 fiscal year the funding was included in the base student allocation and not as a separate categorical program.

General Fund – During the 2023-24 fiscal year the District will budget for the following:

- Increased state retirement rate contributions on all employees.
- Teacher salaries - approximately \$2.4 million to meet minimum teacher salary of \$47,500.
- Address salary compression issues related to minimum teacher salary requirements.
- Increased diesel fuel costs, increasing property/casualty insurance rates, and other inflation affected purchases.
- Maintain compliance with the state requirement for a minimum \$15 minimum wage and its salary compression effect.
- Plan for student choice transfers to Family Empowerment Scholarships and new charter school offering.

Any unspent appropriations and/or revenue receipts in excess of budgeted amounts will be used to replenish the unassigned fund balance accordingly.

Elementary and Secondary School Emergency Relief (ESSER) Federal Funds

- Elementary and Secondary School Emergency Relief Fund II (ESSER II) – Signed into law on December 27, 2020 and provides additional aid for school districts in the same proportion as the original ESSER I. The total for the Escambia County School District was \$48.5 million. The grant period extends to September 30, 2023. The allocation was divided into four separate grant awards as follows:
 - (1) Nonenrollment Assistance Allocation - \$1.9 million allocated to assist the District’s efforts to find and re-enroll students who may have dropped out from their school during the previous shutdown or who otherwise disengage from the District.
 - (2) Academic Assistance Allocation - \$9.7 million allocated to support the District in improving the student learning and achievement gap caused by the effects of the pandemic.
 - (3) Technology Assistance allocation - \$2.4 million allocated to assist in providing state-of-the art technology required to improve student learning.
 - (4) Lump Sum Allocation - \$34.4 million allocated for similar activities as ESSER I except for the addition of allowable costs for facility upgrades and improvements to air quality.

During the 2021-22 fiscal year, by order of the Florida Department of Education, unspent funds from the Nonenrollment and Academic Assistance Allocations reverted to the state. The amount of the reverted funds totaled \$780 thousand and \$7.2 million, respectively. At June 30, 2023, unspent ESSER II funds, net of reverted amounts, totaled \$3.2 million.

- Elementary and Secondary School Emergency Relief Fund III (ESSER III) – The American Rescue Plan (ARP) – Signed into law on March 1, 2021, the ARP (ESSER III) funds were allocated to local educational agencies to help meet a wide range of needs arising from the coronavirus pandemic, including reopening schools safely, sustaining their safe operation, and essentially replicated the allowable costs and uses of the previous ESSER II. The Escambia County School District was allocated a total of \$109 million through the grant period ending on September 30, 2024.

In order to make a lasting investment in the various schools, the District budgeted a large portion of ESSER II and III funds in air quality upgrades that included new HVAC systems, window replacements, flooring replacements, and other related school and office improvements. Most of these projects were previously scheduled in the District’s five-year capital outlay work plan and ten year half cent sales tax capital outlay program. At June 30, 2023, unspent ESSER III funds totaled \$45.9 million of which encumbrances made up \$40.4 million of the unspent amount.

REQUESTS FOR INFORMATION

Questions concerning information provided in the MD&A, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Assistant Superintendent - Finance and Business Services, District School Board of Escambia County, 75 North Pace Boulevard, Pensacola, Florida 32505.

BASIC FINANCIAL STATEMENTS





Escambia County

PUBLIC SCHOOLS

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DISTRICT SCHOOL BOARD OF ESCAMBA COUNTY, FLORIDA
STATEMENT OF NET POSITION
JUNE 30, 2023

	Primary Governmental Activities	Component Units
ASSETS		
Cash and Cash Equivalents	\$ 108,898,705	\$ 4,700,182
Investments	87,241,135	-
Accounts Receivable	400,766	246,402
Deposits Receivable	2,000	13,180
Prepaid Items	-	38,814
Due from Other Agencies	24,888,067	924,242
Inventories	4,959,746	-
Capital Assets:		
Non-Depreciable Capital Assets	83,767,460	3,422,075
Depreciable Capital Assets, Net	371,674,810	6,465,779
Right-to-use Lease Assets, Net	-	1,017,557
Total Assets	681,832,689	16,828,231
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows Related to Pensions	78,805,375	474,403
Deferred Outflows Related to Other Postemployment Benefits	4,929,887	-
Total Deferred Outflows of Resources	83,735,262	474,403
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 765,567,951	\$ 17,302,634
LIABILITIES		
Salaries and Benefits Payable	\$ 3,211,199	\$ 866
Payroll Deductions and Withholdings	1,702,137	-
Accounts Payable	3,343,508	912,963
Construction Contracts Payable - Retainage	3,607,834	-
Due to Other Agencies	1,659,905	353,817
Deposits Payable	137,438	-
Unearned Revenue	2,926,335	-
Long-Term Liabilities:		
Portion Due Within One Year:	24,588,461	281,172
Portion Due After One Year:	362,334,200	6,759,729
Total Liabilities	403,511,017	8,308,547
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows Related to Leases	-	475,897
Deferred Inflows Related to Pensions	17,890,468	146,454
Deferred Inflows Related to Other Postemployment Benefits	3,524,534	-
Deferred Gains on Refunding	57,700	-
Total Deferred Inflows of Resources	21,472,702	622,351
NET POSITION		
Net Investment in Capital Assets	387,867,596	4,747,614
Restricted for:		
State Required Carryover Programs	7,089,331	-
Debt Service	6,851,764	-
Special Revenue	3,949,761	-
Capital Projects	97,919,744	-
Food Service	14,313,978	-
Other Required Carryover Programs	6,349,166	732,243
Unrestricted	(183,757,108)	2,891,879
Total Net Position	340,584,232	8,371,736
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 765,567,951	\$ 17,302,634

The accompanying notes to the basic financial statements are an integral part of the financial statements.

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

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary Government			
Governmental Activities:			
Instruction	\$ 241,010,958	\$ 1,306,709	\$ -
Student Support Services	30,726,531	-	-
Instructional Media Services	4,933,427	-	-
Instruction and Curriculum Development Services	20,813,766	-	-
Instructional Staff Training Services	10,680,159	-	-
Instruction-Related Technology Board	4,434,449	-	-
General Administration	1,462,226	-	-
School Administration	5,529,565	-	-
Facilities Acquisition and Construction	21,156,285	-	-
Fiscal Services	55,434,048	47,372	-
Food Services	2,886,770	-	-
Central Services	26,182,084	1,751,792	23,373,347
Student Transportation Services	7,537,963	-	-
Operation of Plant	24,374,270	113,475	-
Maintenance of Plant	36,994,021	-	-
Administrative Technology Services	14,611,417	-	-
Community Services	4,497,339	-	-
Unallocated Interest on Long-Term Debt	1,781,198	569,331	-
	861,698	-	-
Total Governmental Activities	\$ 515,908,174	\$ 3,788,679	\$ 23,373,347
Component Units			
Foundation/Charter Schools	\$ 9,471,661	\$ 185,495	\$ 1,549,662

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes

Property Taxes, Levied for Capital Projects

Local Sales Taxes

Grants and Contributions Not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position, July 1, 2022

Net Position, June 30, 2023

The accompanying notes to the basic financial statements are an integral part of the financial statements.

<i>Net (Expense) Revenue and Changes in Net Position</i>		
<i>Capital Grants and Contributions</i>	<i>Primary Government Governmental Activities</i>	<i>Component Units</i>
\$ -	\$ (239,704,249)	\$ -
-	(30,726,531)	-
-	(4,933,427)	-
-	(20,813,766)	-
-	(10,680,159)	-
-	(4,434,449)	-
-	(1,462,226)	-
-	(5,529,565)	-
-	(21,156,285)	-
4,433,874	(50,952,802)	-
-	(2,886,770)	-
-	(1,056,945)	-
-	(7,537,963)	-
-	(24,260,795)	-
-	(36,994,021)	-
-	(14,611,417)	-
-	(4,497,339)	-
-	(1,211,867)	-
219,066	(642,632)	-
<u>\$ 4,652,940</u>	<u>(484,093,208)</u>	<u>-</u>
<u>\$ 201,144</u>		<u>(7,535,360)</u>
	108,089,784	-
	32,322,922	-
	40,327,587	-
	319,460,335	7,541,571
	2,590,696	42,741
	<u>13,801,923</u>	<u>397,933</u>
	<u>516,593,247</u>	<u>7,982,245</u>
	<u>32,500,039</u>	<u>446,885</u>
	<u>308,084,193</u>	<u>7,924,851</u>
	<u>\$ 340,584,232</u>	<u>\$ 8,371,736</u>

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023

	General Fund	Special Revenue - Other Federal Programs Fund	Special Revenue - Federal Education Stabilization Fund
ASSETS			
Cash and Cash Equivalents	\$ 24,627,741	\$ 196,762	\$ 73,144
Investments	16,657,672	-	-
Accounts Receivable	287,082	23,236	-
Deposits Receivable	2,000	-	-
Due from Other Funds	1,535,815	-	-
Due from Other Agencies	1,007,376	4,276,266	18,037,826
Inventories	1,989,310	-	-
	<u>\$ 46,106,996</u>	<u>\$ 4,496,264</u>	<u>\$ 18,110,970</u>
TOTAL ASSETS			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Salaries and Benefits Payable	\$ 1,083,293	\$ 217,980	\$ 1,850,698
Payroll Deductions and Withholdings	1,253,280	70,398	299,145
Accounts Payable	1,516,266	205,194	429,365
Construction Contracts Payable - Retainage	-	-	778,762
Due to Other Funds	15,464	4,002,692	14,753,000
Due to Other Agencies	49,936	-	-
Deposits Payable	-	-	-
Unearned Revenue	-	-	-
Total Liabilities	<u>3,918,239</u>	<u>4,496,264</u>	<u>18,110,970</u>
Fund Balances:			
Nonspendable:			
Inventories	1,989,310	-	-
Restricted for:			
State Required Carryover Programs	7,089,331	-	-
Debt Service	-	-	-
Special Revenue	-	-	-
Capital Projects	-	-	-
Food Service	-	-	-
Other Required Carryover Programs	6,349,166	-	-
Assigned for:			
Contingencies	5,091,688	-	-
Local Carryovers	8,745,470	-	-
Unassigned	12,923,792	-	-
Total Fund Balances	<u>42,188,757</u>	<u>-</u>	<u>-</u>
	<u>\$ 46,106,996</u>	<u>\$ 4,496,264</u>	<u>\$ 18,110,970</u>
TOTAL LIABILITIES AND FUND BALANCES			

The accompanying notes to the basic financial statements are an integral part of the financial statements.

Capital Projects - Other Fund	Other Governmental Funds	Total Governmental Funds
\$ 8,557,084	\$ 24,193,353	\$ 57,648,084
60,008,754	10,574,709	87,241,135
-	-	310,318
-	-	2,000
10,715,000	7,028,294	19,279,109
506,531	1,058,544	24,886,543
-	2,970,436	4,959,746
<u>\$ 79,787,369</u>	<u>\$ 45,825,336</u>	<u>\$ 194,326,935</u>
\$ -	\$ 59,228	\$ 3,211,199
-	12,752	1,635,575
821,954	370,729	3,343,508
2,808,220	20,852	3,607,834
7,000	174,796	18,952,952
-	768,992	818,928
-	137,438	137,438
-	1,297	1,297
<u>3,637,174</u>	<u>1,546,084</u>	<u>31,708,731</u>
-	2,970,436	4,959,746
-	-	7,089,331
-	6,851,764	6,851,764
-	3,949,761	3,949,761
76,150,195	19,163,749	95,313,944
-	11,343,542	11,343,542
-	-	6,349,166
-	-	5,091,688
-	-	8,745,470
-	-	12,923,792
<u>76,150,195</u>	<u>44,279,252</u>	<u>162,618,204</u>
<u>\$ 79,787,369</u>	<u>\$ 45,825,336</u>	<u>\$ 194,326,935</u>



Escambia County

PUBLIC SCHOOLS

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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Total Fund Balances - Governmental Funds \$ 162,618,204

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. 455,442,270

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. 16,668,169

Long-term liabilities are not due and payable in the current fiscal year and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at fiscal year-end consist of:

Bonds Payable	\$	(26,194,000)	
Less: unamortized premiums on bonds payable		(3,680,489)	
Certificates of Participation Payable		(30,855,000)	
Less: unamortized premiums on certificates of participation payable		(4,181,684)	
Compensated Absences Payable		(38,896,957)	
Net Pension Liability		(238,070,927)	
Other Postemployment Benefits Payable		(14,527,914)	(356,406,971)

Deferred inflows of resources related to the deferred amount on refunding are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred Gains on Refunding - Bonds Payable (57,700)

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

Deferred Outflows Related to Pensions		78,805,375	
Deferred Inflows Related to Pensions		(17,890,468)	
Deferred Outflows Related to Other Postemployment Benefits		4,929,887	
Deferred Inflows Related to Other Postemployment Benefits		(3,524,534)	62,320,260

Total Net Position - Governmental Activities \$ 340,584,232

The accompanying notes to the basic financial statements are an integral part of the financial statements.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES -
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund	Special Revenue - Other Federal Programs Fund	Special Revenue - Federal Education Stabilization Fund
Revenues			
Intergovernmental:			
Federal Direct	\$ 1,000,546	\$ 1,974,776	\$ -
Federal Through State and Local	2,867,563	33,776,997	77,686,111
State	199,943,512	-	-
Local:			
Property Taxes	108,089,784	-	-
Sales Taxes	-	-	-
Charges for Food Service	-	-	-
Investment Income (Loss)	1,778,521	-	-
Miscellaneous	8,188,634	-	-
Total Revenues	321,868,560	35,751,773	77,686,111
Expenditures			
Current - Education:			
Instruction	186,031,410	15,524,655	31,063,790
Student Support Services	17,507,909	1,463,426	4,408,700
Instructional Media Services	4,720,223	85,586	138,778
Instruction and Curriculum Development Services	7,971,613	9,099,816	3,685,898
Instructional Staff Training Services	3,945,823	4,180,346	2,560,354
Instruction-Related Technology	4,032,888	246,303	87,169
Board	1,458,172	-	7,511
General Administration	1,459,962	1,695,779	2,377,590
School Administration	19,949,321	207,561	1,035,755
Facilities Acquisition and Construction	910,726	796	22,877,613
Fiscal Services	2,667,182	-	226,732
Food Services	137,737	-	300,418
Central Services	7,107,557	125,192	228,867
Student Transportation Services	17,192,778	1,946,809	2,648,135
Operation of Plant	36,418,881	2,333	442,961
Maintenance of Plant	12,779,318	-	1,539,812
Administrative Technology Services	4,029,149	89,938	193,230
Community Services	806,944	668,594	295,691
Capital Outlay:			
Facilities Acquisition and Construction	11,083	-	-
Other Capital Outlay	823,907	414,639	631,618
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	329,962,583	35,751,773	74,750,622
Excess (Deficiency) of Revenues Over Expenditures	(8,094,023)	-	2,935,489
Other Financing Sources (Uses)			
Insurance Loss Recoveries	2,181,096	-	-
Transfers In	11,932,718	-	-
Transfers Out	-	-	(2,935,489)
Total Other Financing Sources (Uses)	14,113,814	-	(2,935,489)
Net Change in Fund Balances	6,019,791	-	-
Fund Balances, July 1, 2022	36,168,966	-	-
Fund Balances, June 30, 2023	\$ 42,188,757	\$ -	\$ -

The accompanying notes to the basic financial statements are an integral part of the financial statements.

Capital Projects - Other Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,975,322
-	24,680,870	139,011,541
643,421	1,902,708	202,489,641
-	32,322,922	140,412,706
40,327,587	-	40,327,587
-	1,751,792	1,751,792
683,011	129,163	2,590,695
391,700	7,650,177	16,230,511
<u>42,045,719</u>	<u>68,437,632</u>	<u>545,789,795</u>
-	-	232,619,855
-	7,381,457	30,761,492
-	-	4,944,587
-	-	20,757,327
-	-	10,686,523
-	-	4,366,360
-	-	1,465,683
-	-	5,533,331
-	-	21,192,637
14,206,967	11,388,512	49,384,614
-	-	2,893,914
-	25,311,541	25,749,696
-	-	7,461,616
-	-	21,787,722
-	-	36,864,175
-	-	14,319,130
-	-	4,312,317
-	-	1,771,229
24,239,317	2,440,185	26,690,585
597,332	3,267,382	5,734,878
-	11,441,000	11,441,000
-	3,069,643	3,069,643
<u>39,043,616</u>	<u>64,299,720</u>	<u>543,808,314</u>
<u>3,002,103</u>	<u>4,137,912</u>	<u>1,981,481</u>
-	829,023	3,010,119
-	14,282,875	26,215,593
<u>(9,716,221)</u>	<u>(13,563,883)</u>	<u>(26,215,593)</u>
<u>(9,716,221)</u>	<u>1,548,015</u>	<u>3,010,119</u>
(6,714,118)	5,685,927	4,991,600
<u>82,864,313</u>	<u>38,593,325</u>	<u>157,626,604</u>
<u>\$ 76,150,195</u>	<u>\$ 44,279,252</u>	<u>\$ 162,618,204</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Governmental Funds \$ 4,991,600

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 of capital outlays in excess of depreciation expense in the current fiscal year.

Capital Outlay - Facilities Acquisition and Construction - Capitalized	\$ 24,152,421	
Capital Outlay - Other Capital Outlay - Capitalized	5,734,878	
Less, Depreciation Expense	<u>(14,511,264)</u>	15,376,035

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 from the change in fund balances by the cost of assets sold. (1,881,323)

Debt proceeds are reported as financial resources in governmental funds and thus contribute to the change in fund balance. However, in the statement of net position, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, payments to escrow agents are reported as financial uses in the governmental funds but reduces the liability in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. These are the debt refunding and principal payments for the current fiscal year:

Bond Repayments	4,621,000	
Certificate of Participation Repayments	<u>6,820,000</u>	11,441,000

Premiums associated with long-term debt issued in the current fiscal year are reported in the statement of activities, but are not a current financial resource and, therefore, are not reported in governmental funds. This is the decrease in deferred premiums during the current fiscal year:

Bonds Payable	758,197	
Amortization of deferred charges and gain on refunding, net	12,627	
Certificates of Participation Payable	<u>1,045,421</u>	1,816,245

In the Statement of Activities, pension expense is recorded for the District's proportionate share of collective pension expense of the cost sharing defined benefit plans in which the District participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68. (1,902,561)

In the Statement of Activities, other postemployment benefits (OPEB) expense is recorded for the District's proportionate share of collective OPEB expense of the cost-sharing defined benefit plans in which the District participates. Also included in OPEB expense are amounts required to be amortized in accordance with GASB Statement No. 75. (101,989)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the fiscal year, while in governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences paid in excess of the amount earned in the current fiscal year. 3,897,874

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net expense of internal service funds is reported with governmental activities. (1,136,842)

Change in Net Position of Governmental Activities \$ 32,500,039

The accompanying notes to the basic financial statements are an integral part of the financial statements.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<i>General Fund</i>			
	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues				
Intergovernmental:				
Federal Direct	\$ 900,000	\$ 929,895	\$ 1,000,546	\$ 70,651
Federal Through State and Local	1,947,299	2,480,770	2,867,563	386,793
State	196,211,646	199,930,294	199,943,512	13,218
Local:				
Property Taxes	114,024,827	107,218,996	108,089,784	870,788
Investment Income	-	-	1,778,521	1,778,521
Miscellaneous	4,286,350	5,026,942	8,188,634	3,161,692
Total Revenues	<u>317,370,122</u>	<u>315,586,897</u>	<u>321,868,560</u>	<u>6,281,663</u>
Expenditures				
Current - Education:				
Instruction	191,148,125	191,811,089	186,031,410	5,779,679
Student Support Services	18,499,794	17,932,572	17,507,909	424,663
Instructional Media Services	4,699,123	4,799,806	4,720,223	79,583
Instruction and Curriculum Development Services	8,249,950	7,983,142	7,971,613	11,529
Instructional Staff Training Services	3,911,821	4,167,041	3,945,823	221,218
Instruction-Related Technology	4,260,179	4,404,328	4,032,888	371,440
Board	1,358,830	1,474,830	1,458,172	16,658
General Administration	989,988	1,459,962	1,459,962	-
School Administration	18,403,048	19,955,675	19,949,321	6,354
Facilities Acquisition and Construction	757,002	3,051,686	910,726	2,140,960
Fiscal Services	2,710,840	2,706,517	2,667,182	39,335
Food Services	113,000	155,417	137,737	17,680
Central Services	6,864,909	7,790,598	7,107,557	683,041
Student Transportation Services	17,591,384	17,546,326	17,192,778	353,548
Operation of Plant	31,471,637	36,500,527	36,418,881	81,646
Maintenance of Plant	12,326,713	13,651,899	12,779,318	872,581
Administrative Technology Services	3,814,436	4,047,133	4,029,149	17,984
Community Services	979,861	1,179,042	806,944	372,098
Capital Outlay:				
Facilities Acquisition and Construction	26,574	188,408	11,083	177,325
Other Capital Outlay	390,661	823,907	823,907	-
Total Expenditures	<u>328,567,875</u>	<u>341,629,905</u>	<u>329,962,583</u>	<u>11,667,322</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(11,197,753)</u>	<u>(26,043,008)</u>	<u>(8,094,023)</u>	<u>17,948,985</u>
Other Financing Sources (Uses)				
Insurance Loss Recoveries	-	-	2,181,096	2,181,096
Transfers In	9,436,596	9,436,596	11,932,718	2,496,122
Total Other Financing Sources (Uses)	<u>9,436,596</u>	<u>9,436,596</u>	<u>14,113,814</u>	<u>4,677,218</u>
Net Change in Fund Balances	<u>(1,761,157)</u>	<u>(16,606,412)</u>	<u>6,019,791</u>	<u>22,626,203</u>
Fund Balances, July 1, 2022	<u>36,168,966</u>	<u>36,168,966</u>	<u>36,168,966</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ 34,407,809</u>	<u>\$ 19,562,554</u>	<u>\$ 42,188,757</u>	<u>\$ 22,626,203</u>

The accompanying notes to the basic financial statements are an integral part of the financial statements.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Special Revenue - Other Federal Programs Fund

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues				
Intergovernmental:				
Federal Direct	\$ 3,943,605	\$ 3,153,708	\$ 1,974,776	\$ (1,178,932)
Federal Through State and Local	42,813,038	42,407,093	33,776,997	(8,630,096)
Total Revenues	<u>46,756,643</u>	<u>45,560,801</u>	<u>35,751,773</u>	<u>(9,809,028)</u>
Expenditures				
Current - Education:				
Instruction	20,074,174	18,293,661	15,524,655	2,769,006
Student Support Services	1,502,137	1,695,513	1,463,426	232,087
Instructional Media Services	209,953	155,235	85,586	69,649
Instruction and Curriculum Development Services	10,868,169	11,021,401	9,099,816	1,921,585
Instructional Staff Training Services	6,405,113	5,778,081	4,180,346	1,597,735
Instruction-Related Technology	272,300	258,540	246,303	12,237
General Administration	2,350,599	2,269,077	1,695,779	573,298
School Administration	104,510	208,547	207,561	986
Facilities Acquisition and Construction	-	10,096	796	9,300
Central Services	221,704	231,797	125,192	106,605
Student Transportation Services	3,174,047	3,722,874	1,946,809	1,776,065
Operation of Plant	7,481	6,774	2,333	4,441
Administrative Technology Services	89,865	89,941	89,938	3
Community Services	1,167,946	1,133,154	668,594	464,560
Capital Outlay:				
Other Capital Outlay	308,645	686,110	414,639	271,471
Total Expenditures	<u>46,756,643</u>	<u>45,560,801</u>	<u>35,751,773</u>	<u>9,809,028</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, July 1, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to the basic financial statements are an integral part of the financial statements.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL - MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Special Revenue - Federal Education Stabilization Fund			
	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental:				
Federal Through State and Local	\$ 123,230,373	\$ 135,698,463	\$ 77,686,111	\$ (58,012,352)
Total Revenues	123,230,373	135,698,463	77,686,111	(58,012,352)
Expenditures				
Current - Education:				
Instruction	33,211,943	43,998,656	31,063,790	12,934,866
Student Support Services	6,967,934	5,444,414	4,408,700	1,035,714
Instructional Media Services	2,795	150,740	138,778	11,962
Instruction and Curriculum Development Services	3,109,302	3,944,338	3,685,898	258,440
Instructional Staff Training Services	3,817,722	3,439,872	2,560,354	879,518
Instruction-Related Technology	8,309	114,258	87,169	27,089
Board	-	7,511	7,511	-
General Administration	3,564,965	4,319,421	2,377,590	1,941,831
School Administration	1,116,380	1,258,942	1,035,755	223,187
Facilities Acquisition and Construction	64,341,589	61,246,753	22,877,613	38,369,140
Fiscal Services	87,700	280,705	226,732	53,973
Food Services	-	312,609	300,418	12,191
Central Services	3,150,949	430,447	228,867	201,580
Student Transportation Services	339,795	3,612,881	2,648,135	964,746
Operation of Plant	244,061	564,077	442,961	121,116
Maintenance of Plant	1,997,147	2,152,678	1,539,812	612,866
Administrative Technology Services	383,819	344,184	193,230	150,954
Community Services	275,895	330,163	295,691	34,472
Capital Outlay:				
Other Capital Outlay	610,068	810,325	631,618	178,707
Total Expenditures	123,230,373	132,762,974	74,750,622	58,012,352
Excess (Deficiency) of Revenues Over Expenditures	-	2,935,489	2,935,489	-
Other Financing Sources (Uses)				
Transfers Out	-	(2,935,489)	(2,935,489)	-
Total Other Financing Sources (Uses)	-	(2,935,489)	(2,935,489)	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, July 1, 2022	-	-	-	-
Fund Balances, June 30, 2023	\$ -	\$ -	\$ -	\$ -

The accompanying notes to the basic financial statements are an integral part of the financial statements.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
JUNE 30, 2023

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 51,250,621
Accounts Receivable	90,448
Due From Other Agencies	1,524
	1,524
TOTAL ASSETS	\$ 51,342,593
LIABILITIES	
Current Liabilities:	
Payroll Deductions and Withholdings	\$ 66,562
Due to Other Funds	326,157
Due to Other Agencies	840,977
Unearned Revenue	2,925,038
Estimated Insurance Claims Payable	8,000,223
Total Current Liabilities	12,158,957
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	22,515,467
Total Noncurrent Liabilities	22,515,467
TOTAL LIABILITIES	34,674,424
NET POSITION	
Unrestricted	16,668,169
Total Net Position	16,668,169
TOTAL LIABILITIES AND NET POSITION	\$ 51,342,593

The accompanying notes to the basic financial statements are an integral part of the financial statements.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium Revenues	\$ 39,787,670
Other	3,255,478
Total Operating Revenues	43,043,148
 OPERATING EXPENSES	
Salaries	234,101
Employee Benefits	67,837
Purchased Services	5,165,670
Energy Services	8,015
Materials and Supplies	10,941
Insurance Claims	39,236,997
Other	77,427
Total Operating Expenses	44,800,988
 Operating Income (Loss)	(1,757,840)
 NONOPERATING REVENUES	
Investment Income	559,056
Insurance Loss Recoveries	61,942
Total Nonoperating Revenues	620,998
 Change in Net Position	(1,136,842)
 NET POSITION	
Total Net Position, July 1, 2022	17,805,011
Total Net Position, June 30, 2023	\$ 16,668,169

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Board Funds and Participants	\$ 43,222,264
Cash Payments to Suppliers for Goods and Services	(5,200,444)
Cash Payments to Employees for Services	(301,938)
Cash Payments for Insurance Claims	(37,584,179)
Net Cash Provided (Used) by Operating Activities	135,703
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Insurance Loss Recoveries	61,942
Net Cash Provided (Used) by Noncapital Financing Activities	61,942
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment Income	559,056
Net Cash Provided by Investing Activities	559,056
Net Increase (Decrease) in Cash and Cash Equivalents	756,701
Beginning Cash and Cash Equivalents	50,493,920
Ending Cash and Cash Equivalents	\$ 51,250,621
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (1,757,840)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	880,906
(Increase) Decrease in Due From Other Agencies	(1,524)
Increase (Decrease) in Accrued Liabilities	61,697
Increase (Decrease) in Accounts Payable	(87)
Increase (Decrease) in Due to Other Funds	(346,186)
Increase (Decrease) in Due to Other Agencies	71,434
Increase (Decrease) in Unearned Revenue	(425,514)
Increase (Decrease) in Estimated Insurance Claims Payable	1,652,817
Total Adjustments	1,893,543
Net Cash Provided (Used) by Operating Activities	\$ 135,703

The accompanying notes to the basic financial statements are an integral part of the financial statements.

**DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Reporting Entity**

The Escambia County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Escambia County School District (District) is considered part of the Florida system of public education. The governing body of the District is the Board, which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Escambia County.

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

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

- **Blended Component Unit.** The Escambia School District Employee Benefit Trust (Trust) has been established to administer the District's employee life, health, and dental insurance programs. Assets necessary to fund the programs are transferred to the Trust; however, under the terms of the Trust Agreement, the Board retains control of the assets. Due to the substantive economic relationship between the District and the Trust, the financial activities of the Trust are reported in the accompanying basic financial statements as an internal service fund.
- **Discretely Presented Component Units.** The component units' columns in the basic financial statements, include the financial data of the District's other component units, as follows:

The Escambia County Public Schools Foundation for Excellence, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, and, as such, the Foundation is approved by the Board. The Foundation was formed to provide charitable and educational aid to the District and to receive, hold, invest, and administer property and to make expenditures for the benefit of the District, which is able to impose its will on the Foundation.

Charter schools are separate not-for-profit corporations each with a separate board of directors organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. Charter schools operate under a charter of the sponsoring school district and are considered component units according to the interpretation of GASB Statement No. 61 by the Florida Department of Education which determined that Florida school districts are financially accountable for Florida charter schools.

Pursuant to the Florida Constitution, charter schools are public schools and the District is responsible for their operation, control, and supervision. The District has entered

(Continued)
**DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

into charter agreements with the following charter schools that are considered part of the District's reporting entity:

Capstone Academy Pensacola was established to provide exceptional student educational services to handicapped prekindergarten students.

Jaqueline Harris Preparatory Academy was established to provide alternate programs of education, training, and related services for elementary students who are considered "at risk" of academic failure. Jaqueline Harris Preparatory Academy, operated by New Road to Learning, Inc., is a separate not-for-profit entity.

Beulah Academy of Science, Inc., was established to provide an agriculture and science program for middle school students.

Byrneville Elementary School, Inc., and Pensacola Beach Elementary School, Inc., were established to provide education, training, and related services to elementary school students.

Non-Component Unit Charter School:

Pensacola State College Charter Academy (PSC Charter), was established during the 2022-23 fiscal year with the intentions of providing 11th and 12th grade students with the opportunity to earn a high school diploma, college credits, and an associate degree in either arts or sciences. However, due to its relationship with Pensacola State College, PSC Charter is not considered a component unit of the District.

Audits of the Foundation's financial statements and the charter schools' financial statements for the fiscal year ended June 30, 2023, are conducted by independent certified public accountants and are filed in the District's administrative office at 75 North Pace Boulevard, Pensacola, Florida.

➤ **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The accounting and financial reporting treatment is determined by its measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured as current financial resources or economic resources. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-wide Financial Statements - The Government-wide financial statements are prepared under the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions in which the District gives or receives value without directly receiving or giving value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental activities. These statements include the

(Continued)
DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

financial activities of the government in its entirety. Governmental activities are normally supported by taxes and inter-governmental revenues. The District currently does not have any business-type activities.

The Statement of Net Position includes all assets, liabilities, and deferred outflows/inflows of resources of the District. The Statement of Activities presents a comparison between the direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Depreciation expenses are allocated to functions based on actual and estimated usage of the assets in those functions.

Amounts reported as program revenues include: 1) charges for services provided to students for tuition, fees, rental, material, supplies, or other services, 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

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

Fund Financial Statements – The Governmental Fund Financial Statements are prepared utilizing the current financial resource measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, both measurable and available. “Measurable” means the amount of transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues “susceptible to accrual” include ad valorem taxes, reimbursable-type grants, and interest on investments. The District considers revenues from property taxes as available if they are collected within 60 days after fiscal year-end. Expenditures are recorded when the fund liability is incurred. However, exceptions include unmatured principal and interest on general long-term debt and accumulated sick and vacation pay, which are recorded when payment is due.

In applying the “susceptible to accrual” concept to revenues from Federal and State sources, the legal contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one type, moneys must be expended for the specific purpose or project before the District will receive any amounts; therefore, revenues are recognized based upon the occurrence of the expenditure. In the other type, moneys are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the “susceptible to accrual” criteria are met. In all cases, moneys received before the revenue recognition criteria have been met, are reported as unearned revenue.

The Proprietary Fund Financial Statements are prepared under the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

(Continued)
DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The principal operating revenues of the District's internal service funds are for self-insurance (property, casualty, liability, and workers' compensation), and employee benefits (health and prescription) provided to other funds. Operating expenses for the internal service funds include salaries, employee benefits, purchased services, energy services, materials and supplies, capital outlay, and insurance claims. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The fund statements provide information about the District's funds. Separate financial statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds. The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue - Other Federal Programs Fund – to account for certain Federal grant program resources.
- Special Revenue – Federal Education Stabilization Fund - To account for Elementary and Secondary School Emergency Relief (ESSER) and American Rescue Plan (ARP) funds.
- Capital Projects – Other Fund – to account for the financial resources generated by the local voted sales tax and various other financial resources restricted for educational capital outlay needs, including new construction, renovation, and remodeling projects.

Additionally, the District reports the following proprietary fund:

- Internal Service Funds – to account for the District's individual self-insurance programs.

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

Except for the Capstone Academy Pensacola, the charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities. The Capstone Academy Pensacola is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting.

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

Further, certain activity occurs during the fiscal year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts

(Continued)
**DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

➤ **Net Position / Fund Balance Flow Assumptions**

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use in governmental fund financial statements, it is the District's policy to use committed resources first, followed by assigned resources, and then unassigned resources as they are needed.

➤ **Fund Balance Policies**

GASB Statement No. 54 provides for the structured classification of fund balance and is intended to improve the usefulness of fund balance reporting to the users of the district's financial statements. The standard provides for a hierarchy for fund balance classification and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances, nonspendable and spendable.

Nonspendable fund balances cannot be spent during the reporting period because they are not expected to be converted to cash or they are legally or contractually required to remain intact. The District reports inventory as nonspendable.

Spendable fund balances under GASB 54 are categorized according to various spending restraints:

- **Restricted** – Fund balances that are constrained by external parties or legislation. The District reports state categorical carry-over balances and other similar carry-over balances from state or local earmarked revenue as restricted.
- **Committed** - Fund balances that are set aside by formal Board action (typically by adoption of a resolution) to allocate funds for specific purposes. The Board is the highest level of decision-making authority for the district. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District reported no committed fund balance as of June 30, 2023.
- **Assigned** – Fund balances that are reserved or designated for a particular purpose but are not formally imposed by the governing Board. Because there is no formal action by the Board, assigned fund balance does not rise to the level of committed under GASB 54. As such, authority to assigned fund balances may be delegated to the Superintendent or designee and generally exist on a temporary basis. Additional Board action is not required for the removal of an assignment. Assigned fund balances include roll forwards of unspent school budget allocations and local projects that do not have legal or other imposed restrictions.
- **Unassigned** – Fund balances in the General Fund that are not classified in any of the other categories. The unassigned fund balance category is not applicable to any other governmental funds.

(Continued)
**DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

➤ **Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of 3 months or less. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME (the state investment pool created by section 218.405, Florida Statutes).

Cash deposits are held by banks qualified as public depositories under Florida law or through the Federally Insured Cash Account program, which complies with the provisions of Section 218.415(23), Florida Statutes, and is therefore exempt from Florida's public deposits program pursuant to Section 280.03(3)(f), Florida Statutes. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple, financial institution collateral pool, as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash and cash equivalents as those amounts in demand deposit accounts and all highly liquid investments with an original maturity of 3 months or less.

Investments consist of amounts placed in SBA Debt Service accounts for investment of debt service moneys, amounts placed with SBA for participation in the Florida PRIME, and those made locally. Investments made locally are reported at fair value and consisted of the following investment categories during the fiscal year:

- (1) Intergovernmental investment pool made up of money market mutual funds and various short-term government bond funds. The intergovernmental investment pool is reported at fair value and is described in a subsequent note on investments.
- (2) Corporate bonds
- (3) Government bonds.
- (4) Agency bonds
- (5) Municipal bonds
- (6) Commercial paper.
- (7) Treasury bills.
- (8) U.S. Government bond funds.

The District's investments in Florida PRIME, which SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2023, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. According to GASB Statement 79, these investments are reported at fair value, which is amortized cost. Florida PRIME operates under investment guidelines established by Section 215.47, Florida Statutes.

(Continued)
**DISTRICT SCHOOL BOARD OF
 ESCAMBIA COUNTY, FLORIDA**
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

➤ **Inventories**

Inventories consist of expendable supplies held for consumption in the course of District operations. Material stores, maintenance stores, custodial stores, transportation stores, fuel inventories, and purchased food and lunchroom supply inventories are stated on the average-cost method. The United States Department of Agriculture surplus donated foods are stated at their fair value, as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value at the date of donation. Interest costs incurred during the construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other Than Buildings	15 years
Buildings and Fixed Equipment	20 - 55 years
Furniture, Fixtures, and Equipment	5 - 15 years
Motor Vehicles	10 - 20 years
Audio Visual Materials and Computer Software	10 - 15 years

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

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Bond and Certificates of Participation (COP) premiums and discounts are amortized over the life of the debt using the straight-line method. Bonds and COP payable are reported net of the applicable premiums or discounts.

(Continued)
**DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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

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

➤ **Compensated Absences**

The criteria for determining compensated absences (i.e., paid absences for employee vacation and sick leave benefit) liability are derived from Board policy, negotiated agreements, and State law. Vacation benefits are accrued as a liability as the benefits are earned if an employee's right to receive compensation is attributable to services already rendered and it is probable that the employer will compensate the employee for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at fiscal year-end by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. Compensated absences include applicable salary related payments for Social Security, Medicare, and retirement contributions.

In the government-wide financial statements, compensated absences are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported for compensated absences in the governmental fund financial statements only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement). The liability for compensated absences includes salary-related benefits, where applicable.

Changes in compensated absences for the current fiscal year are reported in a subsequent note.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report 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 will not be recognized as an outflow of resources (expense) until then.

The District has two items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to pensions* and the *deferred outflows related to other post-employment benefits (OPEB)* are reported in the government-wide statement of net position. The deferred outflows related to pensions and OPEB are an aggregate of related items as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, respectively. The deferred outflows related to pensions and OPEB will be recognized as either an expense or a reduction in the net liability in future reporting years. Details on the composition of the deferred outflows related to pensions and OPEB are further discussed in subsequent notes.

(Continued)
**DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

In addition to liabilities, the statement of net position will sometimes report 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 will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting as deferred inflows of resources.

The three items reported as deferred inflows of resources are the *deferred gains on refunding*, the *deferred inflows related to pensions*, and the *deferred inflows related to OPEB* and are reported in the government-wide statement of net position. A deferred gain on refunding results from a debt refinancing whereby the net carrying amount of the debt instrument exceeds the reacquisition price of the refunding debt. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred inflows related to pensions and OPEB are an aggregate of related items as calculated in accordance with GASB Statement No. 68 and No. 75, respectively. The deferred inflows related to pensions and OPEB will be recognized as a reduction of an expense in future reporting years. Details on the composition of the deferred inflows related to pensions and OPEB are further discussed in subsequent notes.

➤ **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 according to a calendar established by the Department. Such amendments may impact funding allocations for subsequent fiscal 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 fiscal year when the adjustments are made.

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

➤ **District Property Taxes**

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

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

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**DISTRICT SCHOOL BOARD OF
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The School Board adopted the 2022 tax levy on September 15, 2022. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

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

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

➤ **School Capital Outlay Surtax**

On November 4, 2014, the citizens of Escambia County renewed a 0.5 percent school capital outlay sales surtax authorized under Section 212.055(6), Florida Statutes. The surtax was authorized for a period of 10 years, beginning January 1, 2018. Sales tax proceeds are to be used for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of 5 or more years, and retrofitting and technology implementation and any land acquisition, land improvement, design, and engineering costs related thereto. The 10-year extension will end on December 31, 2027.

At June 30, 2023 two debt issues were either fully or partially secured by sales tax proceeds:

- Certificates of Participation, Series 2020A – Par Amount - \$37,675,000
Lease payments are paid from a combination of sales tax proceeds (42%) and capital outlay millage (58%).
- Sales Tax Revenue Bonds, Series 2016 – Par Amount - \$51,910,000

➤ **Federal Revenue Sources**

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

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DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any Board meeting no later than 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 fiscal year's appropriations.

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**DISTRICT SCHOOL BOARD OF
 ESCAMBIA COUNTY, FLORIDA**
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3. INVESTMENTS

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

Investment	Average Maturities	Fair Value	Fair Value Measurement
State Board of Administration			
Florida PRIME (1)			
Governmental Funds	37 Days	\$ 5,993,381	N/A
Internal Service Fund	37 Days	13,611,754	N/A
Debt Service Accounts	6 months	14,998	N/A
Total		19,620,133	
FL Class			
FL Class	168 days	2,052,624	N/A
Total		2,052,624	
Sales Tax Investment Portfolio			
Corporate Bonds	1.79 Years	464,137	Level 2
Agency Bonds	1.90 Years	29,127,195	Level 2
Municipal Bonds	1.58 Years	3,179,807	Level 2
Government Bonds	1.24 Years	14,385,394	Level 2
Commercial Paper	5 Days	999,450	Level 2
First American Gov Obligations (1)	20 Days	1,414,199	N/A
Cash		4,852	N/A
Total		49,575,034	
Florida Fixed Income Trust (FL FIT)			
Select Cash	2.48 Years	7,995,759	N/A
Enhanced Cash	1.16 Years	22,848,397	N/A
Cash Pool (Series 2016 Proceeds)	86 Days	1,262,569	N/A
Total		32,106,725	
Other Misc. Investment Portfolio			
Commercial Paper	111 Days	4,917,430	N/A
First American Gov Obligations (1)	20 Days	278,280	N/A
Cash		3,521	N/A
Total		5,199,231	
Total Investments, Primary Government		\$ 108,553,747	

Note: (1) Investments reported as cash equivalents for financial statement reporting purposes.

GASB Statement No. 72, Fair Value Measurement and Application

According to GASB Statement No. 72, all assets meeting the definition of an investment should be measured at fair value, except the following:

- Nonparticipating interest earning investment contracts including non-negotiable certificates of deposit
- Investments in unallocated insurance contracts

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DISTRICT SCHOOL BOARD OF
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- Money market investments and participating interest-earning investment contracts that have remaining maturity at time of purchase of 3 months or less
- Investments held by 2a-7 external investment pools
- Investments in 2a-7-like pools
- Fully benefit-responsive synthetic guaranteed investment contracts
- Investments in life insurance contracts not meeting the definition of a life settlement contract

In addition to expanding the definitions of fair value and investments, GASB Statement No. 72 provides requirements for the valuation and disclosure of assets and liabilities reported at fair value. Governments are to use valuation techniques that are appropriate and for which sufficient data is available to measure assets and liabilities at fair value. These valuation techniques, which are inputs or data that market participants use in valuing assets and liabilities, should be applied consistently.

The District uses the market approach for fair value measurements.

GASB Statement No. 72 establishes a three-tier fair value hierarchy that prioritizes the inputs based on relative reliability and requiring all assets and liabilities valued at fair value to be categorized each using one of the three hierarchy levels:

- *Level 1 Inputs* – quoted prices in active markets for identical assets or liabilities. Observable markets include exchange markets, dealer markets, brokered markets, and principal-to-principal markets.
- *Level 2 Inputs* – inputs other than quoted prices included within Level 1 that are observable for the asset or liability. These inputs are derived from or corroborated by observable market data through correlation or by other means. Examples: Quoted prices for similar assets or liabilities in active or inactive markets, credit spreads, interest rates and yield curves observable at commonly quoted intervals.
- *Level 3 Inputs* – unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable. Examples: Nonbinding quotes on interest rate swaps that cannot be corroborated by observable market data and financial forecasts using internal data for commercial real estate.

Interest Rate Risk

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to provide sufficient liquidity to pay obligations as they become due, the District's investment policy limits the length of investments as follows: (1) investments of current operating funds shall have maturities of no longer than 2 years, and (2) investments of bond reserves, construction funds, and other nonoperating funds shall have a term appropriate for the need for the funds and in accordance with debt covenants, but in no event shall exceed 5 years.
- The District's investments in Florida PRIME and Commercial Paper (CP) had weighted average maturities (WAMs) of 37 days, and 5-111 days, respectively, at June 30, 2023.
- The District's investments in FL Class had a weighted average maturity (WAM) of 168 days at June 30, 2023.

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DISTRICT SCHOOL BOARD OF
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- The District’s investments in Corporate Bonds, Agency Bonds, Government Bonds, and Municipal Bonds had WAMs of 1.79 years, 1.90 years, 1.24 years, and 1.58 years, respectively, at June 30, 2023.
- Florida Fixed Income Trust (FL FIT) had the following WAM for each portfolio:
 - FL Select Cash Pool – 2.48 years
 - FL FIT Enhanced Cash Pool – 1.16 years
 - FL FIT Cash Pool – 86 days

A portfolio’s WAM reflects the average maturity in days or years based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

- As of June 30, 2023, the District has the following interest rate risk by fund:

Investment by Fund	Fair Value	Investment Maturities		
		Six Months or Less	Greater than Six Months to Two Years	Greater than Two Years
Major Governmental Funds:				
General	\$ 22,929,333	\$ 13,245,236	\$ 7,173,679	\$ 2,510,418
Capital Projects - Other	61,422,953	3,681,071	54,997,832	2,744,050
Nonmajor Governmental	10,589,707	14,998	7,833,417	2,741,292
Proprietary - Internal Service Fund (1)	13,611,754	13,611,754	-	-
Total Investments	\$ 108,553,747	\$ 30,553,059	\$ 70,004,928	\$ 7,995,760

(1) Self Insurance Program

Note: Investments that have stable net asset values (NAVs) are considered cash equivalents for financial statement purposes.

Credit Risk

- Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s investment policy limits authorized investments to the SBA Local Government Surplus Funds Trust Fund Investment Pool, which is known as Florida PRIME; direct obligations of the United States Government Agencies; certain Federal Instrumentalities; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02, Florida Statutes; repurchase agreements secured by the collateral composed of negotiable direct obligations of the United States Government, Government Agencies, and Federal Instrumentalities that have a fair value of 102 percent of the value of the repurchase agreement; commercial paper of the highest credit rating; certain Banker’s Acceptances; certain highly rated state and local government

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DISTRICT SCHOOL BOARD OF
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taxable or tax-exempt debt; shares of open-end, no-load mutual funds registered under the Investment Company Act of 1940, provided that the portfolio invests primarily in short-term government bonds and money market funds operated in accordance with 17 CFR 270.2a-7, provided the funds are rated no lower than the credit rating applied to the United States government by Standard & Poor's, or the equivalent by another rating agency; and any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes, provided that the said funds contain no derivatives. Investment in any derivative products or the use of reverse repurchase agreements requires specific Board approval.

As of June 30, 2023, the District's investments are rated as follows:

- The District's investments in First American Government Obligations are rated AAAM by Standard and Poor's (S&P) and Aaa by Moody's Investors Service.
- The District's investments in the SBA Florida PRIME are rated AAAM by S&P.
- The District's investments in FL Class are rated AAAM by S&P.
- The District's investments in Corporate Bonds are rated AAA by S&P and Aaa by Moody's.
- The District's investments in Agency Bonds are rated AA+ by S&P and Aaa by Moody's.
- The District's investments in Government Bonds are rated AA+ by S&P and Aaa by Moody's.
- The District's investments in Municipal Bonds are rated AAA by S&P and Aa1 by Moody's.
- The District's investments in Commercial Paper are rated A-1 by S&P and P-1 by Moody's.
- The District's investments in FL FIT Cash Pool, Enhanced Cash Pool, and Select Cash Pool are rated AAAf/S1 by Fitch Ratings.
- The District's investments in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by the SBA for managing credit risk for this account.

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

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DISTRICT SCHOOL BOARD OF
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book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. The District's investment policy requires that securities shall be held with a third-party custodian; and all securities purchased by and all collateral obtained by the District should be properly designated as an asset of the District. As of June 30, 2023, all investments are held with an appropriate custodian or trustee or are held in accounts in the name of and belonging to the District.

All District investments are compliant with District policy in relation to interest rate risk, credit risk, and custodial credit risk.

Concentration of Credit Risk

- Concentration of credit risk is associated with potential loss of assets attributed to the portion of investment in a single issuer or issue size. The District's investment policy has established asset allocation and issuer limits according to the following investment types:

The Florida Local Government Surplus Funds Trust Fund (Florida PRIME)

Portfolio Composition: A maximum of 35 percent of available funds may be invested in Florida PRIME.

United States Government Securities

Portfolio Composition: A maximum of 75 percent of available funds may be invested in the United States Government Securities with no more than 10 percent of those funds invested in any one issue size (per CUSIP).

United States Government Agencies

Portfolio Composition: A maximum of 50 percent of available funds may be invested in United States Government agencies.

Limits on Individual Issuers: A maximum of 25 percent of available funds may be invested in individual United States Government agencies with no more than 10 percent of those funds invested in any one issue size (per CUSIP).

Federal Instrumentalities (United States Government sponsored agencies)

Portfolio Composition: A maximum of 50 percent of available funds may be invested in Federal Instrumentalities.

Limits on Individual Issuers: A maximum of 25 percent of available funds may be invested in individual Federal Instrumentality security with no more than 10 percent of those funds invested in any one issue size (per CUSIP).

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DISTRICT SCHOOL BOARD OF
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Interest Bearing Time Deposit or Saving Accounts

Portfolio Composition: A maximum of 25 percent of available funds may be invested in non-negotiable interest bearing time certificates of deposit (CDs).

Limits on Individual Issuers: A maximum of 15 percent of available funds may be deposited with any one CD.

Repurchase Agreements

Portfolio Composition: A maximum of 50 percent of available funds may be invested in repurchase agreements excluding one business day agreements and overnight sweep agreements.

Limits on Individual Issuers: A maximum of 15 percent of available funds may be invested with any one institution.

Commercial Paper

Portfolio Composition: A maximum of 35 percent of available funds may be directly invested in prime commercial paper.

Limits on Individual Issuers: A maximum of 10 percent of available funds may be invested in any one issuer with no more than 5 percent of those funds invested in any one issue size.

Registered Investment Companies (Mutual Funds and Money Markets)

Portfolio Composition: A maximum of 20 percent of available funds may be invested in mutual funds (investing in short-term government bonds) and 75 percent of available funds may be invested in money market funds.

Limits on Individual Issuers: A maximum of 20 percent of available funds may be invested with any one mutual fund or money market fund.

Intergovernmental Investment Pool

Portfolio Composition: A maximum of 50 percent of available funds may be invested in intergovernmental investment pools.

Limits on Individual Issuers: A maximum of 25 percent of available funds may be invested with any one intergovernmental investment pool (excludes Florida PRIME).

4. RECEIVABLES

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

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DISTRICT SCHOOL BOARD OF
ESCAMBIA COUNTY, FLORIDA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below.

	Balance 7/1/2022	Additions	Deletions	Balance 6/30/2023
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 12,972,714	\$ 514,028	\$ -	\$ 13,486,742
Construction in Progress	50,232,288	26,690,585	6,642,155	70,280,718
Total Capital Assets Not Being Depreciated	<u>63,205,002</u>	<u>27,204,613</u>	<u>6,642,155</u>	<u>83,767,460</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	24,655,625	1,248,713	-	25,904,338
Buildings and Fixed Equipment	538,011,458	4,859,116	1,236,448	541,634,126
Furniture, Fixtures, and Equipment	16,143,744	1,512,551	516,339	17,139,956
Motor Vehicles	54,916,524	1,704,460	4,782,793	51,838,191
Audio Visual Materials and Computer Software	1,515,922	-	-	1,515,922
Total Capital Assets Being Depreciated	<u>635,243,273</u>	<u>9,324,840</u>	<u>6,535,580</u>	<u>638,032,533</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	15,370,221	1,253,371	-	16,623,592
Buildings and Fixed Equipment	208,451,643	9,722,024	855,592	217,318,075
Furniture, Fixtures, and Equipment	10,620,010	859,112	468,602	11,010,520
Motor Vehicles	20,858,100	2,599,876	3,330,063	20,127,913
Audio Visual Materials and Computer Software	1,200,742	76,881	-	1,277,623
Total Accumulated Depreciation	<u>256,500,716</u>	<u>14,511,264</u>	<u>4,654,257</u>	<u>266,357,723</u>
Total Capital Assets Being Depreciated, Net	<u>378,742,557</u>	<u>(5,186,424)</u>	<u>1,881,323</u>	<u>371,674,810</u>
Governmental Activities Capital Assets, Net	<u>\$ 441,947,559</u>	<u>\$ 22,018,189</u>	<u>\$ 8,523,478</u>	<u>\$ 455,442,270</u>

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**DISTRICT SCHOOL BOARD OF
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Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 7,836,427
Student Support Services	7,245
Instructional Media Services	1,529
Instruction and Curriculum Development Services	70,174
Instructional Staff Training Services	2,499
Instruction-Related Technology	69,451
General Administration	159
School Administration	19,002
Facilities Acquisition and Construction	3,113,985
Food Services	383,119
Central Services	81,862
Student Transportation Services	2,321,440
Operation of Plant	145,151
Maintenance of Plant	327,396
Administrative Technology Services	127,591
Community Services	4,234
Total Depreciation Expense - Governmental Activities	\$ 14,511,264

(Continued)
**DISTRICT SCHOOL BOARD OF
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6. CERTIFICATES OF PARTICIPATION

The District entered into financing arrangements, characterized as lease purchase agreements, with the Florida School Boards Association, Inc., whereby the District secured financing of various educational facilities. The financing was accomplished through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the District. The following schedule describes the current status of the principal balances of these issues at June 30, 2023:

Issue	Original	Principal		Refunded By Series	Balance 6-30-23
	Amount	Paid	Refunded		
Series 1992	\$ 55,830,000	\$ 15,030,000	\$ 40,800,000	1996-1, 2002	\$ -
Series 1996-1	26,740,000	6,485,000	20,255,000	2005, 2006, 2011	-
Series 1996-2	21,645,000	-	21,645,000	2004	-
Series 2002	16,745,000	16,745,000	-		-
Series 2004	22,725,000	885,000	21,840,000	2014	-
Series 2005	10,000,000	10,000,000	-		-
Series 2006	10,000,000	10,000,000	-		-
Series 2011	1,124,561	1,124,561	-		-
Series 2014	19,840,000	19,840,000	-		-
Series 2020A	37,675,000	6,820,000	-		30,855,000
	<u>\$ 222,324,561</u>	<u>\$ 86,929,561</u>	<u>\$ 104,540,000</u>		<u>\$ 30,855,000</u>

As a condition of the financing arrangements, the District has given ground leases on District property to the Florida School Boards Association, Inc.

- The ground leases on the property associated with the Series 1992, 1996-1, 2002, 2005, 2006, and 2011 Certificates ended on the date on which the Series 1996-1, 2005, 2006, and 2011 Certificates were paid in full.
- The ground leases on the property associated with the Series 1996-2, 2004, and 2014 Certificates ended on February 1, 2022, the date on which the series of Certificates were paid in full.
- The ground leases on the property associated with the Series 2020A Certificates will end on February 1, 2027, the date on which the Certificates will be paid in full.

The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the ground lease agreements for the benefit of the securers of the Certificates until the end of the ground leases.

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DISTRICT SCHOOL BOARD OF
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The District properties included in the ground leases under these arrangements include the following:

Certificates of Participation, Series 1992, 1996-1, 2002, 2005, 2006, and 2011:

- Hellen Caro Elementary School
- C.A. Weis Elementary School
- R.C. Lipscomb Elementary School
- Jim Allen Elementary School – Administrative Suite/Media Center
- Bellview Elementary School – Classroom Building
- Cordova Park Elementary School – Five Classroom Additions/Media Center
- Escambia Westgate Center – Pre-Kindergarten Classroom Renovation
- Holm Elementary School – Classrooms/Media Center
- Myrtle Grove Elementary School – Classroom Addition
- Navy Point Elementary School – Classroom Addition/Administrative Suite
- Pine Meadow Elementary School – Media Center/Kindergarten Classrooms/Administrative Suite
- Pleasant Grove Elementary School – Dining/Classroom Addition/Administrative Suite
- Scenic Heights Elementary School – Pre-Kindergarten Classrooms/Media Center
- Sherwood Elementary School – Pre-Kindergarten Classrooms/Media Center
- Jim C. Bailey Middle School
- Northview High School
- West Florida School of Advanced Technology (the portion formerly known as Beggs Educational Center and used primarily for instructional purposes)
- Tate High School – Physical Education Facility

Certificates of Participation, Series 1996-2, 2004, and 2014:

- N.B. Cook Elementary School
- Tate High School – Cafeteria/Media Center Addition and Renovation/ESE/ROTC Classroom Building
- Myrtle Grove Elementary School – Media Center/Classroom Building Renovation
- Navy Point Elementary School – ESE Classroom Building
- Ferry Pass Middle School – ESE Classroom Building

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**DISTRICT SCHOOL BOARD OF
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Certificates of Participation, Series 2020A:

- Pleasant Grove Elementary School – A new facility under construction to replace the current school of the same name. The new elementary school is scheduled to open for the beginning of the 2023-24 school year (August 2023). The new school is being constructed in a different location but will serve a similar area. The Certificates provide new construction proceeds of \$44,650,000 net of issuance costs. Par amount of the Certificates totaled \$37,675,000.

The lease payments for the Series 2020A Certificates are payable by the District, semiannually, on August 1 and February 1 at interest rates of 5 percent. The following is a schedule by fiscal year of the remaining lease payments under each lease agreement, together with the present value of minimum lease payments as of June 30, 2023:

- Lease payments for the Series 2020A Certificates are funded from both capital outlay millage proceeds (58 percent) and half-cent sales surtax proceeds (42 percent).

Fiscal Year Ending June 30	Series 2020A		
	Total	Principal	Interest
2024	\$ 8,523,750	\$ 7,160,000	\$ 1,363,750
2025	8,511,875	7,515,000	996,875
2026	8,506,625	7,895,000	611,625
2027	8,492,125	8,285,000	207,125
Total Minimum Lease Payments	34,034,375	30,855,000	3,179,375
Unamortized Premium	4,181,684	4,181,684	-
Total Certificates of Participation	\$ 38,216,059	\$ 35,036,684	\$ 3,179,375

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**DISTRICT SCHOOL BOARD OF
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NOTES TO FINANCIAL STATEMENTS
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7. BONDS PAYABLE

SBE Bonds payable at June 30, 2023, are as follows:

Bond Type	Original Debt Issue Amount	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
State School Bonds:				
Series 2014A (Refunding)	\$ 229,000	\$ 38,000	3-5	2025
Series 2017A (Refunding)	812,000	487,000	3-5	2028
Series 2020A (Refunding)	<u>126,000</u>	<u>94,000</u>	5	2030
Subtotal	1,167,000	619,000		
Unamortized Premiums, Net	<u>440,398</u>	<u>79,760</u>		
Total Bonds Payable	<u>\$ 1,607,398</u>	<u>\$ 698,760</u>		

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

State School Bonds

These bonds are issued by the SBE on behalf of the District. The bonds mature serially, and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The total revenues received in the current fiscal year were \$1,642,822, all of which was applicable to debt service. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the SBE and the SBA.

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

Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds:			
2024	\$ 152,530	\$ 124,000	\$ 28,530
2025	132,330	110,000	22,330
2026	126,990	110,000	16,990
2027	128,490	117,000	11,490
2028	132,640	127,000	5,640
2029-2030	<u>33,350</u>	<u>31,000</u>	<u>2,350</u>
Subtotal	706,330	619,000	87,330
Unamortized Premiums, Net	<u>79,760</u>	<u>79,760</u>	<u>-</u>
Total Bonds Payable	<u>\$ 786,090</u>	<u>\$ 698,760</u>	<u>\$ 87,330</u>

Sales Tax Revenue Bonds

In November 2014, the voters of Escambia County approved a 10-year extension to the District's one-half cent sales surtax for capital outlay. The extension began on January 1, 2018, and will end on December 31, 2027. Accordingly, in order to provide financing for the construction of a new middle school and improvements to several other of the various schools, the Board issued Sales Tax Revenue Bonds, Series 2016 in the amount of \$51,910,000.

These bonds are authorized by Chapters 212 and 1001, Florida Statutes. The principal and interest on the Series 2016 Bonds are payable solely from and secured by the proceeds received by the

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Board from the levy and collection of the one-half cent sales surtax pursuant to Section 212.055(6), Florida Statutes. The District pledged a total of \$67,969,815 for principal and interest on the original issue during the 2015-16 fiscal year. Due to payments for normal debt service requirements, the total pledged at June 30, 2023, for principal and interest was \$42,992,563 (Sales Tax Revenue Bonds, Series 2016 - \$28,698,125 and COPs Series 2020A - \$14,294,438).

Final debt service requirements on this bond issue will be paid on September 1, 2027. Assuming a nominal growth rate of sales tax revenues through December 2027, approximately \$180,000,000 will be collected (average of \$40,000,000 per year for 4.5 years). Consequently, approximately 15.9 percent of this revenue stream has been pledged in connection with debt service on the bonds.

During the 2022-23 fiscal year, the District recognized sales tax revenues totaling \$40,327,587 and expended \$9,405,200 (23.3 percent) of these revenues for debt service directly collateralized by these revenues.

Series 2016 Bonds payable at June 30, 2023, are as follows:

Bond Type	Original Debt Issue Amount	Amount Outstanding	Interest Rate (Percent)	Annual Maturity To
Sales Tax Revenue Bonds:				
Series 2016	\$ 51,910,000	\$ 25,575,000	5	2028
Unamortized Premiums, Net	<u>8,641,751</u>	<u>3,600,729</u>		
Total Bonds Payable	<u>\$ 60,551,751</u>	<u>\$ 29,175,729</u>		

The following is a schedule by years of the future annual debt service of the Series 2016 Bonds at June 30, 2023:

Fiscal Year Ending June 30	Total	Principal	Interest
Sales Tax Revenue Bonds:			
2024	\$ 5,742,375	\$ 4,655,000	\$ 1,087,375
2025	5,738,750	4,890,000	848,750
2026	5,770,625	5,135,000	635,625
2027	5,726,875	5,315,000	411,875
2028	<u>5,719,500</u>	<u>5,580,000</u>	<u>139,500</u>
Subtotal	28,698,125	25,575,000	3,123,125
Unamortized Premiums, Net	<u>3,600,729</u>	<u>3,600,729</u>	-
Total Bonds Payable	<u>\$ 32,298,854</u>	<u>\$ 29,175,729</u>	<u>\$ 3,123,125</u>

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**DISTRICT SCHOOL BOARD OF
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8. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 7-1-22	Additions	Deductions	Balance 6-30-23	Due in One Year
GOVERNMENTAL ACTIVITIES					
SBE Bonds Payable	\$ 805,000	\$ -	\$ 186,000	\$ 619,000	\$ 124,000
Unamortized Premiums, Net	117,811	-	38,051	79,760	-
Total SBE Bonds Payable	<u>922,811</u>	<u>-</u>	<u>224,051</u>	<u>698,760</u>	<u>124,000</u>
Sales Tax Revenue Bonds Payable	30,010,000	-	4,435,000	25,575,000	4,655,000
Unamortized Premiums, Net	4,320,876	-	720,147	3,600,729	-
Total Sales Tax Revenue Bonds Payable	<u>34,330,876</u>	<u>-</u>	<u>5,155,147</u>	<u>29,175,729</u>	<u>4,655,000</u>
Certificates of Participation Payable	37,675,000	-	6,820,000	30,855,000	7,160,000
Unamortized Premium	5,227,106	-	1,045,422	4,181,684	-
Total Certificates of Participation Payable	<u>42,902,106</u>	<u>-</u>	<u>7,865,422</u>	<u>35,036,684</u>	<u>7,160,000</u>
Estimated Insurance Claims Payable	28,862,872	39,236,997	37,584,179	30,515,690	8,000,223
Compensated Absences Payable	42,794,831	1,626,602	5,524,476	38,896,957	4,211,330
Net Pension Liability	112,110,878	164,893,675	38,933,626	238,070,927	437,908
Other Postemployment Benefits Payable	17,069,979	1,953,894	4,495,959	14,527,914	-
Total Governmental Activities	<u>\$ 278,994,353</u>	<u>\$ 207,711,168</u>	<u>\$ 99,782,860</u>	<u>\$ 386,922,661</u>	<u>\$ 24,588,461</u>

For the governmental activities, net pension liabilities, compensated absences and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the internal service funds.

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**DISTRICT SCHOOL BOARD OF
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9. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Funds	Interfund	
	Receivables	Payables
Major:		
General	\$ 1,535,815	\$ 15,464
Special Revenue - Other Federal Programs	-	4,002,692
Special Revenue - Federal Education Stabilization	-	14,753,000
Capital Projects - Other	10,715,000	7,000
Nonmajor Governmental	7,028,294	174,796
Internal Service	-	326,157
Total	<u>\$ 19,279,109</u>	<u>\$ 19,279,109</u>

The interfund receivables and payables represent the payment of expenditures by one fund for another fund and will be repaid within 12 months.

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

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 11,932,718	\$ -
Special Revenue - Federal Education Stabilization	-	2,935,489
Capital Projects - Other	-	9,716,221
Nonmajor Governmental	14,282,875	13,563,883
Total	<u>\$ 26,215,593</u>	<u>\$ 26,215,593</u>

Transfers among funds were as follows: (1) Capital Outlay funds were transferred to the General Fund to cover eligible maintenance operational costs, payment of property insurance premiums, charter school capital outlay distributions, (2) Special Revenue – Federal Education Stabilization Funds were transferred to the General Fund to reimburse prior year expenditures eligible for coronavirus relief, and (3) Capital Outlay funds were transferred to Debt Service (nonmajor) funds to provide for debt service requirements for Sales Tax Revenue Bonds and Certificates of Participation.

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10. FUND BALANCE REPORTING

The District does not have a fund balance policy regarding the commitment or assignment of fund balance. However, Section 1001.51, Florida Statutes, requires the Superintendent or designee to prepare the Annual Financial Report, including the Annual Comprehensive Financial Report, in accordance with generally accepted accounting principles, including the statements issued by the GASB. The Board approves the assigned fund balance.

The District reports its governmental fund balances in the following categories, as applicable:

- **Nonspendable.** The net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash. Examples of items that are not in spendable form include inventory, prepaid amounts, long-term amounts of loans and notes receivable, and property acquired for resale. The District classifies its amounts reported as inventories as nonspendable.
- **Restricted.** The portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. The District classifies most of its fund balances, other than General Fund, as restricted, as well as unspent State categorical and earmarked educational funding reported in the General Fund, that are legally or otherwise restricted.
- **Committed.** The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority (i.e., the Board). Generally, such formal action by the Board would be in the form of a resolution or Board policy. These amounts cannot be used for any other purpose, unless the Board removes or changes the specified use by taking the same action it employed to previously commit the amounts. The District did not have any committed fund balances at June 30, 2023.
- **Assigned.** The portion of fund balance that is intended to be used for specific purposes, but is neither restricted nor committed. Assigned amounts include those that have been set aside for specific purposes, such as allocated school-based funds, specific reserves for projects and contingencies, and other designated uses. Constraints imposed for assigned fund balances do not satisfy the criteria to be classified as restricted or committed. This category also includes any remaining positive amounts, for governmental funds, other than the General Fund, not classified as nonspendable, restricted, or committed. The District also classifies amounts as assigned that are constrained to be used for specific purposes based on actions of the Superintendent and Assistant Superintendent for Finance and Business Services and not included in other categories. The District has determined a total assigned fund balance of \$13,837,158 consisting of the following: (1) encumbered local project carryovers totaling \$3,212,995, (2) unencumbered local project carryovers totaling \$5,532,475, and (3) local project contingencies of \$5,091,688.
- **Unassigned.** The portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. Unassigned fund balance totaled \$12,923,792 at June 30, 2023.

General Fund Minimum Fund Balance Requirement. Section 1011.051, Florida Statutes, requires that the District maintain a fund balance in the General Fund that is sufficient to address

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**DISTRICT SCHOOL BOARD OF
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normal contingencies, and the Superintendent shall provide written notification to the Board and the Commissioner of Education if, at any time, the fund balance in the General Fund not classified as restricted, committed, or nonspendable in the approved operating budget is projected to fall below 3 percent of projected General Fund revenues. If the fund balance in the General Fund not classified as restricted, committed, or nonspendable is projected to fall below 2 percent of projected General Fund revenues, the Commissioner must determine whether the District has a plan to avoid a financial emergency, as determined pursuant to Section 218.503, Florida Statutes, or to appoint a financial emergency board operating consistent with the requirements, powers, and duties specified in Section 218.503(3)(g), Florida Statutes. The District has adopted Board policy 5.01 to maintain an assigned/unassigned fund balance ratio in the General Fund of at least 8.0 percent of general fund revenue to comply with the intent of Section 1011.051, Florida Statutes.

As of June 30, 2023, the assigned and unassigned fund balance of the General Fund totaled \$26,760,950 (8.31 percent of General Fund revenues) while total fund balance was \$42,188,757.

11. SIGNIFICANT COMMITMENTS

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

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

Major Funds				Nonmajor	Total
General	Special Revenue - Other Federal Programs	Special Revenue - Federal Education Stabilization	Capital Projects - Other	Governmental Funds	Governmental Funds
\$ 6,542,623	\$ 271,310	\$ 42,516,480	\$ 32,164,741	\$ 9,989,338	\$ 91,484,492

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

Project	Contract Amount	Completed to Date	Balance Committed
Districtwide Projects:			
Athletic and Physical Education Improvements	\$ 3,612,709	\$ 898,452	\$ 2,714,257
Intercom Replacement	384,501	-	384,501
School Specific Projects:			
Pensacola High School - General Renovations	9,023,414	424,161	8,599,253
Myrtle Grove Elementary School - Building I	7,343,928	4,389,395	2,954,533
Beulah Elementary School - Cafeteria and Classroom	10,348,932	10,048,245	300,687
Pine Forest High School - Track Resurfacing	3,200,000	-	3,200,000
Tate High School - Agriscience Building	7,172,908	6,507,193	665,715
West Pensacola Elementary School - Renovations	3,293,150	137,096	3,156,054
Ferry Pass Middle School	3,463,163	313,320	3,149,843
Pleasant Grove Elementary School - New Construction	48,702,384	47,122,099	1,580,285
Semmes Elementary School	1,023,312	-	1,023,312
Northview High School - Wastewater Treatment Plant	1,599,376	1,157,613	441,762
Escambia High School - Auditorium	908,980	610,156	298,824
Total	<u>\$ 100,076,756</u>	<u>\$ 71,607,730</u>	<u>\$ 28,469,026</u>

Total other construction contract commitments (individually below \$250,000) amounted to \$821,911 at June 30, 2023.

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12. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2022-23 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 152,711,340
Categorical Educational Program - Class Size Reduction	37,206,083
Workforce Development Program	4,859,848
Voluntary Pre-K Program	1,778,224
Motor Vehicle License Tax (Capital Outlay and Debt Service)	1,642,822
Florida School Recognition Program	1,522,832
Reading Program	589,840
Racing Commission Funds	446,500
Charter School Capital Outlay	382,631
Food Service Supplement	284,104
Education Facilities Security Grant	260,790
Civics Seal of Excellence	249,000
Law Enforcement Grants	136,264
Florida Student Assistance Grant	87,889
State License Tax	63,654
Computer Science Certification/Bonus	57,501
Youth Mental Health Awareness Training	49,344
Miscellaneous	160,975
Total	<u>\$ 202,489,641</u>

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

13. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2022 tax roll for the 2022-23 fiscal year:

<u>GENERAL FUND</u>	<u>Millages</u>	<u>Taxes Levied</u>
Nonvoted School Tax:		
Required Local Effort	3.310	\$ 90,933,329
Prior Period Funding Adjustment	0.002	54,945
Discretionary Local Effort	0.748	20,549,284
 <u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvement	1.214	33,351,378
Total	<u>5.274</u>	<u>\$ 144,888,936</u>

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**DISTRICT SCHOOL BOARD OF
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14. FLORIDA RETIREMENT SYSTEM

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.

Governmental Accounting Standards Board Statement No. 68. The District participates in the FRS defined benefit pension plan and the HIS defined benefit plan administered by Florida Division of Retirement. As a participating employer, the District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, for the fiscal year ended June 30, 2015, which requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. The District's proportionate share of the net pension liabilities at June 30, 2023, totaled \$238,070,927 (Pension Plan - \$173,098,892, HIS Plan - \$64,972,035).

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

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and 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 benefit 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).

The District's total pension expense was \$26,410,500 (Pension Plan – \$23,926,670, HIS Plan - \$2,483,830) for the fiscal year ended June 30, 2023.

FRS Pension Plan

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

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- *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.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of 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 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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 a participating FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

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

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

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

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2022-23 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	11.91
FRS, Elected County Officers	3.00	57.00
DROP - Applicable to Members from All of the Above Classes	0.00	18.60
FRS, 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 participants, include 0.06 percent for administrative costs of the Investment Plan.

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

The District's contributions (not including employee contributions) to the Plan for the fiscal year ended June 30, 2023, totaled \$20,637,173 which was equal to the required contributions for the fiscal year.

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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 \$173,098,892 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 2021-22 fiscal year contributions relative to the 2021-22 fiscal year contributions of all participating members.

At June 30, 2022, the District's proportionate share was 0.465219103 percent, which was 0.008569663 less than the proportionate share measured as of June 30, 2021 (0.473788766).

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$23,926,670 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 8,221,198	\$ -
Change of assumptions	21,317,853	-
Net difference between projected and actual earnings on FRS pension plan investments	11,429,897	-
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	7,284,168	4,842,916
District FRS contributions subsequent to the measurement date	20,637,173	-
Total	<u>\$ 68,890,289</u>	<u>\$ 4,842,916</u>

The deferred outflows of resources related to pensions, totaling \$20,637,173, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 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:

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Fiscal Year Ending June 30	Amount
2024	\$ 10,054,740
2025	4,294,151
2026	(2,343,891)
2027	30,062,091
2028	1,342,910
Thereafter	199
Total	\$ 43,410,200

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 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the July 1, 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 consist of two building block components: 1) a real (in excess of inflation) return of 4.20 percent, which is consistent with the 4.38 percent real return from the capital market outlook model developed by the FRS consulting actuary, and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2022 by the FRS Actuarial Assumption Conference.

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	100.0%			
Assumed inflation - Mean			2.4%	1.3%

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

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Discount Rate. The discount rate used to measure the total pension liability decreased from 6.8 percent (2022 valuation) to the current 6.7 percent. The Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.7 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.7 percent) or 1 percentage point higher (7.7 percent) than the current rate:

	1% Decrease (5.7%)	Current Discount Rate (6.7%)	1% Increase (7.7%)
District's proportionate share of the net pension liability (asset)	\$ 299,362,632	\$ 173,098,892	\$ 67,527,382

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.

Payables to the Pension Plan. At the fiscal year ended June 30, 2023, the District reported payables of \$81,037 and \$429,467 for the outstanding amount of employee and employer contributions, respectively.

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 \$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, 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 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

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The District's contributions to the HIS Plan totaled \$3,870,563 for the fiscal year ended June 30, 2023.

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 net pension liability of \$64,972,035 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within 1 year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 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 2021-22 fiscal year contributions relative to the total 2021-22 fiscal year contributions of all participating members. At June 30, 2022, the District's proportionate share was 0.613430007 percent, which was a decrease of 0.00876459 from its proportionate share measured as of June 30, 2021 (.622194597 percent).

For the fiscal year ended June 30, 2023, the District recognized pension expense of \$2,483,830 related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,972,055	\$ 285,883
Change of assumptions	3,724,239	10,051,132
Net difference between projected and actual earnings on HIS pension plan investments	94,066	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	254,163	2,710,537
District contributions subsequent to the measurement date	3,870,563	-
Total	<u>\$ 9,915,086</u>	<u>\$ 13,047,552</u>

The deferred outflows of resources related to pensions, totaling \$3,870,563, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending 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:

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Fiscal Year Ending June 30	<u>Amount</u>
2024	\$ (2,006,686)
2025	(1,289,421)
2026	(690,838)
2027	(799,394)
2028	(1,525,699)
Thereafter	(690,991)
Total	<u>\$ (7,003,029)</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 percent
Salary Increases	3.25 percent, average, including inflation
Discount Rate	3.54 percent
Municipal Bond Rate	3.54 percent

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018

Discount Rate. The discount rate used to measure the total pension liability was 3.54 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The discount rate used in the 2022 valuation was updated from 2.16 percent to 3.54 percent.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.54 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.54 percent) or 1 percentage point higher (4.54 percent) than the current rate:

	<u>1% Decrease (2.54%)</u>	<u>Current Discount Rate (3.54%)</u>	<u>1% Increase (4.54%)</u>
District's proportionate share of the net pension liability	\$ 74,333,343	\$ 64,972,035	\$ 57,225,746

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.

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**DISTRICT SCHOOL BOARD OF
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FRS/HIS Pension Plan - Aggregate

The aggregate amount of net pension liabilities, related deferred outflows of resources, deferred inflows of resources, and pension expense for the District’s defined pension plans are summarized below:

	<u>Pension Plan</u>	<u>HIS Plan</u>	<u>Total</u>
Net Pension Liabilities	\$ 173,098,892	\$ 64,972,035	\$ 238,070,927
Deferred Outflows of Resources	68,890,289	9,915,086	78,805,375
Deferred Inflows of Resources	4,842,916	13,047,552	17,890,468
Pension Expense (Income)	23,926,670	2,483,830	26,410,500

FRS – Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member’s account upon retirement.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member’s accounts during the 2022-23 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	9.30
FRS, Elected County Officers	14.34

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. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5 year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded

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of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. 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 and 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.

There were 1,746 District participants in the Investment Plan during the 2022-23 fiscal year. The District's total contribution to the plan, including the employee portion totaled \$9,194,938 (which was equal to the required contribution for the 2022-23 fiscal year). The employer portion was \$7,350,685.

15. EARLY TERMINATION BENEFITS

Retirement Incentive. Board policy provides for the payment of retirement incentive bonuses to District personnel who retire by the end of the fiscal year in which they first become eligible under any retirement plan sponsored by a unit of Florida municipal, local, or State government and who have a minimum of 15 years of service with the District. The Retirement Incentive is equal to 25 percent of the qualified employee's gross annual salary. In addition to payments made for regular termination benefits, the District reported expenditures totaling \$340,476.37 during the 2022-23 fiscal year for Retirement Incentive pay.

16. OTHER POSTEMPLOYMENT BENEFITS PAYABLE

Other Postemployment Benefits (OPEB) are addressed in GASB Statements No. 74 and 75; *Financial Reporting for Postemployment Benefits Plans Other than Pension Plans*, and *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. GASB Statement No. 74 establishes financial and reporting requirements for OPEB, while Statement No. 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide. This statement requires governments in all types of OPEB plans to present adequate note disclosures and Required Supplemental Information (RSI) about their OPEB liabilities.

Plan Description. The OPEB healthcare 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 one of four self-funded comprehensive plans 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 plan on average than those of active employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement No. 75.

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Additionally, certain retirees receive insurance coverage at a lower (explicitly subsidized) premium rate than active employees. The benefits provided under this defined benefit plan are provided for a fixed number of years determined at the time of retirement based on the number of years worked for the District. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or another entity.

Funding Policy. Plan contribution requirements of the District are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advanced-funded or established a funding methodology for the OPEB costs or the net OPEB obligation. The actuarial valuation was based on personnel data at July 1, 2022 in which 111 retirees and 19 eligible dependents received postemployment healthcare benefits. For the 2022-23 fiscal year, the District provided required contributions of \$1,070,827 toward annual OPEB costs, a decrease of \$1,337,672 over the prior fiscal year (\$2,408,499), comprised of benefit payments made on behalf of retirees for claims expenses, retention costs, and net of retiree contributions totaling \$1,170,596, 0.52 percent of covered employee payroll (\$223,608,344). Required contributions are based on projected pay-as-you-go financing.

As of July 1, 2022, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	130
Active employees	<u>5,014</u>
Total	<u>5,144</u>

Total OPEB Liability. The District’s total OPEB liability was measured from the period July 1, 2021 to June 30, 2022 and was determined by an actuarial valuation as of July 1, 2022.

Actuarial Methods and Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District’s OPEB actuarial valuation for the 2021-22 fiscal year used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2023, and to estimate the District’s annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 3.54 percent rate of return on invested assets, which is the District’s long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 3 percent per year, salary increases of 4.5 percent, general inflation is 2.5 percent, and an annual healthcare cost trend rate of 6.58 percent

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**DISTRICT SCHOOL BOARD OF
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initially for the 2022-23 fiscal year, reduced to an ultimate rate of 4.5 percent for the fiscal year ending June 30, 2034. Under GASB Statement No. 75 the entire amount of the unfunded OPEB liability is reported.

The long-term expected rate of return on OPEB investments was determined using the Bond Buyer GO 20-Bond Municipal Bond Index which is used to determine the interest rates for a new issue of general obligation bonds. The average yield drawn from the index is taken from a survey of muni bond traders. The index tracks the average yields of 20 general obligation municipal bonds of which the average rating Aa2 (Moody's) or AA (Standard & Poor's).

Changes in Total OPEB Liability. The following table illustrates the Total OPEB Liability under GASB 75:

	Increase (Decrease)
	Total OPEB Liability
Balance Recognized at 6/30/2022 (Based on 6/30/2021 Measurement Date)	\$ 17,069,979
Changes Recognized for the Fiscal Year:	
Service Costs	1,562,926
Interest on the total OPEB Liability	390,968
Differences Between Expected and Actual Experience	(799,941)
Changes in Assumptions	(2,625,191)
Benefit Payments	(1,070,827)
Contributions From Employer	-
Net Changes	(2,542,065)
Balance Recognized at 6/30/2023 (Based on 6/30/2022 Measurement Date)	\$ 14,527,914

Actuarial Assumptions:

Cost Method – Entry Age Normal Cost Method

Method Changes – None

Assumption Changes:

- A change in the funding discount rate from 2.16 percent at June 30, 2022 to 3.54 percent at June 30, 2023.
- A change in the medical trend rates and claims from those developed as of July 1, 2020 to rates and claims developed as of July 1, 2022.
- A change in the future medical plan choice election based on current retiree date.

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**DISTRICT SCHOOL BOARD OF
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The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumption changes summarized above are to best reflect the current market conditions and recent plan experience.

Interest Rate Sensitivity. The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2023:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 15,497,408	\$ 14,527,914	\$ 13,589,303

Healthcare Cost Trend Sensitivity. The following table illustrates the impact of healthcare cost trend sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2023:

	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 12,974,996	\$ 14,527,914	\$ 16,356,667

OPEB Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2023, the District recognized OPEB expense of \$1,758,732. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,209,845	\$ 824,369
Change of assumptions	1,063,299	2,700,165
Sub Total	3,273,144	3,524,534
Contributions made in FYE 6/30/2023 after measurement date	1,656,743	-
Total	\$ 4,929,887	\$ 3,524,534

The deferred outflows of resources related to OPEB, totaling \$1,656,743, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources to OPEB will be recognized in OPEB expense as follows:

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**DISTRICT SCHOOL BOARD OF
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Fiscal Year Ending June 30	<u>Amount</u>
2024	\$ 3,293
2025	534,874
2026	253,838
2027	(252,097)
2028	(252,097)
Thereafter	<u>(539,201)</u>
Total	<u><u>\$ (251,390)</u></u>

Plan Fiduciary Net Position. The Plan’s funding policy is pay-as-you-go and does not use a trust. Therefore, regardless of any earmarked assets, the plan’s asset value is always zero and is projected to be 100 percent unfunded at every year-end in the projection.

As such, the Plan’s fiduciary net position was not projected to be available to make all projected future benefit payments for the current Plan members. Therefore, the long-term expected rate of return on Plan investments was not applied to any periods of projected benefit payments to determine the total OPEB liability.

17. RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is self-insured for property losses, except that commercial property insurance having a number of different deductibles, sublimits, and policy maximums has been purchased to limit the District’s exposure to loss. The District provides a self-insurance program for workers’ compensation, automobile liability, and general liability coverage. These activities are accounted for in a Risk Management Fund, a part of the internal service funds reported on the basic financial statements of the District. For automobile and general liability, the District generally relies upon the sovereign immunity limits of Section 768.28, Florida Statutes, which limits the District’s liability to \$200,000 for each claimant and \$300,000 in any one occurrence. Workers’ compensation claims are fully covered by the District.

The District also provides commercially purchased life and dental insurance and is self-insured for prescription drug and health coverage to its employees, retirees, and their dependents. These activities are accounted for in the Escambia School District Employee Benefit Trust, which is reported in the internal service funds on the basic financial statements of the District. The District also self-insures medical and prescription high cost claims through a self-insured stop loss fund that provides specific excess coverage of health and prescription drug claims that exceed a stated amount per policy period. In addition, third-party administrators have been contracted to assist in the payment and/or processing of prescription drugs and health claims.

Settled claims from self-insuring stop loss claims have not exceeded premiums in any of the past 3 fiscal years.

For all programs for which the District is self-insured, an undiscounted liability in the amount of \$30,515,690 (workers’ compensation - \$26,100,775, automobile - \$594,484, general liability claims - \$213,431, and \$3,607,000 for dental, prescription drug, and health insurance claims) was actuarially

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**DISTRICT SCHOOL BOARD OF
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determined to cover estimated incurred, but not reported claims and insurance claims payable at June 30, 2023.

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

Fiscal Year	Beginning-of- Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2021-22	\$ 26,698,080	\$ 41,290,453	\$ (39,125,661)	\$ 28,862,872
2022-23	28,862,872	39,236,997	(37,584,179)	30,515,690

18. LITIGATION

The District is involved in several pending and threatened legal actions. It is the opinion of District management, after considering the District's related insurance coverage, as well as statutory limitations on uninsured losses for governmental agencies, that the amount of loss from all such claims and actions would not materially affect the financial condition of the District.

19. SUBSEQUENT EVENTS

Subsequent to the fiscal year ended June 30, 2023, the District issued Certificates of Participation, Series 2023A, dated July 12, 2023, in order to finance the reconstruction of Myrtle Grove Elementary School. The Certificates were issued at a par value of \$37,470,000 and carried a premium of \$3,989,135 (which will be amortized yearly until maturity on February 1, 2043). Proceeds of the sale totaled \$41,459,135. Average coupon rate of the Certificates is 4.8 percent.

The transaction is secured by undivided proportionate interests in basic rental payments pursuant to a Master Lease and subsequent supplemental lease agreements. Lease payments are made from a portion of the proceeds of the District's ad valorem capital outlay millage levy (1.214 mills for the 2023-24 fiscal year). The Certificates are rated A1 by Moody's and AA- by Fitch Ratings.



Escambia County

PUBLIC SCHOOLS

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REQUIRED SUPPLEMENTARY INFORMATION



**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY AND RELATED
RATIOS
LAST 10 FISCAL YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total OPEB Liability					
Service Cost	\$ 1,562,926	\$ 1,484,043	\$ 1,071,486	\$ 974,799	\$ 1,365,697
Interest Cost	390,968	360,840	455,573	477,719	577,365
Differences between Expected and Actual Experiences	(799,941)	1,536,585	1,742,173	829,638	(985,496)
Changes in Assumptions	(2,625,191)	55,799	1,965,852	244,445	(3,196,018)
Benefit Payments	(1,070,827)	(2,408,499)	(2,184,520)	(1,793,597)	(526,793)
Net Change in Total OPEB Liability	(2,542,065)	1,028,768	3,050,564	733,004	(2,765,245)
Total OPEB Liability (Beginning)	17,069,979	16,041,211	12,990,647	12,257,643	15,022,888
Total OPEB Liability (Ending)	<u>\$ 14,527,914</u>	<u>\$ 17,069,979</u>	<u>\$ 16,041,211</u>	<u>\$ 12,990,647</u>	<u>\$ 12,257,643</u>
 Covered-Employee Payroll	 \$ 223,608,344	 \$ 220,346,859	 \$ 214,865,105	 \$ 208,523,980	 \$ 208,266,112
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 6.50%	 7.75%	 7.47%	 6.23%	 5.89%
	 <u>2018</u>				
Total OPEB Liability					
Service Cost	\$ 1,464,394				
Interest Cost	442,761				
Changes in Benefit Terms	-				
Differences between Expected and Actual Experiences	128,911				
Changes in Assumptions	(487,674)				
Benefit Payments	(1,184,877)				
Net Change in Total OPEB Liability	363,515				
Total OPEB Liability (Beginning)	14,659,373				
Total OPEB Liability (Ending)	<u>\$ 15,022,888</u>				
 Covered-Employee Payroll	 \$ 279,651,532				
 Total OPEB Liability as a Percentage of Covered-Employee Payroll	 5.37%				

*GASB Statement No. 75 was effective for fiscal years beginning after June 15, 2017. Accordingly, a full ten-year presentation is not available. Fiscal year ended 6/30/2023 values reflect the measurement period from July 1, 2021 to June 30, 2022.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF DISTRICT CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 1,070,827	\$ 2,408,499	\$ 2,184,520	\$ 1,793,597	\$ 526,793
Contributions in relation to the contractually required contribution	<u>(1,070,827)</u>	<u>(2,408,499)</u>	<u>(2,184,520)</u>	<u>(1,793,597)</u>	<u>(526,793)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 233,194,634	\$ 223,608,344	\$ 220,346,859	\$ 214,865,105	\$ 208,523,980
Contributions as a percentage of covered-employee payroll	0.46%	1.08%	0.99%	0.83%	0.25%
	<u>2018</u>				
Contractually required contribution	\$ 1,184,877				
Contributions in relation to the contractually required contribution	<u>(1,184,877)</u>				
Contribution deficiency (excess)	<u>\$ -</u>				
Covered-employee payroll	\$ 208,266,112				
Contributions as a percentage of covered-employee payroll	0.57%				

*GASB Statement No. 75 was effective for fiscal years beginning after June 15, 2017. Accordingly, a full ten-year presentation is not available. Fiscal year ended 6/30/2023 values reflect the measurement period from July 1, 2021 to June 30, 2022.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Total OPEB Liability was \$14,527,914 at the June 30, 2022 measurement date.

Actuarial Valuation:

Cost Method - Entry Age Normal Cost Method

Method Changes - None

Assumption Changes:

- A change in the funding discount rate from 2.16 percent at June 30, 2022 to 3.54 percent at June 30, 2023.
- A change in the medical trend rates and claims from those developed as of July 1, 2020 to rates and claims developed as of July 1, 2022.
- A change in the future medical plan choice election based on current retiree date.

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumption changes summarized above are to best reflect the current market conditions and recent plan experience.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST 10 FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the FRS net pension liability	0.465219103%	0.473788766%	0.437886599%	0.447470245%	0.460707327%
District's proportionate share of the FRS net pension liability	\$ 173,098,892	\$ 35,789,356	\$ 189,786,505	\$ 154,102,523	\$ 138,767,435
District's covered payroll	223,608,344	220,346,859	214,865,105	208,523,980	208,266,112
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	77.41%	16.24%	88.33%	73.90%	66.63%
FRS Plan fiduciary net position as percentage of total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the FRS net pension liability	0.474619344%	0.492777162%	0.522779113%	0.523517774%	0.510916965%
District's proportionate share of the FRS net pension liability	\$ 140,389,217	\$ 124,426,620	\$ 67,523,934	\$ 31,942,283	\$ 87,951,549
District's covered payroll	279,651,532	226,377,227	217,952,759	209,931,489	196,359,029
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	50.20%	54.96%	30.98%	15.22%	44.79%
FRS Plan fiduciary net position as percentage of total pension liability	83.89%	84.88%	92.00%	96.09%	88.54%

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF DISTRICT CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM
PENSION PLAN
LAST 10 FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required FRS contribution	\$ 20,637,173	\$ 19,851,746	\$ 18,049,305	\$ 14,549,031	\$ 13,874,806
FRS contributions in relation to the contractually required contribution	<u>(20,637,173)</u>	<u>(19,851,746)</u>	<u>(18,049,305)</u>	<u>(14,549,031)</u>	<u>(13,874,806)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 233,194,634	\$ 223,608,344	\$ 220,346,859	\$ 214,865,105	\$ 208,523,980
FRS contributions as a percentage of covered payroll	8.85%	8.88%	8.19%	6.77%	6.65%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 13,129,789	\$ 12,355,510	\$ 12,017,157	\$ 12,745,799	\$ 11,467,261
FRS contributions in relation to the contractually required contribution	<u>(13,129,789)</u>	<u>(12,355,510)</u>	<u>(12,017,157)</u>	<u>(12,745,799)</u>	<u>(11,467,261)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 208,266,112	\$ 279,651,532	\$ 226,377,227	\$ 217,952,759	\$ 209,931,489
FRS contributions as a percentage of covered payroll	6.30%	4.42%	5.31%	5.85%	5.46%

FLORIDA RETIREMENT SYSTEM PENSION PLAN - CHANGES IN BENEFIT TERMS AND ASSUMPTIONS

There were no changes in benefit terms for the fiscal year ended June 30, 2023.

Changes in Assumptions:

- The long-term expected rate of return was decreased from 6.80 percent to 6.70 percent.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST 10 FISCAL YEARS

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the HIS net pension liability	0.613430007%	0.622194597%	0.618910818%	0.623355193%	0.637315645%
District's proportionate share of the HIS net pension liability	\$ 64,972,035	\$ 76,321,522	\$ 75,568,003	\$ 69,747,208	\$ 67,454,203
District's covered payroll	223,608,344	220,346,859	214,865,105	208,523,980	208,266,112
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	29.06%	34.64%	35.17%	33.45%	32.39%
HIS Plan fiduciary net position as percentage of total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the HIS net pension liability	0.657317628%	0.677334098%	0.676027064%	0.665329064%	0.657194019%
District's proportionate share of the HIS net pension liability	\$ 70,282,433	\$ 78,940,483	\$ 68,944,126	\$ 62,209,891	\$ 57,217,380
District's covered payroll	279,651,532	226,377,227	217,952,759	209,931,489	196,359,029
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	25.13%	34.87%	31.63%	29.63%	29.14%
HIS Plan fiduciary net position as percentage of total pension liability	1.64%	0.97%	0.50%	0.90%	1.78%

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF DISTRICT CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST 10 FISCAL YEARS

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required HIS contribution	\$ 3,870,563	\$ 3,711,768	\$ 3,657,265	\$ 3,566,493	\$ 3,461,431
HIS contributions in relation to the contractually required contribution	<u>(3,870,563)</u>	<u>(3,711,768)</u>	<u>(3,657,265)</u>	<u>(3,566,493)</u>	<u>(3,461,431)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 233,194,634	\$ 223,608,344	\$ 220,346,859	\$ 214,865,105	\$ 208,523,980
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.66%	1.66%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 3,456,179	\$ 3,478,715	\$ 3,471,769	\$ 2,584,196	\$ 2,279,194
HIS contributions in relation to the contractually required contribution	<u>(3,456,179)</u>	<u>(3,478,715)</u>	<u>(3,471,769)</u>	<u>(2,584,196)</u>	<u>(2,279,194)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 208,266,112	\$ 279,651,532	\$ 226,377,227	\$ 217,952,759	\$ 209,931,489
HIS contributions as a percentage of covered payroll	1.66%	1.24%	1.53%	1.19%	1.09%

FLORIDA RETIREMENT SYSTEM HEALTH INSURANCE SUBSIDY PENSION PLAN –
CHANGES IN BENEFIT TERMS AND ASSUMPTIONS

There were no changes in benefit terms for the fiscal year ended June 30, 2023.

Changes in Assumptions:

- The municipal bond rate used to determine total pension liability was increased from 2.16 percent to 3.54 percent. An increase in discount rate results in a decrease in pension liability.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES



Nonmajor Governmental Funds

Special Revenue Funds

The Special Revenue Funds account for certain revenues derived from the State of Florida, the Federal Government, and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:

Food Service Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.

School Internal Funds - To account for and report on activities of the school internal funds (athletics, clubs, classes, etc.) that do not meet the criteria for reporting as fiduciary activities due to the District's administrative involvement with those funds.

Debt Service Funds

The Debt Service Funds are used to account for the payment of interest and principal of the current portion on long-term debt.

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

Other Debt Service Fund - (1) To account for and report on Certificate of Participation Issues, characterized as lease-purchase agreements. (2) To account for and report on the Sales Tax Revenue Bonds, Series 2016.

Nonmajor Governmental Funds (Continued)

Capital Projects Funds

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

Capital Outlay & Debt Service Fund – To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service (CO&DS) program, used for construction and maintenance of schools.

Local Capital Improvement Fund - To account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and debt service payments on certificates of participation.



Escambia County

PUBLIC SCHOOLS

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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>Total Nonmajor Governmental Funds</u>	<u>Special Revenue Fund</u>			<u>Debt Service Funds</u>		
		<u>Total Nonmajor Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>School Internal Funds</u>	<u>Total Nonmajor Debt Service Funds</u>	<u>State Board of Education (SBE) Bond Fund</u>	<u>Other Debt Service Fund</u>
ASSETS							
Cash and Cash Equivalents	\$ 24,193,353	\$ 7,664,897	\$ 3,568,663	\$ 4,096,234	\$ 7,621,313	\$ 14,998	\$ 7,606,315
Investments	10,574,709	-	-	-	-	-	-
Due from Other Funds	7,028,294	7,028,294	7,012,800	15,494	-	-	-
Due from Other Agencies	1,058,544	1,056,955	1,056,955	-	-	-	-
Inventories	2,970,436	2,970,436	2,970,436	-	-	-	-
TOTAL ASSETS	<u>\$ 45,825,336</u>	<u>\$ 18,720,582</u>	<u>\$ 14,608,854</u>	<u>\$ 4,111,728</u>	<u>\$ 7,621,313</u>	<u>\$ 14,998</u>	<u>\$ 7,606,315</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Salaries and Benefits Payable	\$ 59,228	\$ 59,228	\$ 59,228	\$ -	\$ -	\$ -	\$ -
Payroll Deductions and Withholdings	12,752	12,752	12,752	-	-	-	-
Accounts Payable	370,729	72,629	72,629	-	1,000	-	1,000
Construction Contracts Payable - Retainage	20,852	-	-	-	-	-	-
Due to Other Funds	174,796	174,796	12,829	161,967	-	-	-
Due to Other Agencies	768,992	-	-	-	768,549	-	768,549
Deposits Payable	137,438	137,438	137,438	-	-	-	-
Unearned Revenue	1,297	-	-	-	-	-	-
Total Liabilities	<u>1,546,084</u>	<u>456,843</u>	<u>294,876</u>	<u>161,967</u>	<u>769,549</u>	<u>-</u>	<u>769,549</u>
Fund Balances:							
Nonspendable:							
Inventories	2,970,436	2,970,436	2,970,436	-	-	-	-
Restricted for:							
Debt Service	6,851,764	-	-	-	6,851,764	14,998	6,836,766
Special Revenue	3,949,761	3,949,761	-	3,949,761	-	-	-
Capital Projects	19,163,749	-	-	-	-	-	-
Food Service	11,343,542	11,343,542	11,343,542	-	-	-	-
Total Fund Balances	<u>44,279,252</u>	<u>18,263,739</u>	<u>14,313,978</u>	<u>3,949,761</u>	<u>6,851,764</u>	<u>14,998</u>	<u>6,836,766</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 45,825,336</u>	<u>\$ 18,720,582</u>	<u>\$ 14,608,854</u>	<u>\$ 4,111,728</u>	<u>\$ 7,621,313</u>	<u>\$ 14,998</u>	<u>\$ 7,606,315</u>

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
JUNE 30, 2023

	Capital Projects Funds		
	Total Nonmajor Capital Projects Funds	Capital Outlay & Debt Service Fund	Local Capital Improvement Section 1011.71(2), F.S.
ASSETS			
Cash and Cash Equivalents	\$ 8,907,143	\$ 4,237,230	\$ 4,669,913
Investments	10,574,709	-	10,574,709
Due from Other Agencies	1,589	1,589	-
	\$ 19,483,441	\$ 4,238,819	\$ 15,244,622
TOTAL ASSETS			
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 297,100	\$ -	\$ 297,100
Construction Contracts Payable - Retainage	20,852	20,852	-
Due to Other Agencies	443	443	-
Unearned Revenue	1,297	1,297	-
	319,692	22,592	297,100
Total Liabilities			
Fund Balances:			
Restricted for:			
Capital Projects	19,163,749	4,216,227	14,947,522
	19,163,749	4,216,227	14,947,522
Total Fund Balances			
TOTAL LIABILITIES AND FUND BALANCES	\$ 19,483,441	\$ 4,238,819	\$ 15,244,622

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

	Total Nonmajor Governmental Funds	Special Revenue Fund			Debt Service Funds		
		Total Nonmajor Special Revenue Fund	Food Service Fund	School Internal Funds	Total Nonmajor Debt Service Funds	State Board of Education (SBE) Bond Fund	Other Debt Service Fund
REVENUES							
Federal Through State and Local:							
Food Service	\$ 24,680,870	\$ 24,680,870	\$ 24,680,870	\$ -	\$ -	\$ -	\$ -
Total Federal Through State and Local	<u>24,680,870</u>	<u>24,680,870</u>	<u>24,680,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
State:							
Food Service	284,104	284,104	284,104	-	-	-	-
CO&DS Withheld for SBE/COBI Bond	218,386	-	-	-	218,386	218,386	-
CO&DS Distribution	1,371,872	-	-	-	-	-	-
Other State Sources	28,346	-	-	-	679	679	-
Total State	<u>1,902,708</u>	<u>284,104</u>	<u>284,104</u>	<u>-</u>	<u>219,065</u>	<u>219,065</u>	<u>-</u>
Local:							
Charges for Food Service	1,751,792	1,751,792	1,751,792	-	-	-	-
Investment Income	129,163	22,467	22,467	-	-	-	-
Property Taxes	32,322,922	-	-	-	-	-	-
Other Local Sources	7,650,177	7,608,668	24,898	7,583,770	41,509	-	41,509
Total Local	<u>41,854,054</u>	<u>9,382,927</u>	<u>1,799,157</u>	<u>7,583,770</u>	<u>41,509</u>	<u>-</u>	<u>41,509</u>
Total Revenues	<u>68,437,632</u>	<u>34,347,901</u>	<u>26,764,131</u>	<u>7,583,770</u>	<u>260,574</u>	<u>219,065</u>	<u>41,509</u>

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Total Nonmajor Governmental Funds	Special Revenue Fund			Debt Service Funds		
		Total Nonmajor Special Revenue Fund	Food Service Fund	School Internal Funds	Total Nonmajor Debt Service Funds	State Board of Education (SBE) Bond Fund	Other Debt Service Fund
EXPENDITURES							
Current Education:							
Student Support Services	\$ 7,381,457	\$ 7,381,457	\$ -	\$ 7,381,457	\$ -	\$ -	\$ -
Facilities Acquisition and Construction	11,388,512	-	-	-	-	-	-
Food Services	25,311,541	25,311,541	25,311,541	-	-	-	-
Capital Outlay:							
Facilities Acquisition and Construction	2,440,185	-	-	-	-	-	-
Other Capital Outlay	3,267,382	314,008	314,008	-	-	-	-
Debt Service:							
Principal	11,441,000	-	-	-	11,441,000	186,000	11,255,000
Interest and Fiscal Charges	3,069,643	-	-	-	3,066,046	36,172	3,029,874
Total Expenditures	64,299,720	33,007,006	25,625,549	7,381,457	14,507,046	222,172	14,284,874
Excess (Deficiency) of Revenues Over Expenditures	4,137,912	1,340,895	1,138,582	202,313	(14,246,472)	(3,107)	(14,243,365)
OTHER FINANCING SOURCES (USES)							
Loss Recoveries	829,023	829,023	829,023	-	-	-	-
Transfers In	14,282,875	-	-	-	14,282,875	-	14,282,875
Transfers Out	(13,563,883)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	1,548,015	829,023	829,023	-	14,282,875	-	14,282,875
Net Change in Fund Balances	5,685,927	2,169,918	1,967,605	202,313	36,403	(3,107)	39,510
Fund Balances, July 1, 2022	38,593,325	16,093,821	12,346,373	3,747,448	6,815,361	18,105	6,797,256
Fund Balances, June 30, 2023	\$ 44,279,252	\$ 18,263,739	\$ 14,313,978	\$ 3,949,761	\$ 6,851,764	\$ 14,998	\$ 6,836,766

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Capital Projects Funds		
	Total Nonmajor Capital Projects Funds	Capital Outlay & Debt Service Fund	Local Capital Improvement Section 1011.71(2), F.S.
REVENUES			
State:			
CO&DS Distribution	\$ 1,371,872	\$ 1,371,872	\$ -
Other State Sources	27,667	27,667	-
Total State	1,399,539	1,399,539	-
Local:			
Interest Income	106,696	-	106,696
Property Taxes	32,322,922	-	32,322,922
Total Local	32,429,618	-	32,429,618
 Total Revenues	 \$ 33,829,157	 \$ 1,399,539	 \$ 32,429,618
		(Continued)	(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Capital Projects Funds		
	Total Nonmajor Capital Projects Funds	Capital Outlay & Debt Service Fund	Local Capital Improvement Section 1011.71(2), F.S.
EXPENDITURES			
Current Education:			
Facilities Acquisition and Construction	\$ 11,388,512	\$ 692,435	\$ 10,696,077
Capital Outlay:			
Facilities Acquisition and Construction	2,440,185	-	2,440,185
Other Capital Outlay	2,953,374	-	2,953,374
Debt Service:			
Interest and Fiscal Charges	3,597	3,597	-
	Total Expenditures	696,032	16,089,636
	16,785,668	703,507	16,339,982
Excess (Deficiency) of Revenues Over Expenditures	17,043,489	703,507	16,339,982
OTHER FINANCIAL SOURCES (USES)			
Transfers Out	(13,563,883)	-	(13,563,883)
Total Other Financial Sources (Uses)	(13,563,883)	-	(13,563,883)
Net Change in Fund Balances	3,479,606	703,507	2,776,099
Fund Balances, July 1, 2022	15,684,143	3,512,720	12,171,423
Fund Balances, June 30, 2023	\$ 19,163,749	\$ 4,216,227	\$ 14,947,522

General Fund

The General Fund is the primary operating fund of the District. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The General Fund is reported as a major governmental fund.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct:				
Federal Impact, Current Operations	\$ 400,000	\$ 429,895	\$ 429,895	\$ -
Reserve Officers Training Corps (ROTC)	500,000	500,000	570,651	70,651
Total Federal Direct	900,000	929,895	1,000,546	70,651
Federal Through State and Local:				
Medicaid	900,000	1,294,205	1,752,746	458,541
Other Federal Through State and Local Sources	1,047,299	1,186,565	1,114,817	(71,748)
Total Federal Through State and Local	1,947,299	2,480,770	2,867,563	386,793
State:				
Florida Education Finance Program (FEFP)	151,202,382	152,711,340	152,711,340	-
Workforce Development	4,588,946	4,588,946	4,588,946	-
Workforce Education Performance Incentive	100,000	270,902	270,902	-
CO & DS Withheld for Administrative Expense	24,217	24,217	24,217	-
Categorical Programs - Class Size Reduction	37,657,781	37,206,083	37,206,083	-
Other State Sources	2,638,320	5,128,806	5,142,024	13,218
Total State	196,211,646	199,930,294	199,943,512	13,218
Local:				
Property Taxes	114,024,827	107,218,996	108,089,784	870,788
Investment Income	-	-	1,778,521	1,778,521
Other Local Sources	4,286,350	5,026,942	8,188,634	3,161,692
Total Local	118,311,177	112,245,938	118,056,939	5,811,001
Total Revenues	317,370,122	315,586,897	321,868,560	6,281,663
EXPENDITURES				
Current - Education:				
Instruction:				
Salaries	126,282,248	121,687,961	119,842,196	1,845,765
Employee Benefits	42,210,326	41,802,229	38,485,959	3,316,270
Purchased Services	13,990,961	16,918,299	14,698,109	2,220,190
Energy Services	3,000	7,327	3,365	3,962
Materials and Supplies	4,122,920	5,457,581	5,762,259	(304,678)
Capital Outlay	507,993	753,902	700,446	53,456
Other Expenses	4,030,677	5,183,790	6,539,076	(1,355,286)
Total Instruction	191,148,125	191,811,089	186,031,410	5,779,679

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Student Support Services:				
Salaries	\$ 10,837,006	\$ 10,379,507	\$ 11,146,806	\$ (767,299)
Employee Benefits	3,933,602	3,935,985	3,662,283	273,702
Purchased Services	3,419,745	3,270,803	2,574,861	695,942
Energy Services	2,850	2,850	2,884	(34)
Materials and Supplies	50,029	67,436	98,372	(30,936)
Capital Outlay	992	10,242	11,996	(1,754)
Other Expenses	255,570	265,749	10,707	255,042
Total Student Support Services	18,499,794	17,932,572	17,507,909	424,663
Instructional Media Services:				
Salaries	3,342,208	3,383,520	3,300,971	82,549
Employee Benefits	1,109,317	1,122,534	1,122,375	159
Purchased Services	47,187	55,704	46,605	9,099
Materials and Supplies	11,063	24,607	18,879	5,728
Capital Outlay	130,923	154,641	175,038	(20,397)
Other Expenses	58,425	58,800	56,355	2,445
Total Instructional Media Services	4,699,123	4,799,806	4,720,223	79,583
Instruction and Curriculum Development Services:				
Salaries	6,405,488	6,072,289	6,121,413	(49,124)
Employee Benefits	1,791,275	1,850,112	1,715,281	134,831
Purchased Services	13,551	17,796	95,462	(77,666)
Materials and Supplies	9,556	1,162	17,897	(16,735)
Capital Outlay	1,085	11,905	14,151	(2,246)
Other Expenses	28,995	29,878	7,409	22,469
Total Instruction and Curriculum Development Services	8,249,950	7,983,142	7,971,613	11,529
Instructional Staff Training Services:				
Salaries	2,234,508	2,314,481	2,456,328	(141,847)
Employee Benefits	884,401	930,522	696,992	233,530
Purchased Services	493,056	659,362	629,870	29,492
Materials and Supplies	61,519	107,397	83,748	23,649
Capital Outlay	-	1,588	2,640	(1,052)
Other Expenses	238,337	153,691	76,245	77,446
Total Instructional Staff Training Services	3,911,821	4,167,041	3,945,823	221,218
Instruction-Related Technology:				
Salaries	2,745,937	2,845,003	2,684,322	160,681
Employee Benefits	906,669	938,542	873,627	64,915
Purchased Services	556,725	562,676	437,093	125,583
Materials and Supplies	10,000	10,213	555	9,658
Capital Outlay	27,000	27,000	17,707	9,293
Other Expenses	13,848	20,894	19,584	1,310
Total Instruction-Related Technology	4,260,179	4,404,328	4,032,888	371,440

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Board:				
Salaries	\$ 738,338	\$ 797,338	\$ 803,354	\$ (6,016)
Employee Benefits	327,744	327,744	383,296	(55,552)
Purchased Services	282,376	339,376	244,614	94,762
Energy Services	600	600	64	536
Materials and Supplies	9,772	9,772	2,085	7,687
Other Expenses	-	-	24,759	(24,759)
Total Board of Education	1,358,830	1,474,830	1,458,172	16,658
General Administration:				
Salaries	635,611	1,097,151	1,073,317	23,834
Employee Benefits	173,168	181,363	281,208	(99,845)
Purchased Services	81,342	81,342	55,892	25,450
Materials and Supplies	25,000	25,000	11,881	13,119
Capital Outlay	-	-	256	(256)
Other Expenses	74,867	75,106	37,408	37,698
Total General Administration	989,988	1,459,962	1,459,962	-
School Administration:				
Salaries	13,738,874	15,222,386	15,321,617	(99,231)
Employee Benefits	4,602,868	4,606,145	4,522,954	83,191
Purchased Services	39	490	5,147	(4,657)
Materials and Supplies	11,466	51,559	45,598	5,961
Capital Outlay	8,696	27,607	31,536	(3,929)
Other Expenses	41,105	47,488	22,469	25,019
Total School Administration	18,403,048	19,955,675	19,949,321	6,354
Facilities Acquisition and Construction:				
Salaries	222,360	222,360	275,577	(53,217)
Employee Benefits	50,909	50,909	44,830	6,079
Purchased Services	329,332	329,182	98,155	231,027
Energy Services	20,750	20,750	29,640	(8,890)
Materials and Supplies	27,674	2,027,824	32,681	1,995,143
Capital Outlay	95,827	390,511	429,722	(39,211)
Other Expenses	10,150	10,150	121	10,029
Total Facilities Acquisition and Construction	757,002	3,051,686	910,726	2,140,960
Fiscal Services:				
Salaries	1,911,345	1,911,345	1,893,566	17,779
Employee Benefits	471,190	471,190	558,317	(87,127)
Purchased Services	263,463	259,065	190,685	68,380
Materials and Supplies	29,217	28,570	15,279	13,291
Capital Outlay	15,000	15,622	1,100	14,522
Other Expenses	20,625	20,725	8,235	12,490
Total Fiscal Services	2,710,840	2,706,517	2,667,182	39,335

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Food Services:				
Salaries	\$ 100,000	\$ 139,392	\$ 130,735	\$ 8,657
Employee Benefits	3,000	6,014	6,991	(977)
Materials and Supplies	10,000	10,011	11	10,000
Total Food Services	113,000	155,417	137,737	17,680
Central Services:				
Salaries	4,909,903	5,429,568	4,392,478	1,037,090
Employee Benefits	605,846	623,079	1,143,149	(520,070)
Purchased Services	350,351	671,058	1,309,617	(638,559)
Energy Services	28,233	28,258	39,935	(11,677)
Materials and Supplies	723,355	761,436	63,310	698,126
Capital Outlay	4,280	14,742	13,847	895
Other Expenses	242,941	262,457	145,221	117,236
Total Central Services	6,864,909	7,790,598	7,107,557	683,041
Student Transportation Services:				
Salaries	8,862,999	8,879,229	8,667,966	211,263
Employee Benefits	3,235,627	3,236,853	3,639,388	(402,535)
Purchased Services	290,894	280,620	740,317	(459,697)
Energy Services	3,414,000	3,092,840	2,119,929	972,911
Materials and Supplies	805,479	1,062,921	1,144,426	(81,505)
Capital Outlay	273,000	290,275	30,275	260,000
Other Expenses	709,385	703,588	850,477	(146,889)
Total Student Transportation Services	17,591,384	17,546,326	17,192,778	353,548
Operation of Plant:				
Salaries	7,836,286	12,648,065	8,429,063	4,219,002
Employee Benefits	2,668,256	2,694,805	3,283,156	(588,351)
Purchased Services	10,689,729	10,831,046	11,669,616	(838,570)
Energy Services	9,625,405	9,625,405	11,604,995	(1,979,590)
Materials and Supplies	420,321	408,510	790,970	(382,460)
Capital Outlay	(22,560)	21,000	137,139	(116,139)
Other Expenses	254,200	271,696	503,942	(232,246)
Total Operation of Plant	31,471,637	36,500,527	36,418,881	81,646
Maintenance of Plant:				
Salaries	4,782,240	5,859,713	4,638,411	1,221,302
Employee Benefits	1,330,753	1,532,689	1,787,351	(254,662)
Purchased Services	3,860,003	3,887,540	3,424,827	462,713
Energy Services	623,989	624,085	450,633	173,452
Materials and Supplies	1,625,368	1,643,512	2,391,329	(747,817)
Capital Outlay	64,160	64,160	84,087	(19,927)
Other Expenses	40,200	40,200	2,680	37,520
Total Maintenance of Plant	12,326,713	13,651,899	12,779,318	872,581

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
GENERAL FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Administrative Technology Services:				
Salaries	\$ 2,938,108	\$ 3,080,167	\$ 2,994,307	\$ 85,860
Employee Benefits	839,128	918,624	952,390	(33,766)
Purchased Services	1,800	4,597	51,635	(47,038)
Energy Services	3,000	3,000	1,467	1,533
Materials and Supplies	30,000	38,345	16,226	22,119
Capital Outlay	-	-	3,131	(3,131)
Other Expenses	2,400	2,400	9,993	(7,593)
Total Administrative Technology Services	3,814,436	4,047,133	4,029,149	17,984
Community Services:				
Salaries	99,000	228,141	324,371	(96,230)
Employee Benefits	32,013	116,258	107,971	8,287
Purchased Services	20,822	21,168	8,253	12,915
Materials and Supplies	235,628	279,166	60,385	218,781
Capital Outlay	600	4,226	3,626	600
Other Expenses	591,798	530,083	302,338	227,745
Total Community Services	979,861	1,179,042	806,944	372,098
Capital Outlay:				
Facilities Acquisition and Construction	26,574	188,408	11,083	177,325
Other Capital Outlay	390,661	823,907	823,907	-
Total Capital Outlay	417,235	1,012,315	834,990	177,325
Total Expenditures	328,567,875	341,629,905	329,962,583	11,667,322
Excess (Deficiency) of Revenues Over Expenditures	(11,197,753)	(26,043,008)	(8,094,023)	17,948,985
Other Financing Sources				
Insurance Loss Recoveries	-	-	2,181,096	2,181,096
Transfers In	9,436,596	9,436,596	11,932,718	2,496,122
Total Other Financing Sources	9,436,596	9,436,596	14,113,814	4,677,218
Net Change in Fund Balances	(1,761,157)	(16,606,412)	6,019,791	22,626,203
Fund Balances, July 1, 2022	36,168,966	36,168,966	36,168,966	-
Fund Balances, June 30, 2023	\$ 34,407,809	\$ 19,562,554	\$ 42,188,757	\$ 22,626,203

Special Revenue Funds

The special revenue funds account for certain revenues derived from the State of Florida, the Federal Government and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:

Nonmajor Special Revenue Fund

Food Service Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.

School Internal Funds - To account for and report on activities of the school internal funds (athletics, clubs, classes, etc.) that do not meet the criteria for reporting as fiduciary activities due to the District's administrative involvement with those funds.

Major Special Revenue Fund

Other Federal Programs Fund - To account for and report on activities of various Federal programs of different funding sources according to the specifications and requirements of each funding source.

Federal Education Stabilization Fund - To account for and report on Coronavirus Aid, Relief, and Economic Security (CARES) Act funds and Elementary and Secondary School Emergency Relief (ESSER) funds.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - FOOD SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Food Service Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State and Local:				
Food Service	\$ 21,909,322	\$ 21,909,322	\$ 24,680,870	\$ 2,771,548
Total Federal Through State and Local	<u>21,909,322</u>	<u>21,909,322</u>	<u>24,680,870</u>	<u>2,771,548</u>
State:				
Food Service	279,178	279,178	284,104	4,926
Total State	<u>279,178</u>	<u>279,178</u>	<u>284,104</u>	<u>4,926</u>
Local:				
Charges for Food Service	1,509,200	1,509,200	1,751,792	242,592
Investment Income	1,800	1,800	22,467	20,667
Other Local Sources	600	600	24,898	24,298
Total Local	<u>1,511,600</u>	<u>1,511,600</u>	<u>1,799,157</u>	<u>287,557</u>
Total Revenues	<u>23,700,100</u>	<u>23,700,100</u>	<u>26,764,131</u>	<u>3,064,031</u>
EXPENDITURES				
Current - Education:				
Food Services:				
Salaries	6,509,500	6,584,994	6,584,994	-
Employee Benefits	3,028,425	2,724,020	2,724,020	-
Purchased Services	732,356	791,264	791,264	-
Energy Services	234,234	277,817	277,817	-
Materials and Supplies	11,734,755	13,971,364	13,971,364	-
Capital Outlay	139,800	125,615	125,615	-
Other Expenses	983,500	836,467	836,467	-
Total Food Services	<u>23,362,570</u>	<u>25,311,541</u>	<u>25,311,541</u>	<u>-</u>
Capital Outlay:				
Other Capital Outlay	337,530	314,008	314,008	-
Total Capital Outlay	<u>337,530</u>	<u>314,008</u>	<u>314,008</u>	<u>-</u>
Total Expenditures	<u>23,700,100</u>	<u>25,625,549</u>	<u>25,625,549</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>(1,925,449)</u>	<u>1,138,582</u>	<u>3,064,031</u>
Other Financing Sources				
Insurance Loss Recoveries	-	-	829,023	829,023
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>829,023</u>	<u>829,023</u>
Net Change in Fund Balances	<u>-</u>	<u>(1,925,449)</u>	<u>1,967,605</u>	<u>3,893,054</u>
Fund Balances, July 1, 2022	12,346,373	12,346,373	12,346,373	-
Fund Balances, June 30, 2023	<u>\$ 12,346,373</u>	<u>\$ 10,420,924</u>	<u>\$ 14,313,978</u>	<u>\$ 3,893,054</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Other Federal Programs Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct:				
Other Federal Direct Sources	\$ 3,943,605	\$ 3,153,708	\$ 1,974,776	\$ (1,178,932)
Total Federal Direct	3,943,605	3,153,708	1,974,776	(1,178,932)
Federal Through State and Local:				
Career and Technical Education	679,703	709,703	661,909	(47,794)
WIOA - Adult General Education	282,309	309,310	237,802	(71,508)
Other Workforce and Innovation Opportunity Act	246,018	208,397	208,397	-
Individuals with Disabilities Education Act	13,959,007	14,058,608	11,974,697	(2,083,911)
Elementary and Secondary Education Act - Title I	23,051,390	22,333,931	17,333,036	(5,000,895)
Other Federal Through State and Local Sources	4,594,611	4,787,144	3,361,156	(1,425,988)
Total Federal Through State and Local	42,813,038	42,407,093	33,776,997	(8,630,096)
Total Revenues	46,756,643	45,560,801	35,751,773	(9,809,028)
EXPENDITURES				
Current - Education:				
Instruction:				
Salaries	8,147,170	8,243,446	7,625,946	617,500
Employee Benefits	3,322,544	2,871,658	2,513,952	357,706
Purchased Services	3,362,799	2,397,570	2,252,849	144,721
Materials and Supplies	3,207,160	2,539,394	1,799,296	740,098
Capital Outlay	545,773	918,157	495,581	422,576
Other Expenses	1,488,728	1,323,436	837,031	486,405
Total Instruction	20,074,174	18,293,661	15,524,655	2,769,006
Student Support Services:				
Salaries	714,418	778,796	702,454	76,342
Employee Benefits	236,249	267,725	233,499	34,226
Purchased Services	120,291	141,692	93,379	48,313
Materials and Supplies	328,914	415,739	369,553	46,186
Capital Outlay	45,471	48,578	46,828	1,750
Other Expenses	56,794	42,983	17,713	25,270
Total Student Support Services	1,502,137	1,695,513	1,463,426	232,087
Instructional Media Services:				
Salaries	-	13,333	-	13,333
Employee Benefits	-	7,919	-	7,919
Capital Outlay	209,953	133,983	85,586	48,397
Total Instructional Media Services	209,953	155,235	85,586	69,649

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Other Federal Programs Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Instruction and Curriculum Development Services:				
Salaries	\$ 8,066,608	\$ 8,208,831	\$ 6,837,159	\$ 1,371,672
Employee Benefits	2,542,576	2,574,664	2,151,875	422,789
Purchased Services	60,925	34,787	21,060	13,727
Materials and Supplies	135,357	125,041	48,397	76,644
Capital Outlay	8,600	22,571	16,898	5,673
Other Expenses	54,103	55,507	24,427	31,080
Total Instruction and Curriculum Development Services	<u>10,868,169</u>	<u>11,021,401</u>	<u>9,099,816</u>	<u>1,921,585</u>
Instructional Staff Training Services:				
Salaries	3,540,373	2,850,752	2,281,253	569,499
Employee Benefits	958,283	891,609	712,269	179,340
Purchased Services	1,248,593	1,227,905	870,162	357,743
Materials and Supplies	384,393	517,933	188,824	329,109
Capital Outlay	7,892	7,855	404	7,451
Other Expenses	265,579	282,027	127,434	154,593
Total Instructional Staff Training Services	<u>6,405,113</u>	<u>5,778,081</u>	<u>4,180,346</u>	<u>1,597,735</u>
Instruction-Related Technology:				
Salaries	180,500	179,314	173,015	6,299
Employee Benefits	68,800	74,291	69,562	4,729
Purchased Services	3,000	1,311	356	955
Materials and Supplies	20,000	-	-	-
Capital Outlay	-	3,624	3,370	254
Total Instruction-Related Technology	<u>272,300</u>	<u>258,540</u>	<u>246,303</u>	<u>12,237</u>
General Administration:				
Other Expenses	2,350,599	2,269,077	1,695,779	573,298
Total General Administration	<u>2,350,599</u>	<u>2,269,077</u>	<u>1,695,779</u>	<u>573,298</u>
School Administration:				
Salaries	97,157	193,047	193,047	-
Employee Benefits	7,353	15,500	14,514	986
Total School Administration	<u>104,510</u>	<u>208,547</u>	<u>207,561</u>	<u>986</u>
Facilities Acquisition and Construction:				
Other Capital Outlay	-	10,096	796	9,300
Total Facilities Acquisition and Construction	<u>-</u>	<u>10,096</u>	<u>796</u>	<u>9,300</u>
Central Services:				
Salaries	110,948	122,914	60,589	62,325
Employee Benefits	33,905	41,138	21,352	19,786
Purchased Services	60,265	50,659	35,333	15,326
Materials and Supplies	14,986	14,986	6,418	8,568
Other Expenses	1,600	2,100	1,500	600
Total Central Services	<u>221,704</u>	<u>231,797</u>	<u>125,192</u>	<u>106,605</u>

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - OTHER FEDERAL PROGRAMS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Other Federal Programs Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Student Transportation Services:				
Salaries	\$ 1,748,000	\$ 2,379,365	\$ 1,271,719	\$ 1,107,646
Employees Benefits	786,072	830,936	540,356	290,580
Purchased Services	245,163	239,163	16,000	223,163
Other Expenses	394,812	273,410	118,734	154,676
Total Student Transportation Services	<u>3,174,047</u>	<u>3,722,874</u>	<u>1,946,809</u>	<u>1,776,065</u>
Operation of Plant:				
Purchased Services	6,479	5,991	1,929	4,062
Materials and Supplies	1,002	783	404	379
Total Operation of Plant	<u>7,481</u>	<u>6,774</u>	<u>2,333</u>	<u>4,441</u>
Administrative Technology Services:				
Salaries	69,419	70,153	70,153	-
Employee Benefits	20,446	19,788	19,785	3
Total Administrative Technology Services	<u>89,865</u>	<u>89,941</u>	<u>89,938</u>	<u>3</u>
Community Services:				
Employee Benefits	724	507	507	-
Purchased Services	7,800	2,886	2,886	-
Materials and Supplies	3,800	1,214	1,214	-
Other Expenses	1,155,622	1,128,547	663,987	464,560
Total Community Services	<u>1,167,946</u>	<u>1,133,154</u>	<u>668,594</u>	<u>464,560</u>
Capital Outlay:				
Other Capital Outlay	308,645	686,110	414,639	271,471
Total Capital Outlay	<u>308,645</u>	<u>686,110</u>	<u>414,639</u>	<u>271,471</u>
Total Expenditures	<u>46,756,643</u>	<u>45,560,801</u>	<u>35,751,773</u>	<u>9,809,028</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, July 1, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Federal Education Stabilization Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Through State and Local:				
Education Stabilization Funds - K-12	\$ 122,970,822	\$ 135,388,951	\$ 77,400,117	\$ (57,988,834)
Education Stabilization Funds - Workforce	255,895	305,856	285,994	(19,862)
Education Stabilization Funds - VPK	3,656	3,656	-	(3,656)
Total Federal Through State and Local	123,230,373	135,698,463	77,686,111	(58,012,352)
Total Revenues	123,230,373	135,698,463	77,686,111	(58,012,352)
EXPENDITURES				
Current - Education:				
Instruction:				
Salaries	10,381,895	18,249,183	14,523,092	3,726,091
Employee Benefits	2,793,188	5,601,613	3,996,057	1,605,556
Purchased Services	6,245,316	10,563,439	5,052,970	5,510,469
Materials and Supplies	12,696,437	8,073,536	6,059,460	2,014,076
Capital Outlay	1,064,030	1,236,803	1,173,506	63,297
Other Expenses	31,077	274,082	258,705	15,377
Total Instruction	33,211,943	43,998,656	31,063,790	12,934,866
Student Support Services:				
Salaries	1,537,236	2,412,303	2,084,326	327,977
Employee Benefits	486,763	678,054	599,752	78,302
Purchased Services	4,943,235	2,352,335	1,722,900	629,435
Materials and Supplies	700	-	-	-
Other Expenses	-	1,722	1,722	-
Total Student Support Services	6,967,934	5,444,414	4,408,700	1,035,714
Instructional Media Services:				
Salaries	1,511	122,689	117,875	4,814
Employee Benefits	934	16,670	16,522	148
Materials and Supplies	350	-	-	-
Capital Outlay	-	11,381	4,381	7,000
Total Instructional Media Services	2,795	150,740	138,778	11,962
Instruction and Curriculum Development Services:				
Salaries	\$ 2,362,247	\$ 3,016,961	\$ 2,782,491	\$ 234,470
Employee Benefits	747,055	919,860	895,890	23,970
Purchased Services	-	1,500	1,500	-
Capital Outlay	-	4,753	4,753	-
Other Expenses	-	1,264	1,264	-
Total Instruction and Curriculum Development Services	3,109,302	3,944,338	3,685,898	258,440

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Federal Education Stabilization Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Instructional Staff Training Services:				
Salaries	2,093,861	1,324,447	869,742	454,705
Employee Benefits	406,921	349,361	225,546	123,815
Purchased Services	1,263,417	1,742,892	1,443,154	299,738
Materials and Supplies	44,873	16,862	15,752	1,110
Capital Outlay	150	150	-	150
Other Expenses	8,500	6,160	6,160	-
Total Instructional Staff Training Services	3,817,722	3,439,872	2,560,354	879,518
Instruction-Related Technology:				
Salaries	6,473	104,523	77,523	27,000
Employee Benefits	1,836	9,735	9,646	89
Total Instruction-Related Technology	8,309	114,258	87,169	27,089
Board:				
Salaries	-	7,000	7,000	-
Employee Benefits	-	511	511	-
Total Board of Education	-	7,511	7,511	-
General Administration:				
Salaries	-	7,000	7,000	-
Employee Benefits	-	519	519	-
Other Expenses	3,564,965	4,311,902	2,370,071	1,941,831
Total General Administration	3,564,965	4,319,421	2,377,590	1,941,831
School Administration:				
Salaries	880,922	1,016,473	839,553	176,920
Employee Benefits	235,458	242,469	196,202	46,267
Total School Administration	1,116,380	1,258,942	1,035,755	223,187
Facilities Acquisition and Construction:				
Salaries	-	29,000	29,000	-
Employee Benefits	-	2,182	2,182	-
Other Capital Outlay	64,341,589	61,215,571	22,846,431	38,369,140
Total Facilities Acquisition and Construction	64,341,589	61,246,753	22,877,613	38,369,140
Fiscal Services				
Salaries	66,000	225,560	183,682	41,878
Employee Benefits	21,700	55,145	43,050	12,095
Total Fiscal Services	87,700	280,705	226,732	53,973
Food Services:				
Salaries	-	289,897	279,400	10,497
Employee Benefits	-	22,712	21,018	1,694
Total Food Services	-	312,609	300,418	12,191
Central Services:				
Salaries	161,834	365,260	173,194	192,066
Employee Benefits	13,736	50,272	42,958	7,314
Purchased Services	8,000	13,715	11,715	2,000
Materials and Supplies	1,000	200	-	200
Other Expenses	2,966,379	1,000	1,000	-
Total Central Services	3,150,949	430,447	228,867	201,580

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION FUND (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Federal Education Stabilization Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current - Education: (Continued)				
Student Transportation Services:				
Salaries	\$ 3,496	\$ 2,207,323	\$ 1,809,749	\$ 397,574
Employees Benefits	2,015	664,628	602,611	62,017
Purchased Services	209,353	269,146	211,708	57,438
Materials and Supplies	8,000	-	-	-
Other Expenses	116,931	471,784	24,067	447,717
Total Student Transportation Services	339,795	3,612,881	2,648,135	964,746
Operation of Plant:				
Salaries	11,232	358,770	256,074	102,696
Employee Benefits	2,610	36,146	23,738	12,408
Purchased Services	12,471	7,807	7,719	88
Materials and Supplies	193,047	38,223	38,229	(6)
Capital Outlay	24,701	123,131	117,201	5,930
Total Operation of Plant	244,061	564,077	442,961	121,116
Maintenance of Plant:				
Salaries	-	92,480	92,480	-
Employee Benefits	-	6,843	6,843	-
Purchased Services	1,868,602	1,913,589	1,300,723	612,866
Materials and Supplies	128,545	139,766	139,766	-
Total Maintenance of Plant	1,997,147	2,152,678	1,539,812	612,866
Administrative Technology Services:				
Salaries	5,000	43,000	43,000	-
Employee Benefits	1,000	3,185	3,185	-
Purchased Services	203,447	151,318	129,154	22,164
Capital Outlay	174,372	146,681	17,891	128,790
Total Administrative Technology Services	383,819	344,184	193,230	150,954
Community Services:				
Salaries	-	4,150	2,250	1,900
Employee Benefits	-	157	157	-
Purchased Services	20,000	20,000	7,290	12,710
Other Expenses	255,895	305,856	285,994	19,862
Total Community Services	275,895	330,163	295,691	34,472
Capital Outlay:				
Other Capital Outlay	610,068	810,325	631,618	178,707
Total Capital Outlay	610,068	810,325	631,618	178,707
Total Expenditures	123,230,373	132,762,974	74,750,622	58,012,352
Excess (Deficiency) of Revenues Over Expenditures	-	2,935,489	2,935,489	-
Other Financing Sources				
Transfers Out	-	(2,935,489)	(2,935,489)	-
Total Other Financing Sources	-	(2,935,489)	(2,935,489)	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, July 1, 2022	-	-	-	-
Fund Balances, June 30, 2023	\$ -	\$ -	\$ -	\$ -

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - SCHOOL INTERNAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	SCHOOL INTERNAL FUNDS			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local:				
Other Local Sources	\$ -	\$ 7,583,770	\$ 7,583,770	\$ -
Total Revenues	<u>-</u>	<u>7,583,770</u>	<u>7,583,770</u>	<u>-</u>
EXPENDITURES				
Current - Education:				
Student Support Services	-	7,381,457	7,381,457	-
Total Expenditures	<u>-</u>	<u>7,381,457</u>	<u>7,381,457</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>-</u>	<u>202,313</u>	<u>202,313</u>	<u>-</u>
Net Change in Fund Balances	-	202,313	202,313	-
Fund Balances, July 1, 2022	<u>-</u>	<u>3,747,448</u>	<u>3,747,448</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ -</u>	<u>\$ 3,949,761</u>	<u>\$ 3,949,761</u>	<u>\$ -</u>

Debt Service Funds

The Debt Service Funds are used to account for the payment of interest and principal of the current portion on long-term debt.

Nonmajor Debt Service Funds

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

Other Debt Service Fund - (1) To account for and report on Certificate of Participation Issues, characterized as lease-purchase agreements. (2) To account for and report on the Sales Tax Revenue Bonds, Series 2016.

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
DEBT SERVICE FUND - STATE BOARD OF EDUCATION (SBE) BONDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<i>State Board of Education (SBE) Bond Fund</i>			
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Original</i>	<i>Final</i>		
REVENUES				
State:				
CO&DS Withheld for SBE/COBI Bonds	\$ 222,100	\$ 218,386	\$ 218,386	\$ -
Other State Sources	-	679	679	-
Total State	222,100	219,065	219,065	-
Total Revenues	222,100	219,065	219,065	-
EXPENDITURES				
Debt Service:				
Principal	186,000	186,000	186,000	-
Interest and Fiscal Charges	36,100	36,172	36,172	-
Total Expenditures	222,100	222,172	222,172	-
Excess (Deficiency) of Revenues Over Expenditures	-	(3,107)	(3,107)	-
Net Change in Fund Balances	-	(3,107)	(3,107)	-
Fund Balances, July 1, 2022	18,105	18,105	18,105	-
Fund Balances, June 30, 2023	<u>\$ 18,105</u>	<u>\$ 14,998</u>	<u>\$ 14,998</u>	<u>\$ -</u>

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
DEBT SERVICE FUND - OTHER DEBT SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Other Debt Service Fund</u>			Variance with Final Budget - Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
Local:				
Other Local Sources	\$ -	\$ -	\$ 41,509	\$ 41,509
Total Local	-	-	41,509	41,509
Total Revenues	-	-	41,509	41,509
EXPENDITURES				
Debt Service:				
Principal	11,255,000	11,255,000	11,255,000	-
Interest and Fiscal Charges	3,084,228	3,087,303	3,029,874	57,429
Total Expenditures	14,339,228	14,342,303	14,284,874	57,429
Excess (Deficiency) of Revenues Over Expenditures	(14,339,228)	(14,342,303)	(14,243,365)	(15,920)
OTHER FINANCING SOURCES (USES)				
Transfers In	14,282,875	14,282,875	14,282,875	-
Total Other Financing Sources (Uses)	14,282,875	14,282,875	14,282,875	-
Net Change in Fund Balances	(56,353)	(59,428)	39,510	(15,920)
Fund Balances, July 1, 2022	6,797,256	6,797,256	6,797,256	-
Fund Balances, June 30, 2023	<u>\$ 6,740,903</u>	<u>\$ 6,737,828</u>	<u>\$ 6,836,766</u>	<u>\$ (15,920)</u>

Capital Projects Funds

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

Nonmajor Capital Projects Funds

Capital Outlay & Debt Service Fund – To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service (CO&DS) program, used for construction and maintenance of schools.

Local Capital Improvement Fund - To account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and debt service payments on certificates of participation.

Major Capital Projects Funds

Other Fund - To account for the financial resources generated by the local voted sales tax and various other financial resources restricted for educational capital outlay needs, including new construction, renovation, and remodeling projects.



Escambia County

PUBLIC SCHOOLS

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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - CAPITAL OUTLAY AND DEBT SERVICE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Capital Outlay & Debt Service Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State:				
CO&DS Distribution	\$ 1,378,449	\$ 1,371,872	\$ 1,371,872	\$ -
Other State Sources	9,811	27,667	27,667	-
Total State	<u>1,388,260</u>	<u>1,399,539</u>	<u>1,399,539</u>	<u>-</u>
Total Revenues	<u>1,388,260</u>	<u>1,399,539</u>	<u>1,399,539</u>	<u>-</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction:				
Improvements Other Than Buildings	660,567	660,567	-	660,567
Remodeling and Renovations	4,020,332	4,020,332	692,435	3,327,897
Total Facilities Acquisition and Construction	<u>4,680,899</u>	<u>4,680,899</u>	<u>692,435</u>	<u>3,988,464</u>
Capital Outlay:				
Facilities Acquisition and Construction:				
Furniture, Fixtures, and Equipment	150,000	150,000	-	150,000
Total Facilities Acquisition and Construction	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Debt Service:				
Interest and Fiscal Charges	-	-	3,597	(3,597)
Total Debt Service	<u>-</u>	<u>-</u>	<u>3,597</u>	<u>(3,597)</u>
Total Expenditures	<u>4,830,899</u>	<u>4,830,899</u>	<u>696,032</u>	<u>4,134,867</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,442,639)</u>	<u>(3,431,360)</u>	<u>703,507</u>	<u>4,134,867</u>
Net Change in Fund Balances	<u>(3,442,639)</u>	<u>(3,431,360)</u>	<u>703,507</u>	<u>4,134,867</u>
Fund Balances, July 1, 2022	<u>3,512,720</u>	<u>3,512,720</u>	<u>3,512,720</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ 70,081</u>	<u>\$ 81,360</u>	<u>\$ 4,216,227</u>	<u>\$ 4,134,867</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - LOCAL CAPITAL IMPROVEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Local Capital Improvement Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local:				
Property Taxes	\$ 32,075,865	\$ 32,322,922	\$ 32,322,922	\$ -
Investment Income	-	106,696	106,696	-
Total Local	<u>32,075,865</u>	<u>32,429,618</u>	<u>32,429,618</u>	<u>-</u>
Total Revenues	<u>32,075,865</u>	<u>32,429,618</u>	<u>32,429,618</u>	<u>-</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction:				
Furniture, Fixtures, and Equipment	665,866	651,675	1,088,452	(436,777)
Improvements Other Than Buildings	1,002,810	1,578,013	987,584	590,429
Remodeling and Renovations	6,748,928	11,235,590	8,177,602	3,057,988
Computer Software	-	696,934	442,439	254,495
Total Facilities Acquisition and Construction	<u>8,417,604</u>	<u>14,162,212</u>	<u>10,696,077</u>	<u>3,466,135</u>
Capital Outlay:				
Buildings and Fixed Equipment	-	2,317,790	2,317,790	-
Furniture, Fixtures, and Equipment	6,812,205	7,106,730	1,299,483	5,807,247
Motor Vehicles	6,661,168	7,095,508	1,653,891	5,441,617
Improvements Other Than Buildings	124,873	142,395	122,395	20,000
Total Capital Outlay	<u>13,598,246</u>	<u>16,662,423</u>	<u>5,393,559</u>	<u>11,268,864</u>
Total Expenditures	<u>22,015,850</u>	<u>30,824,635</u>	<u>16,089,636</u>	<u>14,734,999</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,060,015</u>	<u>1,604,983</u>	<u>16,339,982</u>	<u>14,734,999</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(13,933,196)</u>	<u>(13,041,243)</u>	<u>(13,563,883)</u>	<u>(522,640)</u>
Total Other Financing Sources (Uses)	<u>(13,933,196)</u>	<u>(13,041,243)</u>	<u>(13,563,883)</u>	<u>(522,640)</u>
Net Change in Fund Balances	<u>(3,873,181)</u>	<u>(11,436,260)</u>	<u>2,776,099</u>	<u>14,212,359</u>
Fund Balances, July 1, 2022	<u>12,171,423</u>	<u>12,171,423</u>	<u>12,171,423</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ 8,298,242</u>	<u>\$ 735,163</u>	<u>\$ 14,947,522</u>	<u>\$ 14,212,359</u>

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - OTHER CAPITAL PROJECTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Other Capital Projects Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State:				
Charter School Capital Outlay	\$ 452,685	\$ 382,631	\$ 382,631	\$ -
Other State Sources	-	260,790	260,790	-
Total State	<u>452,685</u>	<u>643,421</u>	<u>643,421</u>	<u>-</u>
Local:				
Sales Taxes	37,500,000	40,327,587	40,327,587	-
Investment Income	-	683,011	683,011	-
Miscellaneous	-	391,700	391,700	-
Total Local	<u>37,500,000</u>	<u>41,402,298</u>	<u>41,402,298</u>	<u>-</u>
Total Revenues	<u>37,952,685</u>	<u>42,045,719</u>	<u>42,045,719</u>	<u>-</u>
EXPENDITURES				
Current - Education:				
Facilities Acquisition and Construction:				
Furniture, Fixtures, and Equipment	40,048	1,065,690	333,646	732,044
Improvements Other Than Buildings	6,138,071	8,908,257	4,924,778	3,983,479
Remodeling and Renovations	<u>33,456,107</u>	<u>42,395,948</u>	<u>8,948,543</u>	<u>33,447,405</u>
Total Facilities Acquisition and Construction	<u>39,634,226</u>	<u>52,369,895</u>	<u>14,206,967</u>	<u>38,162,928</u>
Capital Outlay:				
Buildings and Fixed Equipment	48,155,841	50,232,288	22,309,534	27,922,754
Furniture, Fixtures, and Equipment	2,323,282	1,919,472	597,332	1,322,140
Land	-	514,028	514,028	-
Improvements Other Than Buildings	970,595	3,713,385	1,415,755	2,297,630
Remodeling and Renovations	<u>250,113</u>	<u>250,112</u>	<u>-</u>	<u>250,112</u>
Total Capital Outlay	<u>51,699,831</u>	<u>56,629,285</u>	<u>24,836,649</u>	<u>31,792,636</u>
Total Expenditures	<u>91,334,057</u>	<u>108,999,180</u>	<u>39,043,616</u>	<u>69,955,564</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(53,381,372)</u>	<u>(66,953,461)</u>	<u>3,002,103</u>	<u>69,955,564</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(9,786,275)</u>	<u>(10,132,256)</u>	<u>(9,716,221)</u>	<u>416,035</u>
Total Other Financing Sources (Uses)	<u>(9,786,275)</u>	<u>(10,132,256)</u>	<u>(9,716,221)</u>	<u>416,035</u>
Net Change in Fund Balances	<u>(63,167,647)</u>	<u>(77,085,717)</u>	<u>(6,714,118)</u>	<u>70,371,599</u>
Fund Balances, July 1, 2022	<u>82,864,313</u>	<u>82,864,313</u>	<u>82,864,313</u>	<u>-</u>
Fund Balances, June 30, 2023	<u>\$ 19,696,666</u>	<u>\$ 5,778,596</u>	<u>\$ 76,150,195</u>	<u>\$ 70,371,599</u>

Internal Service Funds

Internal service funds are nonmajor proprietary funds and are reported as governmental-type activities. They are used to account for the financing of goods or services provided by one department to other departments within the District on a cost-reimbursement basis. The following funds are included in the internal service funds:

Risk Management Fund – To account for and report on funds received for and used by the District’s self-insured property, casualty, liability, and workers’ compensation program.

Employee Benefit Trust Fund – To account for and report on funds received for and used to pay for life, health, and dental insurance issued under the District’s self-insurance program.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities		
	Proprietary Funds - Internal Service Funds		
	Self-Insurance		
	Risk Management Fund	Employee Benefit Trust Fund	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 27,854,660	\$ 23,395,961	\$ 51,250,621
Accounts Receivable	-	90,448	90,448
Due from Other Agencies	1,524	-	1,524
TOTAL ASSETS	\$ 27,856,184	\$ 23,486,409	\$ 51,342,593
LIABILITIES			
Current Liabilities:			
Payroll Deductions and Withholdings	\$ -	\$ 66,562	\$ 66,562
Due to Other Funds	298,011	28,146	326,157
Due to Other Agencies	-	840,977	840,977
Unearned Revenue	-	2,925,038	2,925,038
Estimated Insurance Claims Payable	4,393,223	3,607,000	8,000,223
Total Current Liabilities	4,691,234	7,467,723	12,158,957
Noncurrent Liabilities:			
Estimated Insurance Claims Payable	22,515,467	-	22,515,467
Total Noncurrent Liabilities	22,515,467	-	22,515,467
TOTAL LIABILITIES	27,206,701	7,467,723	34,674,424
NET POSITION			
Unrestricted	649,483	16,018,686	16,668,169
Total Net Position	649,483	16,018,686	16,668,169
TOTAL LIABILITIES AND NET POSITION	\$ 27,856,184	\$ 23,486,409	\$ 51,342,593

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Governmental Activities		
	Proprietary Funds - Internal Service Funds		
	Self-Insurance		
	Risk Management Fund	Employee Benefit Trust Fund	Total
OPERATING REVENUES			
Premium Revenues	\$ 3,258,920	\$ 36,528,750	\$ 39,787,670
Other	-	3,255,478	3,255,478
Total Operating Revenues	<u>3,258,920</u>	<u>39,784,228</u>	<u>43,043,148</u>
OPERATING EXPENSES			
Salaries	226,410	7,691	234,101
Employee Benefits	63,908	3,929	67,837
Purchased Services	778,201	4,387,469	5,165,670
Energy Services	-	8,015	8,015
Material and Supplies	-	10,941	10,941
Insurance Claims	3,193,924	36,043,073	39,236,997
Other	-	77,427	77,427
Total Operating Expenses	<u>4,262,443</u>	<u>40,538,545</u>	<u>44,800,988</u>
Operating Income (Loss)	<u>(1,003,523)</u>	<u>(754,317)</u>	<u>(1,757,840)</u>
NONOPERATING REVENUES			
Investment Income	-	559,056	559,056
Insurance Loss Recoveries	61,942	-	61,942
Total Nonoperating Revenues	<u>61,942</u>	<u>559,056</u>	<u>620,998</u>
Income (Loss) Before Transfers	<u>(941,581)</u>	<u>(195,261)</u>	<u>(1,136,842)</u>
Change in Net Position	<u>(941,581)</u>	<u>(195,261)</u>	<u>(1,136,842)</u>
NET POSITION			
Total Net Position, July 1, 2022	1,591,064	16,213,947	17,805,011
Total Net Position, June 30, 2023	<u>\$ 649,483</u>	<u>\$ 16,018,686</u>	<u>\$ 16,668,169</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
 PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Governmental Activities		
	Proprietary Funds - Internal Service Funds		
	Self-Insurance		
	Risk Management Fund	Employee Benefit Trust Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Board Funds and Participants	\$ 2,913,253	\$ 40,309,011	\$ 43,222,264
Cash Payments to Suppliers for Goods and Services	(778,289)	(4,422,155)	(5,200,444)
Cash Payments to Employees for Services	(290,318)	(11,620)	(301,938)
Cash Payments for Insurance Claims	(1,177,106)	(36,407,073)	(37,584,179)
Net Cash Provided (Used) by Operating Activities	<u>667,540</u>	<u>(531,837)</u>	<u>135,703</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Insurance Loss Recoveries	61,942	-	61,942
Net Cash Provided (Used) by Noncapital Financing Activities	<u>61,942</u>	<u>-</u>	<u>61,942</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	-	559,056	559,056
Net Cash Provided by Investment Activities	<u>-</u>	<u>559,056</u>	<u>559,056</u>
Net Increase (Decrease) in Cash and Cash Equivalents	729,482	27,219	756,701
Beginning Cash and Cash Equivalents	27,125,178	23,368,742	50,493,920
Ending Cash and Cash Equivalents	<u>\$ 27,854,660</u>	<u>\$ 23,395,961</u>	<u>\$ 51,250,621</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (1,003,523)	\$ (754,317)	\$ (1,757,840)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	880,906	880,906
(Increase) Decrease in Due From Other Agencies	(1,524)	-	(1,524)
Increase (Decrease) in Accrued Liabilities	-	61,697	61,697
Increase (Decrease) in Accounts Payable	(87)	-	(87)
Increase (Decrease) in Due to Other Funds	(344,143)	(2,043)	(346,186)
Increase (Decrease) in Due to Other Agencies	-	71,434	71,434
Increase (Decrease) in Unearned Revenue	-	(425,514)	(425,514)
Increase (Decrease) in Estimated Insurance Claims Payable	2,016,817	(364,000)	1,652,817
Total Adjustments	<u>1,671,063</u>	<u>222,480</u>	<u>1,893,543</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 667,540</u>	<u>\$ (531,837)</u>	<u>\$ 135,703</u>



Escambia County

PUBLIC SCHOOLS

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Discretely Presented Component Units

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

Nonmajor Discretely Presented Component Units

The Escambia County Public Schools Foundation for Excellence, Inc. (Foundation), is a not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds, receive, hold, invest, and administer property and to make expenditures for the benefit of the District. Section 1001.453, Florida Statutes, requires the Foundation to be authorized and approved by the District. The stated mission of the Foundation is to enhance the quality of education in Escambia County Public Schools through raising and distributing funds and in-kind contributions, fostering involvement in the public system. The Foundation is considered to be a component unit of the District because the District must approve all members of the Foundation's board and the District has the ability to impose its will on the Foundation. It is considered to be a discretely presented component unit because the two boards are not the same.

Beulah Academy of Science, Inc., Jacqueline Harris Preparatory Academy, Pensacola Beach Elementary School, Inc., Byrneville Elementary School, Inc., and Capstone Academy Pensacola (Charter Schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. These six charter schools operate under charters approved by their sponsor, the Board, and are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2023

	Charter Schools			
	Beulah Academy of Science, Inc.	Jacqueline Harris Preparatory Academy	Pensacola Beach Elementary School, Inc.	Byrneville Elementary School, Inc.
ASSETS				
Cash and Cash Equivalents	\$ 1,732,402	\$ 418,823	\$ 651,604	\$ 614,484
Accounts Receivable	70,821	161,056	-	-
Deposits Receivable	-	13,180	-	-
Prepaid Items	-	-	31,184	7,630
Due from Other Agencies	-	140,325	718,069	37,216
Capital Assets:				
Non-Depreciable Capital Assets	2,888,404	530,871	-	-
Depreciable Capital Assets, Net	1,590,772	2,417,921	2,229,582	138,274
Right-to-use Lease Asset, Net	-	42,104	975,453	-
Total Assets	6,282,399	3,724,280	4,605,892	797,604
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pensions	-	-	182,613	291,790
Total Deferred Outflows of Resources	-	-	182,613	291,790
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 6,282,399	\$ 3,724,280	\$ 4,788,505	\$ 1,089,394
LIABILITIES				
Salaries and Benefits Payable	\$ 866	\$ -	\$ -	\$ -
Accounts Payable	5,932	83,318	730,317	91,010
Due to Other Agencies	-	128,334	-	-
Long-Term Liabilities:				
Portion Due Within One Year:				
Notes Payable	54,375	105,863	-	-
Obligations Under Capital Leases	-	15,308	43,189	-
Compensated Absences Payable	-	-	22,487	23,669
Portion Due After One Year:				
Notes Payable	2,552,598	2,353,615	-	-
Obligations Under Capital Leases	-	28,882	456,571	-
Compensated Absences Payable	-	-	32,512	17,051
Pension Liability	-	-	578,287	740,213
Total Liabilities	2,613,771	2,715,320	1,863,363	871,943
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Leases	-	-	475,897	-
Deferred Inflows Related to Pensions	-	-	78,251	68,203
Total Deferred Inflows of Resources	-	-	554,148	68,203
NET POSITION				
Net Investment in Capital Assets	1,872,203	531,418	2,205,719	138,274
Restricted for:				
Other Required Carryover Programs	-	-	-	-
Unrestricted	1,796,425	477,542	165,275	10,974
Total Net Position - Component Units	3,668,628	1,008,960	2,370,994	149,248
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 6,282,399	\$ 3,724,280	\$ 4,788,505	\$ 1,089,394

<u>Charter Schools</u>			
<i>Capstone Academy Pensacola</i>	<i>Total Charter Schools</i>	<i>The Escambia County Public Schools Foundation for Excellence, Inc.</i>	<i>Total Component Units</i>
\$ 265,995	\$ 3,683,308	\$ 1,016,874	\$ 4,700,182
14,525	246,402	-	246,402
-	13,180	-	13,180
-	38,814	-	38,814
-	895,610	28,632	924,242
2,800	3,422,075	-	3,422,075
89,230	6,465,779	-	6,465,779
-	1,017,557	-	1,017,557
<u>372,550</u>	<u>15,782,725</u>	<u>1,045,506</u>	<u>16,828,231</u>
-	474,403	-	474,403
-	474,403	-	474,403
<u>\$ 372,550</u>	<u>\$ 16,257,128</u>	<u>\$ 1,045,506</u>	<u>\$ 17,302,634</u>
\$ -	\$ 866	\$ -	\$ 866
-	910,577	2,386	912,963
225,483	353,817	-	353,817
-	160,238	-	160,238
-	58,497	-	58,497
16,281	62,437	-	62,437
-	4,906,213	-	4,906,213
-	485,453	-	485,453
-	49,563	-	49,563
-	1,318,500	-	1,318,500
<u>241,764</u>	<u>8,306,161</u>	<u>2,386</u>	<u>8,308,547</u>
-	475,897	-	475,897
-	146,454	-	146,454
-	622,351	-	622,351
	4,747,614	-	4,747,614
7,000	7,000	725,243	732,243
123,786	2,574,002	317,877	2,891,879
<u>130,786</u>	<u>7,328,616</u>	<u>1,043,120</u>	<u>8,371,736</u>
<u>\$ 372,550</u>	<u>\$ 16,257,128</u>	<u>\$ 1,045,506</u>	<u>\$ 17,302,634</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Charter Schools			
	Beulah Academy of Science, Inc.	Jacqueline Harris Preparatory Academy	Pensacola Beach Elementary School, Inc.	Byrneville Elementary School, Inc.
Functions/Programs				
Expenses:				
Governmental Activities:				
Instruction	\$ 1,097,690	\$ 968,722	\$ 791,433	\$ 983,386
Student Support Services	39,216	-	5,060	1,265
Instruction-Related Technology	-	-	21,281	-
General Administration	-	-	15,731	569
School Administration	295,829	247,800	277,796	162,882
Facilities Acquisition and Construction	3,644	-	94,544	1,080
Fiscal Services	21,917	63,000	30,000	18,352
Food Services	195,051	-	-	5,054
Central Services	123,074	78,111	-	65,936
Student Transportation Services	253,513	220,705	36,520	87,123
Operation of Plant	324,278	134,128	201,527	214,196
Maintenance of Plant	184,313	245,373	11,910	-
Unallocated Interest on Long-Term Debt	101,335	116,185	-	-
Unallocated Depreciation Expense	-	-	-	-
Loss on Disposal of Capital Assets	-	-	-	-
Loss on Impairment of Capital Assets	-	-	-	-
Total Expenses	2,639,860	2,074,024	1,485,802	1,539,843
Program Revenues:				
Charges for Services	44,419	-	2,557	5,054
Operating Grants and Contributions	381,698	614,410	200,045	262,167
Capital Grants and Contributions	-	136,637	64,507	-
Total Program Revenues	426,117	751,047	267,109	267,221
Net Program Expense	(2,213,743)	(1,322,977)	(1,218,693)	(1,272,622)
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs	2,338,600	1,615,551	1,085,219	1,368,763
Unrestricted Investment Earnings	-	-	37,902	563
Miscellaneous	10	171,422	84,028	44,064
Total General Revenues	2,338,610	1,786,973	1,207,149	1,413,390
Change in Net Position	124,867	463,996	(11,544)	140,768
Net Position				
Net Position, July 1, 2022	3,543,761	544,964	2,382,538	8,480
Net Position, June 30, 2023	\$ 3,668,628	\$ 1,008,960	\$ 2,370,994	\$ 149,248

<u>Charter Schools</u>		<i>The Escambia County Public Schools Foundation for Excellence, Inc.</i>		<u>Total Component Units</u>
<i>Capstone Academy Pensacola</i>	<u>Total Charter Schools</u>			
\$ 460,834	\$ 4,302,065	\$ 757,395	\$ 5,059,460	
-	45,541	-	45,541	
-	21,281	-	21,281	
18,707	35,007	199,036	234,043	
110,528	1,094,835	-	1,094,835	
-	99,268	-	99,268	
5,262	138,531	-	138,531	
394	200,499	-	200,499	
1,201	268,322	-	268,322	
5,030	602,891	-	602,891	
28,281	902,410	-	902,410	
12,934	454,530	-	454,530	
-	217,520	-	217,520	
21,359	21,359	-	21,359	
2,002	2,002	-	2,002	
109,169	109,169	-	109,169	
<u>775,701</u>	<u>8,515,230</u>	<u>956,431</u>	<u>9,471,661</u>	
133,465	185,495	-	185,495	
91,342	1,549,662	-	1,549,662	
-	201,144	-	201,144	
<u>224,807</u>	<u>1,936,301</u>	<u>-</u>	<u>1,936,301</u>	
(550,894)	(6,578,929)	(956,431)	(7,535,360)	
306,170	6,714,303	827,268	7,541,571	
161	38,626	4,115	42,741	
9,195	308,719	89,214	397,933	
<u>315,526</u>	<u>7,061,648</u>	<u>920,597</u>	<u>7,982,245</u>	
(235,368)	482,719	(35,834)	446,885	
366,154	6,845,897	1,078,954	7,924,851	
<u>\$ 130,786</u>	<u>\$ 7,328,616</u>	<u>\$ 1,043,120</u>	<u>\$ 8,371,736</u>	



Escambia County

PUBLIC SCHOOLS

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STATISTICAL SECTION





Escambia County

PUBLIC SCHOOLS

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STATISTICAL SECTION

This part of the District School Board of Escambia County, Florida's Annual Comprehensive Financial Report presents detail information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the District's overall financial health.

Contents	Page
Financial Trend Information	136
<i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	
Revenue Capacity Information	144
<i>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.</i>	
Debt Capacity Information	150
<i>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.</i>	
Demographic and Economic Information	156
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</i>	
Operating Information	160
<i>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.</i>	

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
NET POSITION BY COMPONENT - GOVERNMENT-WIDE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending		
	June 30, 2014	June 30, 2015	June 30, 2016
Governmental Activities:			
Net Investment in Capital Assets	\$ 269,930,903	\$ 288,526,040	\$ 234,417,599
Restricted	121,223,565	115,241,269	182,241,764
Unrestricted	<u>(2,969,337)</u>	<u>(131,632,624)</u>	<u>(140,330,443)</u>
Total Governmental Activities Net Position	<u>\$ 388,185,131</u>	<u>\$ 272,134,685</u>	<u>\$ 276,328,920</u>

Note: The District no longer has business-type activities.

Source: District Records

Fiscal Year Ending						
<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2022</u>	<u>June 30, 2023</u>
\$ 301,633,148	\$ 341,718,135	\$ 343,230,615	\$ 353,513,610	\$ 361,355,448	\$ 365,205,460	\$ 387,867,596
129,167,248	105,923,265	115,734,971	107,245,269	112,124,610	132,958,785	136,473,744
<u>(147,573,423)</u>	<u>(162,827,890)</u>	<u>(174,562,072)</u>	<u>(179,476,727)</u>	<u>(191,596,251)</u>	<u>(190,080,052)</u>	<u>(183,757,108)</u>
<u>\$ 283,226,973</u>	<u>\$ 284,813,510</u>	<u>\$ 284,403,514</u>	<u>\$ 281,282,152</u>	<u>\$ 281,883,807</u>	<u>\$ 308,084,193</u>	<u>\$ 340,584,232</u>

DISTRICT SHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
CHANGES IN NET POSITION - GOVERNMENT-WIDE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending									
	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Primary Government:										
Expenses:										
Governmental Activities:										
Instruction	\$ 200,433,368	\$ 206,850,659	\$ 213,251,178	\$ 214,493,605	\$ 214,425,693	\$ 216,558,696	\$ 228,520,682	\$ 240,338,920	\$ 215,035,755	\$241,010,958
Student Support Services	16,018,809	16,357,758	18,119,750	18,015,111	17,331,002	18,032,843	19,431,978	23,817,688	26,822,187	30,726,531
Instructional Media Services	4,224,367	4,400,081	4,763,360	4,752,394	4,517,610	4,492,359	4,911,047	4,899,222	4,466,961	4,933,427
Instruction and Curriculum Development Services	10,038,942	10,450,035	12,301,860	13,390,752	13,201,725	13,268,349	15,391,672	16,718,798	19,337,414	20,813,766
Instructional Staff Training Services	9,139,669	8,497,923	9,038,724	7,082,312	6,348,029	8,812,216	8,215,793	8,410,463	8,186,185	10,680,159
Instruction-Related Technology Board	4,401,182	4,165,597	4,598,508	4,620,276	4,736,281	4,620,929	4,797,813	4,643,407	4,277,502	4,434,449
General Administration	1,196,527	1,223,781	1,370,750	1,290,759	1,300,560	7,528,891	1,280,383	1,480,641	1,160,356	1,462,226
School Administration	2,413,878	2,211,509	1,839,932	2,043,693	2,145,111	2,208,824	2,330,171	2,950,010	3,570,643	5,529,565
Facilities Acquisition and Construction	14,787,725	14,978,087	16,420,126	16,829,076	15,858,774	17,121,281	18,725,797	19,541,584	17,618,971	21,156,285
Fiscal Services	13,506,908	19,944,374	15,877,255	17,831,416	21,339,837	31,638,107	27,470,222	32,153,013	37,836,854	55,434,048
Food Service	2,164,484	2,335,937	2,428,612	2,321,692	2,330,536	2,332,863	2,571,315	2,738,861	2,431,969	2,886,770
Central Services	20,988,484	20,515,294	20,327,540	21,082,132	21,261,023	21,462,250	19,945,691	18,434,898	21,063,400	26,182,084
Student Transportation Services	4,791,656	5,050,783	5,488,570	5,999,352	6,062,529	6,829,979	7,089,056	6,747,121	8,534,886	7,537,963
Operation of Plant	18,220,613	17,788,057	21,368,991	22,193,795	20,887,224	21,859,505	21,056,289	19,703,750	20,995,470	24,374,270
Maintenance of Plant	27,217,458	27,069,043	26,673,022	25,956,001	25,346,355	26,987,310	27,520,790	30,831,630	30,984,683	36,994,021
Administrative Technology Services	10,943,295	11,041,441	11,231,772	11,503,358	11,107,852	12,187,824	11,974,205	12,719,408	12,035,449	14,611,417
Community Services	3,948,080	3,508,846	3,586,559	3,514,601	3,479,380	3,511,314	4,083,262	4,333,816	4,106,357	4,497,339
Unallocated Interest on Long-Term Debt	1,384,546	1,119,798	1,106,272	1,069,492	1,085,710	1,295,433	1,704,625	1,730,528	2,296,605	1,781,198
	1,883,019	1,855,933	3,051,758	2,149,676	1,658,723	1,430,676	1,045,942	1,780,469	1,164,902	861,698
Total Governmental Activities	367,703,010	379,364,936	392,844,539	396,139,493	394,423,954	422,179,649	428,066,733	453,974,227	441,926,549	515,908,174
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Instruction	1,154,747	916,332	1,197,625	1,162,564	1,189,505	1,192,531	1,340,912	1,443,314	1,217,878	1,306,709
Facilities Acquisition and Construction	40,716	28,759	38,707	37,259	38,499	38,872	44,794	49,179	44,146	47,372
Food Services	3,827,300	3,480,641	2,897,012	2,960,429	2,215,916	2,157,187	1,622,986	815,532	971,354	1,751,792
Student Transportation Services	252,548	241,944	259,827	254,942	162,620	439,208	185,166	152,365	328,737	113,475
Community Services	393,075	424,983	471,105	475,398	501,109	531,917	424,373	390,343	529,879	569,331
Operating Grants and Contributions	15,890,352	16,484,055	18,028,039	17,245,206	19,920,098	19,554,877	17,136,341	16,834,025	23,725,739	23,373,347
Capital Grants and Contributions	2,632,234	6,094,047	4,800,120	5,133,006	2,730,986	2,938,854	1,662,132	1,805,887	4,182,274	4,652,940
Total Primary Government Program Revenues	24,190,972	27,670,761	27,692,435	27,268,804	26,758,733	26,853,446	22,416,704	21,490,645	31,000,007	31,814,966
Net (Expenses)/Revenues										
Total Primary Government Net Expenses	(343,512,038)	(351,694,175)	(365,152,104)	(368,870,689)	(367,665,221)	(395,326,203)	(405,650,029)	(432,483,582)	(410,926,542)	(484,093,208)

(Continued)

DISTRICT SHOOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
CHANGES IN NET POSITION - GOVERNMENT-WIDE
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending									
	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes:										
Levied for Operational Purposes	\$ 91,977,693	\$ 95,102,045	\$ 91,336,026	\$ 88,907,015	\$ 88,593,488	\$ 92,400,716	\$ 93,739,774	\$ 96,589,089	\$ 99,970,540	108,089,784
Levied for Capital Projects	22,777,599	21,492,708	21,709,577	24,005,885	25,897,925	25,713,431	26,719,561	28,510,061	27,315,572	32,322,922
Local Sales Taxes	21,856,254	23,376,775	24,164,744	24,900,899	26,693,489	28,220,187	28,259,025	32,008,937	38,644,476	40,327,587
Grants and Contributions Not Restricted to Specific Programs	219,193,213	222,905,305	228,438,767	233,409,076	235,440,637	240,182,926	248,290,407	263,746,911	263,035,349	319,460,335
Unrestricted Investment Earnings	96,333	584,835	681,813	1,300,072	1,877,193	3,088,594	2,072,953	1,040,496	(2,427,938)	2,590,696
Miscellaneous	3,702,323	3,604,535	3,015,412	3,245,795	3,072,906	5,310,353	3,446,947	7,742,611	10,588,929	13,801,923
Total Primary Government General Revenues and Other Changes in Net Position	359,603,415	367,066,203	369,346,339	375,768,742	381,575,638	394,916,207	402,528,667	429,638,105	437,126,928	516,593,247
Changes in Net Position:										
Governmental Activities	16,091,377	15,372,028	4,194,235	6,898,053	13,910,417	(409,996)	(3,121,362)	(2,845,477)	26,200,386	32,500,039
Adjustment to Net Position Notes (a, b, c)	-	(131,422,474)	-	-	(12,323,880)	-	-	3,447,132	-	-
Total Primary Government	\$ 16,091,377	\$ (116,050,446)	\$ 4,194,235	\$ 6,898,053	\$ 1,586,537	\$ (409,996)	\$ (3,121,362)	\$ 601,655	\$ 26,200,386	\$ 32,500,039

Notes:

- (a) June 30, 2015 adjustment due to initial implementation of GASB 68 "Accounting and Financial Reporting for Pensions."
- (b) June 30, 2018 adjustment due to initial implementation of GASB 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions."
- (c) June 30, 2021 adjustment due to initial implementation of GASB 84 "Fiduciary Activities."

Source: District Records



Escambia County

PUBLIC SCHOOLS

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DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ending									
	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
General Fund										
Nonspendable	\$ 1,215,625	\$ 1,208,455	\$ 1,208,455	\$ 1,399,578	\$ 1,434,376	\$ 1,548,283	\$ 1,957,133	\$ 2,004,552	\$ 2,044,218	\$ 1,989,310
Restricted	17,486,027	13,050,637	12,301,277	14,472,496	11,032,511	12,954,094	15,327,201	13,904,848	16,732,615	13,438,497
Assigned	20,243,410	22,247,545	24,577,866	25,167,612	26,744,108	23,493,626	22,296,996	23,768,179	16,699,797	13,837,158
Unassigned	14,514,070	14,759,425	10,456,241	8,148,624	5,955,245	6,119,275	6,248,556	8,235,058	692,336	12,923,792
Total General Fund	<u>\$ 53,459,132</u>	<u>\$ 51,266,062</u>	<u>\$ 48,543,839</u>	<u>\$ 49,188,310</u>	<u>\$ 45,166,240</u>	<u>\$ 44,115,278</u>	<u>\$ 45,829,886</u>	<u>\$ 47,912,637</u>	<u>\$ 36,168,966</u>	<u>\$ 42,188,757</u>
All Other Governmental Funds										
Nonspendable	\$ 1,715,215	\$ 1,977,837	\$ 2,204,600	\$ 1,916,224	\$ 2,518,830	\$ 2,105,294	\$ 2,600,452	\$ 1,637,360	\$ 3,106,415	\$ 2,970,436
Restricted	102,022,323	91,533,061	159,853,016	144,366,037	100,991,717	96,383,009	91,448,216	130,167,488	118,351,223	117,459,011
Total All Other Governmental Funds	<u>\$ 103,737,538</u>	<u>\$ 93,510,898</u>	<u>\$ 162,057,616</u>	<u>\$ 146,282,261</u>	<u>\$ 103,510,547</u>	<u>\$ 98,488,303</u>	<u>\$ 94,048,668</u>	<u>\$ 131,804,848</u>	<u>\$ 121,457,638</u>	<u>\$ 120,429,447</u>

Source: District Records

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Revenues:										
Federal Direct:										
Federal Impact, Current Operations	\$ 550,597	\$ 615,566	\$ 520,324	\$ 407,487	\$ 378,907	\$ 573,760	\$ 416,889	\$ 377,261	\$ 371,871	\$ 429,895
Reserve Officers Training Corps (ROTC)	437,965	438,955	457,309	471,063	404,967	495,904	506,165	519,704	521,251	569,531
Other Federal Direct Sources	1,849,952	1,991,890	1,405,073	2,082,909	2,035,210	1,807,988	2,190,024	2,481,872	3,519,815	1,975,896
Total Federal Direct	2,838,514	3,046,411	2,382,706	2,961,459	2,819,084	2,877,652	3,113,078	3,378,837	4,412,937	2,975,322
Federal Through State and Local:										
Food Service	15,587,668	16,199,631	17,796,125	16,967,566	19,619,678	19,262,313	16,767,551	18,202,598	23,445,366	24,680,870
Other Federal Through State and Local Sources	34,830,597	34,186,962	32,181,086	30,789,622	30,598,505	32,221,188	35,436,743	50,400,458	69,251,645	114,330,671
Total Federal Through State and Local	50,418,265	50,386,593	49,977,211	47,757,188	50,218,183	51,483,501	52,204,294	68,603,056	92,697,011	139,011,541
State:										
Florida Education Finance Program (FEFP)	130,085,150	133,079,212	141,767,900	147,813,119	149,340,069	151,052,919	158,121,503	158,923,536	144,772,052	152,711,340
Workforce Development	4,895,677	4,880,129	4,586,924	4,525,985	4,060,898	4,084,457	3,794,637	3,963,386	4,108,386	4,859,848
Adults with Disabilities	162,244	167,298	-	-	-	-	-	-	-	-
Categorical Educational Programs	43,315,211	45,171,285	46,190,066	43,599,683	44,500,630	44,606,358	45,160,624	42,713,776	38,622,685	41,096,980
Discretionary Lottery Funds	387,403	142,093	-	657,935	68,609	133,344	-	39,797	-	-
CO&DS Distribution	181,172	272,230	997,774	1,218,416	1,353,223	1,384,598	1,448,986	1,435,319	1,414,168	1,424,435
CO&DS Withheld for SBE/COBI Bonds	1,441,102	1,288,789	621,725	371,843	282,396	205,661	213,146	205,976	211,811	218,386
Public Education Capital Outlay	-	787,693	912,198	1,388,480	1,081,559	898,479	-	-	-	-
Food Service	302,684	284,424	279,694	277,640	277,420	276,324	368,790	279,178	283,941	284,104
Other State Sources	3,183,878	2,680,220	1,601,569	3,349,997	4,075,841	5,653,809	2,624,026	2,719,166	2,292,192	1,894,548
Total State	183,954,521	188,753,373	196,957,850	203,203,098	205,040,645	208,295,949	211,771,509	210,240,337	191,705,235	202,489,641
Local:										
Property Taxes	114,755,292	116,594,753	113,045,603	112,912,900	114,491,413	118,114,147	120,459,334	125,099,150	127,286,112	140,412,706
Sales Taxes	21,856,254	23,376,775	24,164,744	24,900,899	26,693,489	28,220,187	28,259,025	32,008,937	38,644,476	40,327,587
Charges for Food Service	3,827,300	3,480,641	2,897,012	2,960,429	2,215,916	2,157,187	1,622,986	815,532	971,354	1,751,792
Interest Income	96,333	596,541	734,149	1,300,072	1,877,193	3,088,593	2,072,954	1,040,496	(2,427,938)	2,590,695
Other Local Sources	5,718,317	5,079,049	4,734,649	5,175,958	4,964,639	5,382,739	4,958,399	9,777,812	12,281,453	16,230,511
Total Local	146,253,496	149,127,759	145,576,157	147,250,258	150,242,650	156,962,853	157,372,698	168,741,927	176,755,457	201,313,291
Total Revenues	383,464,796	391,314,136	394,893,924	401,172,003	408,320,562	419,619,955	424,461,579	450,964,157	465,570,640	545,789,795
Expenditures:										
Current - Education:										
Instruction	192,462,254	205,019,212	199,992,057	200,712,053	207,636,368	204,389,588	208,206,253	219,374,910	216,460,808	232,619,855
Student Support Services	15,986,593	16,849,656	17,679,276	17,586,716	17,534,208	17,734,020	18,441,599	22,745,274	27,726,780	30,761,492
Instructional Media Services	4,210,339	4,557,548	4,625,002	4,619,046	4,580,366	4,409,923	4,619,428	4,592,251	4,727,304	4,944,587
Instruction and Curriculum										
Development Services	9,927,607	10,540,383	12,027,098	13,093,815	13,211,227	13,055,927	14,818,085	16,111,279	19,762,704	20,757,327
Instructional Staff Training Services	9,134,087	8,576,810	8,969,552	7,023,687	6,368,695	8,737,073	8,006,689	8,215,681	8,352,754	10,686,523
Instruction-Related Technology	4,035,137	3,893,039	4,210,077	4,249,202	4,474,730	4,301,424	4,358,453	4,285,623	4,405,959	4,366,360
Board	1,194,064	1,264,067	1,336,050	1,259,018	1,316,342	7,508,557	1,215,971	1,396,121	1,219,632	1,465,683

(Continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
General Administration	\$ 2,409,159	\$ 2,238,154	\$ 1,817,686	\$ 2,023,229	\$ 2,156,983	\$ 2,195,678	\$ 2,282,488	\$ 2,887,178	\$ 3,620,691	\$ 5,533,331
School Administration	14,743,900	15,569,808	15,909,843	16,321,299	16,092,768	16,773,968	17,550,519	18,188,610	18,700,542	21,192,637
Facilities Acquisition and Construction	13,324,504	17,898,083	14,961,023	16,566,965	17,130,892	28,010,865	23,699,137	27,591,087	32,377,925	49,384,614
Fiscal Services	2,159,270	2,415,832	2,361,350	2,258,102	2,364,027	2,290,353	2,419,029	2,563,294	2,575,567	2,893,914
Food Service	20,629,628	20,171,124	19,979,512	20,748,991	20,903,229	21,112,373	19,564,071	18,021,066	20,664,026	25,749,696
Central Services	4,959,376	5,106,813	5,251,482	5,744,152	6,024,459	6,610,306	6,599,714	6,258,381	8,741,926	7,461,616
Student Transportation Services	16,362,999	16,274,752	18,911,080	19,599,099	18,479,788	19,324,952	17,808,682	16,235,296	19,125,914	21,787,722
Operation of Plant	27,123,194	27,292,882	26,333,337	25,600,740	25,352,221	26,695,254	26,717,118	29,928,044	31,429,864	36,864,175
Maintenance of Plant	10,592,744	10,953,267	10,706,582	10,953,447	11,042,054	11,747,008	11,184,278	11,827,909	12,038,835	14,319,130
Administrative Technology Services	3,559,873	3,266,347	3,251,767	3,184,691	3,304,349	3,256,823	3,682,356	3,900,594	4,192,216	4,312,317
Community Services	1,379,526	1,123,431	1,093,821	1,052,813	1,083,138	1,281,861	1,674,496	1,703,383	2,310,078	1,771,229
Fixed Capital Outlay:										
Facilities Acquisition and Construction	23,947,575	27,810,019	16,045,856	32,812,375	55,351,540	11,715,788	16,967,616	24,919,715	32,131,154	26,690,585
Charter School Local Capital Improvement	-	-	-	-	271,558	-	-	-	-	-
Other Capital Outlay	1,381,185	1,622,740	1,458,065	3,735,249	8,964,459	6,981,585	7,035,730	6,139,488	6,940,616	5,734,878
Debt Service:										
Principal	4,697,828	4,768,768	4,316,613	6,391,723	7,645,309	8,014,000	8,373,000	8,754,000	9,137,000	11,441,000
Interest and Fiscal Charges	1,952,012	1,619,850	1,650,018	3,567,865	3,059,376	2,846,672	2,473,855	4,014,941	3,575,522	3,069,643
Other Debt Service	-	-	-	-	-	-	150,234	-	-	-
Total Expenditures	386,172,854	408,832,585	392,887,147	419,104,277	454,348,086	428,993,998	427,848,801	459,654,125	490,217,817	543,808,314
Excess (Deficiency) of Revenues Over Expenditures	(2,708,058)	(17,518,449)	2,006,777	(17,932,274)	(46,027,524)	(9,374,043)	(3,387,222)	(8,689,968)	(24,647,177)	1,981,481
Other Financing Sources (Uses)										
Bonds Issued	-	-	51,910,000	-	-	-	-	37,643,023	-	-
Refunding Bonds Issued	229,000	627,000	-	812,000	-	-	126,000	-	-	-
Refunding Certificates of Participation Issued	-	19,840,000	-	-	-	-	-	-	-	-
Payment to Refunding Escrow Agent	(186,007)	(23,126,288)	-	-	(945,961)	-	-	-	-	-
Sale of Capital Assets	1,113,573	1,877,010	1,369,143	-	165,893	3,281,282	511,377	70,094	-	-
Loss Recoveries	500,000	3,285,325	1,896,824	1,865,544	13,808	19,555	-	164,592	2,556,296	3,010,119
Premiums on Long-Term Debt Issued	36,560	2,548,722	8,641,751	123,846	-	-	24,818	7,204,058	-	-
Transfers In	12,691,682	13,632,905	76,884,490	19,047,008	19,511,380	24,431,929	17,689,527	64,654,197	15,867,343	26,215,593
Transfers Out	(12,691,323)	(13,585,935)	(76,884,490)	(19,047,008)	(19,511,380)	(24,431,929)	(17,689,527)	(64,654,197)	(15,867,343)	(26,215,593)
Total Other Financing Sources (Uses)	1,693,485	5,098,739	63,817,718	2,801,390	(766,260)	3,300,837	662,195	45,081,767	2,556,296	3,010,119
Change in Fund Balances Before Extraordinary Items	(1,014,573)	(12,419,710)	65,824,495	(15,130,884)	(46,793,784)	(6,073,206)	(2,725,027)	36,391,799	(22,090,881)	4,991,600
Net Change in Fund Balances	(1,014,573)	(12,419,710)	65,824,495	(15,130,884)	(46,793,784)	(6,073,206)	(2,725,027)	36,391,799	(22,090,881)	4,991,600
Fund Balances, Beginning	158,211,243	157,196,670	144,776,960	210,601,455	195,470,571	148,676,787	142,603,581	139,878,554	179,717,485	157,626,604
Adjustment to Fund Balance (1)	-	-	-	-	-	-	-	3,447,132	-	-
Fund Balances, Ending	\$ 157,196,670	\$ 144,776,960	\$ 210,601,455	\$ 195,470,571	\$ 148,676,787	\$ 142,603,581	\$ 139,878,554	\$ 179,717,485	\$ 157,626,604	\$ 162,618,204
Capital Outlay Capitalized for the Government-wide Statement of Net Position (2)	\$ 25,328,760	\$ 27,582,813	\$ 16,807,198	\$ 35,554,658	\$ 60,768,005	\$ 16,197,698	\$ 22,394,268	\$ 29,055,917	\$ 36,570,722	\$ 29,887,299
Debt Service as a Percentage of Noncapital Expenditures	1.84%	1.68%	1.59%	2.60%	2.72%	2.63%	2.68%	2.97%	2.80%	2.82%

Source: District Records

(1) Adjusted according to initial implementation of GASB Statement No. 84, Fiduciary Activities.

(2) Conversion entries - Reconciliation of the Statement of Revenues, Expenditures, and Changes to Fund Balances of the Governmental Funds to the Government-Wide Statement of Activities.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

Fiscal Year Ending	Property Tax		Sales Tax	Total
	General Purposes	Capital Projects		
June 30, 2023	\$ 108,089,784	\$ 32,322,922	\$ 40,327,587	\$ 180,740,293
June 30, 2022	99,970,540	27,315,572	38,644,476	165,930,588
June 30, 2021	96,589,089	28,510,061	32,008,937	157,108,087
June 30, 2020	93,739,773	26,719,561	28,259,025	148,718,359
June 30, 2019	92,400,715	25,713,432	28,220,187	146,334,334
June 30, 2018	88,593,488	25,897,925	26,693,489	141,184,902
June 30, 2017	88,907,015	24,005,885	24,900,899	137,813,799
June 30, 2016	91,336,026	21,709,577	24,164,744	137,210,347
June 30, 2015	95,102,045	21,492,708	23,376,775	139,971,528
June 30, 2014	91,977,693	22,777,599	21,856,254	136,611,546

Source: Escambia County School District Annual Comprehensive Financial Report

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)
(Unaudited)

Fiscal Year	Assessed Value				Less: Exemptions	Total Taxable Value	Ratio of Taxable Value to Assessed Value	Total Direct Rate
	Real Property	Personal Property	Centrally Assessed Property	Total Assessed Value				
2022-23	\$ 34,274,783	\$ 4,159,309	\$ 32,004	\$ 38,466,096	\$ 10,441,737	\$ 28,024,359	72.85%	5.274
2021-22	31,012,562	3,398,603	31,417	34,442,582	10,065,789	24,376,793	70.78%	5.657
2020-21	27,789,817	2,761,894	29,112	30,580,823	9,657,636	20,923,187	68.42%	5.928
2019-20	25,035,088	2,610,591	28,841	27,674,520	9,182,479	18,492,041	66.82%	6.043
2018-19	22,296,476	2,402,193	30,531	24,729,200	7,400,160	17,329,040	70.08%	6.325
2017-18	22,858,204	2,209,792	28,654	25,096,650	8,961,807	16,134,843	64.29%	6.631
2016-17	21,934,790	2,217,288	28,109	24,180,187	8,795,391	15,384,796	63.63%	6.876
2015-16	22,033,575	2,311,103	25,894	24,370,572	9,580,692	14,789,880	60.69%	7.113
2014-15	21,376,740	2,258,532	25,486	23,660,758	9,414,690	14,246,068	60.21%	7.322
2013-14	20,672,563	2,294,260	24,618	22,991,441	9,351,572	13,639,869	59.33%	7.557

Notes: Assessed values approximate estimated actual values.
Tax rates per \$1,000 of assessed value.

Sources: Escambia County Property Appraiser and Florida Department of Revenue

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(per \$1,000 Assessed Valuation)
(Unaudited)

	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
Direct Rates:				
District School Board:				
Local Required Effort	5.309	5.237	4.999	4.666
Discretionary Local	0.748	0.748	0.748	0.748
Supplemental Discretionary	0.000	0.000	0.000	0.000
Capital Improvement	1.500	1.337	1.366	1.462
Total District School Board	7.557	7.322	7.113	6.876
Overlapping Rates:				
Escambia County	6.976	6.617	6.616	6.617
Escambia County Municipal Service Taxing Unit	0.685	0.685	0.685	0.685
City of Pensacola	4.290	4.290	4.290	4.290
City of Pensacola Downtown Improvement Board	2.000	2.000	2.000	2.000
Northwest Florida Water Management	0.040	0.039	0.038	0.037
Town of Century	0.901	0.871	0.901	0.973
Library	0.359	0.359	0.359	0.359
Escambia Children's Trust (1)	0.000	0.000	0.000	0.000

Source: Escambia County Tax Collector

(1) Millage levy commenced during the 2021-22 fiscal year

Fiscal Year						
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
4.383	4.200	3.944	3.829	3.695	3.312	
0.748	0.748	0.748	0.748	0.748	0.748	
0.000	0.000	0.000	0.000	0.000	0.000	
1.500	1.377	1.351	1.351	1.214	1.214	
<u>6.631</u>	<u>6.325</u>	<u>6.043</u>	<u>5.928</u>	<u>5.657</u>	<u>5.274</u>	
6.617	6.617	6.617	6.617	6.617	6.617	
0.685	0.685	0.685	0.685	0.685	0.685	
4.290	4.290	4.290	4.290	4.290	4.290	
2.000	2.000	2.000	2.000	2.000	2.000	
0.035	0.034	0.033	0.031	0.029	0.026	
0.920	0.920	0.920	0.920	0.920	0.920	
0.359	0.359	0.359	0.359	0.359	0.359	
0.000	0.000	0.000	0.000	0.500	0.437	

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO
(amounts expressed in thousands)
(Unaudited)

<u>Taxpayer</u>	Fiscal Year					
	2022-23			2013-14		
Rank (Gross Tax)	Assessed Value	Percentage of Total Assessed Value	Rank (Gross Tax)	Assessed Value	Percentage of Total Assessed Value	
Florida Power & Light / Gulf Power Company	1	\$ 1,261,736	4.59%	1	\$ 560,686	3.69%
Navy Federal Credit Union	2	495,580	1.80%	8	74,783	0.49%
International Paper Company	3	253,926	0.92%	2	348,639	2.30%
Ascend Performance Material	4	160,391	0.58%	3	124,309	0.82%
West Florida Regional Medical Center	5	138,495	0.50%	4	90,329	0.59%
City of Pensacola	6	279,891	1.02%			0.00%
Wal-Mart / Sam's Stores, Inc.	7	82,574	0.30%	6	58,785	0.39%
Westdale Parkside/Pensacola Grand/Angel/Austin	8	86,608	0.32%			
Lurin Real Estate Holdings	9	73,227	0.27%			
SPIDEV/SPIGOV/SPICLIFF/SPITOWN	10	66,246	0.24%	7	45,309	0.30%
Bellsouth Telecommunication				5	60,919	0.40%
CoxCom, Inc.				9	37,594	0.25%
Pensacola POB/Baptist Hospital				10	64,045	0.42%
Totals		<u>\$ 2,898,674</u>	<u>10.55%</u>		<u>\$ 1,465,398</u>	<u>9.63%</u>
Final gross taxable value year (2023 DR - 420S line 7)		<u>\$ 27,472,304</u>			<u>\$ 15,185,937</u>	

Source: Escambia County Tax Collector, Escambia County School District

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Total Tax Levy (1)	Fiscal Year Collections		Delinquent Collections	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2022-23	\$ 144,888,936	\$ 140,202,664	96.77%	\$ 210,042	\$ 140,412,706	96.91%
2021-22	131,391,301	126,934,910	96.61%	351,075	127,285,984	96.88%
2020-21	129,176,988	124,825,375	96.63%	273,775	125,099,150	96.84%
2019-20	123,514,913	120,279,150	97.38%	180,184	120,459,334	97.53%
2018-19	120,886,275	117,827,456	97.47%	286,691	118,114,147	97.71%
2017-18	118,700,546	113,897,590	95.95%	593,823	114,491,413	96.45%
2016-17	117,619,850	112,912,890	96.00%	346,574	113,259,464	96.29%
2015-16	116,836,952	109,306,823	93.56%	3,738,780	113,045,603	96.76%
2014-15	116,033,176	112,111,423	96.62%	4,483,330	116,594,753	100.48%
2013-14	114,760,128	110,015,982	95.87%	4,739,310	114,755,292	100.00%

(1) Millage rates applied to final taxable value line 7, DR-420S (Certification of School Taxable Value)

Note:

Property taxes become due and payable on November 1 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 percent of the tax levy. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1 of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

Source: Escambia County Tax Collector, Escambia County School District

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Governmental Activities (A)				Percentage of Personal Income (B)	Per Capita (B)
	State Board of Education Bonds	Certificates of Participation	Sales Tax Revenue Bonds	Total Primary Government		
2022-23	\$ 698,760	\$ 35,036,684	\$ 29,175,729	\$ 64,911,173	0.376%	195
2021-22	922,811	42,902,106	34,330,876	78,155,793	0.500%	237
2020-21	1,083,615	49,020,433	39,301,021	89,405,069	0.623%	276
2019-20	1,286,322	9,920,811	44,126,167	55,333,300	0.405%	172
2018-19	1,505,285	14,548,717	48,791,313	64,845,315	0.499%	204
2017-18	1,698,916	18,981,622	53,306,459	73,986,997	0.597%	236
2016-17	2,835,164	23,167,836	57,676,605	83,679,605	0.688%	270
2015-16	2,225,141	27,477,464	60,551,751	90,254,356	0.787%	294
2014-15	2,738,580	31,635,983	-	34,374,563	0.313%	112
2013-14	3,954,275	35,063,539	-	39,017,814	0.351%	128

Sources:

- (A) Annual Financial Report, Annual Comprehensive Financial Report (ACFR)
- (B) See the table on Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the calendar year.

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2023
(Unaudited)

Governmental Unit	State Board of Education Bonds	Sales Tax Revenue Bonds, Series 2016	Certificates of Participation	Direct Debt	
				Total Debt Outstanding	Percentage Applicable to This Governmental Unit
Direct Debt:					
District School Board of Escambia County	\$ 698,760	\$ 29,175,729	\$ 35,036,684	\$ 64,911,173	100%
Overlapping Debt:					
Escambia County (1)				<u>146,520,637</u>	100%
Total Direct and Overlapping Debt				<u><u>\$ 211,431,810</u></u>	

(1) County debt outstanding was not determined at June 30, 2023, as their fiscal year ends on September 30. Consequently, September 30, 2022 data is reported.

Note: Overlapping debt is that debt of local governments and Escambia County which apply to property owners within the county. Not all overlapping debt applies to all county property owners.

Source: District Records; Escambia County ACFR, Escambia County School District ACFR

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PLEGGED REVENUE COVERAGE
LOCAL SALES TAX
CURRENT AND FROM INCEPTION
(Unaudited)

Fiscal Year	Sales Tax Revenue	Debt Service		Total Debt Service	Coverage
		Principal	Interest		
2022-23	\$ 40,327,587	\$ 7,299,400	\$ 2,034,190	\$ 9,333,590	4.32
2021-22	38,644,476	4,250,000	2,310,425	6,560,425	5.89
2020-21	32,008,937	4,105,000	2,416,637	6,521,637	4.91
2019-20	28,259,025	3,945,000	1,835,500	5,780,500	4.89
2018-19	28,220,187	3,795,000	1,990,300	5,785,300	4.88
2017-18	26,693,489	3,650,000	2,139,200	5,789,200	4.61
2016-17	24,900,899	2,155,000	2,453,015	4,608,015	5.40

Notes:

- (1) Sales Tax Revenue Bonds, Series 2016 were issued in January 2016.
- (2) Certificates of Participation, Series 2020A were issued in August 2020. A portion of the debt is serviced from sales tax receipts (42%) and the remainder from property taxes (58%).

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Assessed Value*	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to Limit as a Percent of Debt Limit
2022-23	\$ 27,472,304,863	n/a	\$ -	\$ -	0.00%
2021-22	23,226,321,506	n/a	-	-	0.00%
2020-21	21,790,989,852	n/a	-	-	0.00%
2019-20	20,439,336,895	n/a	-	-	0.00%
2018-19	19,291,249,673	n/a	-	-	0.00%
2017-18	17,937,051,307	n/a	-	-	0.00%
2016-17	17,066,661,790	n/a	-	-	0.00%
2015-16	16,413,934,013	n/a	-	-	0.00%
2014-15	15,845,710,220	n/a	-	-	0.00%
2013-14	15,185,937,304	n/a	-	-	0.00%

Note: The State of Florida does not have a limit on the amount of voter-approved debt.

Certification of School Taxable Value - Florida Department of Revenue DR 420S (line 7)

Source: District Records



Escambia County

PUBLIC SCHOOLS

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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
 ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY
 REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS
 LAST TEN FISCAL YEARS
 (Unaudited)**

Fiscal Year	Taxable Assessed Value (A)	Annual Lease Payment	Millage Levy to Provide 1.00x Coverage (B)
2022-23	\$ 27,472,304	\$ 4,949,285	.19 Mills
2021-22	23,226,322	5,925,450	.27 Mills
2020-21	21,790,990	5,848,632	.28 Mills
2019-20	20,439,337	4,837,000	.25 Mills
2018-19	19,291,249	4,850,625	.26 Mills
2017-18	17,937,051	4,782,240	.28 Mills
2016-17	17,066,662	5,060,278	.31 Mills
2015-16	16,413,934	5,062,851	.32 Mills
2014-15	15,845,710	5,109,849	.34 Mills
2013-14	15,185,937	5,134,381	.35 Mills

- Notes: (A) Certification of School Taxable Value - Florida Department of Revenue DR 420S (line 7)
 (B) Millage rate calculated using 96% of the taxable assessed valuation.

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

Source: District Records

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Population (A)	Personal Income	Per Capita Personal Income (A)	Median Age (A)
2022-23	333,452	\$ 17,275,481,216	\$ 51,808	38.20
2021-22	329,583	15,615,972,123	47,381	38.20
2020-21	323,714	14,356,392,186	44,349	38.20
2019-20	321,134	13,660,076,958	42,537	38.00
2018-19	318,560	13,005,212,000	40,825	38.00
2017-18	313,381	12,385,130,501	39,521	37.90
2016-17	309,986	12,160,440,794	39,229	37.90
2015-16	306,944	11,464,972,288	37,352	37.90
2014-15	305,872	10,993,345,552	35,941	37.70
2013-14	305,817	11,118,282,852	36,356	37.60

Sources:

- (A) Florida Legislature Office of Economic and Demographic Research (Most recent data)
- (B) Florida Department of Economic Opportunity, Bureau of Workforce Statistics & Economic Research.
- (C) Student enrollment was obtained from District records. Starting in the 2013-14 fiscal year, student enrollment figures were capped by the Florida Department of Education at 1.0 unweighted FTE which reduced total enrollment numbers.

Unemployment Rate (B)	Student Enrollment (C)	Government-wide Governmental Activities Expenses	Cost per Student
3.0%	39,065.82	\$ 515,908,174	\$ 13,206
4.5%	38,955.25	441,926,549	11,344
5.6%	38,180.95	453,719,450	11,883
9.2%	39,643.48	428,066,733	10,798
3.5%	39,619.87	430,991,864	10,878
3.9%	39,807.09	394,423,954	9,908
4.4%	39,859.07	396,139,493	9,939
4.7%	40,109.79	392,844,539	9,794
5.7%	40,155.69	379,364,936	9,447
6.0%	40,170.72	367,703,010	9,154



Escambia County

PUBLIC SCHOOLS

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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO
(Unaudited)**

Employer	Fiscal Year					
	2022-23 (1)			2013-14 (2)		
	Employees	Rank	Percentage of Employment	Employees	Rank	Percentage of Employment
Local Government	14,100	1	26.28%	13,900	1	33.50%
Navy Federal Credit Union	9,188	2	17.12%	3,113	6	7.50%
Federal Government	6,800	3	12.67%	6,500	2	15.67%
State of Florida	6,800	4	12.67%	5,600	3	13.50%
Baptist Health Care	5,434	5	10.13%	4,133	4	9.96%
Sacred Heart Health Systems	4,820	6	8.98%	3,483	5	8.39%
University of West Florida	2,447	7	4.56%	1,108	9	2.67%
Pensacola Christian College	1,584	8	2.95%			
Ascend Performance Materials	1,288	9	2.40%	830	10	2.00%
West Florida Health Care	1,200	10	2.24%	1,300	8	3.13%
Gulf Power/Florida Power & Light				1,522	7	3.67%
Total Employees	53,661			41,489		

Sources:

- (1) Escambia County Florida Comprehensive Annual Financial Report (CAFR) - Fiscal Year Ending June 30, 2022 (Government Employers)
FloridaWest EDA - Our Leading Employers 2023 (Non-Government Employers)
- (2) Escambia County School District Comprehensive Annual Financial Report (Statistical Section) - Fiscal Year Ending June 20, 2014

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(Unaudited)

	Placed in Service ⁽¹⁾	Square Footage ⁽²⁾	Portables	Full-Time Equivalent Enrollment Data									
				2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Elementary Schools/K-8													
Allen Elementary	1956	86,479	-	563.93	577.49	616.68	613.47	599.61	635.25	579.75	539.45	615.29	644.53
Belview Elementary	1950	98,997	1	696.10	720.25	750.09	761.17	727.06	628.19	612.48	541.94	512.32	503.66
Beulah Elementary	1980	111,503	18	920.11	967.64	963.52	991.32	978.19	919.81	904.68	850.34	872.96	948.70
Bibbs Elementary	1962	57,871	-	-	-	-	-	-	-	-	-	-	-
Blue Angels Elementary	1999	127,545	2	849.17	913.43	943.19	881.70	871.85	813.85	829.60	738.14	747.20	782.90
Bratt Elementary	1980	75,727	5	414.96	401.14	418.33	425.33	476.12	476.74	477.22	474.18	469.08	462.93
Brentwood Elementary	1937	63,682	2	616.97	585.98	578.77	557.12	523.07	470.95	390.64	358.93	347.89	368.60
Caro Elementary	1989	116,550	8	952.20	954.91	895.03	837.11	830.39	806.95	759.88	747.99	668.88	646.26
Cook Elementary	1997	119,719	-	622.13	579.89	587.39	593.80	599.12	566.98	558.45	538.41	513.60	509.06
Cordova Park Elementary	1962	91,297	7	707.88	680.48	682.43	704.79	659.61	618.55	598.64	574.26	603.36	631.83
Ensley Elementary	1959	71,449	10	457.85	474.93	493.22	474.93	439.76	380.61	396.12	353.54	373.97	428.93
Ferry Pass Elementary	1957	85,515	9	688.46	724.37	679.90	591.64	603.91	617.30	587.48	555.61	529.29	520.52
Global Learning Academy	2011	130,802	-	757.43	757.96	726.80	739.26	649.06	579.33	535.91	475.63	442.53	425.95
Hallmark Elementary	1928	36,993	3	-	-	-	-	-	-	-	-	-	-
Holm Elementary	1999	110,777	1	440.04	470.40	499.21	489.95	449.53	449.29	485.26	381.71	390.98	413.46
Kingsfield Elementary	2018	118,310	-	-	-	-	-	-	624.23	777.91	719.67	827.82	882.91
Lincoln Park Elementary	1961	64,540	1	140.02	147.40	179.88	172.38	229.30	286.42	274.08	255.78	240.33	230.97
Lipscomb Elementary	1991	125,142	10	926.99	931.84	921.90	879.04	869.40	844.02	806.78	791.30	760.06	769.00
Longleaf Elementary	1975	91,612	3	784.36	772.13	770.94	722.20	659.80	565.56	563.67	542.80	517.22	507.27
McArthur Elementary	1975	107,456	11	740.55	762.06	770.49	752.01	744.94	702.98	660.34	630.70	652.98	590.27
Molino Park Elementary	2002	129,069	-	381.35	415.13	410.79	422.45	440.86	457.82	465.40	453.24	484.67	520.31
Montclair Elementary	1960	69,993	2	341.33	308.66	356.06	314.68	303.90	366.53	404.13	395.91	345.08	344.79
Myrtle Grove Elementary	1936	82,080	6	703.69	606.89	657.60	611.09	517.70	560.86	557.78	488.45	460.06	435.01
Navy Point Elementary	1954	79,369	-	508.65	449.89	495.59	571.33	488.85	512.00	468.53	427.53	407.32	418.51
Oakcrest Elementary	1956	85,505	17	602.87	663.55	668.83	518.23	521.00	519.43	507.50	491.23	484.46	476.91
Pine Meadow Elementary	1960	87,754	4	942.99	905.42	920.55	906.51	940.59	629.67	669.87	678.47	747.98	718.59
Pleasant Grove Elementary	1948	70,718	6	631.70	729.36	670.16	626.56	676.74	594.42	525.58	490.71	458.51	531.19
Scenic Heights Elementary	1960	110,679	11	872.57	762.30	815.99	801.85	910.43	819.15	836.27	738.52	770.56	802.73
Semmes Elementary	1955	72,751	2	405.43	397.86	377.29	429.06	451.36	398.66	420.48	436.01	380.20	266.95
Sherwood Elementary	1958	85,082	1	589.50	605.46	615.82	598.21	573.88	513.82	478.70	432.53	477.15	464.45
Suter Elementary	2015	110,295	-	423.62	437.37	538.94	586.77	576.76	565.11	564.65	470.67	508.76	584.94
Warrington Elementary	1947	74,225	10	485.95	425.29	429.36	379.78	374.40	319.84	296.83	293.75	311.64	300.34
Weis Elementary	1990	111,549	-	573.90	545.03	494.12	444.33	473.59	467.77	482.69	480.31	419.51	437.14
West Pensacola Elementary	1955	82,099	8	404.83	425.20	439.63	506.95	502.91	526.40	548.56	514.80	510.01	433.72
Yniestra Elementary	1938	39,600	1	-	-	-	-	-	-	-	-	-	-
Total Elementary Schools			159	19,147.53	19,099.71	19,268.50	18,905.02	18,663.69	18,238.49	18,025.86	16,862.51	16,851.67	17,003.33
Middle Schools													
Bailey Middle School	1993	201,368	12	1,481.31	1,389.71	1,345.55	1,355.79	1,372.55	1,392.34	1,305.45	1,206.25	1,147.37	1,147.45
Belview Middle School	1961	158,235	8	980.69	1,019.59	1,009.27	972.73	1,004.94	991.08	1,003.62	1,006.65	1,016.03	977.55
Beulah Middle School	2018	175,680	-	-	-	-	-	-	824.53	1,040.86	1,026.07	982.89	947.72
Brown Barge Middle School	1955	113,127	-	594.23	576.87	536.36	549.83	570.57	557.78	512.69	508.77	511.72	542.38
Ferry Pass Middle School	1961	153,755	3	1,011.74	987.37	1,023.05	1,049.24	1,052.39	1,206.63	1,106.84	993.39	969.24	991.77
Ransom Middle School	1987	190,378	11	1,429.64	1,392.08	1,331.97	1,388.04	1,449.59	1,271.80	1,309.69	1,291.35	1,287.73	1,211.08
Ward Middle School	2015	121,676	-	458.58	453.79	459.52	432.56	486.20	485.84	484.91	469.97	490.70	476.70
Warrington Middle School	1953	137,998	4	649.87	672.76	666.21	680.24	678.15	809.89	790.69	770.57	690.76	559.79
Woodham Middle School	1964	236,668	1	699.61	687.07	821.14	769.52	745.89	-	-	-	-	-
Workman Middle School	1962	156,155	2	979.62	941.48	852.49	779.94	775.98	972.82	920.37	857.66	720.96	712.98
Total Middle Schools			41	8,285.29	8,120.72	8,045.56	7,977.89	8,136.26	8,512.71	8,475.12	8,130.68	7,817.40	7,567.42

(continued)

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST TEN FISCAL YEARS
(Unaudited)

	Placed in Service ⁽¹⁾	Square Footage ⁽²⁾	Portables	Full-Time Equivalent Enrollment Data									
				2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
High Schools													
Escambia High School	1958	283,880	6	1,678.82	1,707.46	1,656.07	1,683.17	1,750.59	1,689.15	1,720.18	1,674.41	1,683.88	1,606.87
West Florida High School of Advanced Technology	1967	338,380	12	1,254.39	1,257.06	1,260.21	1,307.05	1,295.79	1,275.20	-	-	-	-
West Florida High School of Advanced Technology ⁽⁴⁾	1964	236,668	1	-	-	-	-	-	-	1,228.38	1,188.97	1,167.86	1,225.12
Northview High School	1993	148,273	1	495.89	481.26	487.65	476.77	458.70	467.14	496.74	453.98	489.71	505.42
Pensacola High School	1949	288,045	5	1,463.15	1,419.10	1,403.39	1,360.71	1,401.57	1,374.45	1,343.70	1,341.44	1,269.85	1,185.85
Pine Forest High School	1974	246,196	14	1,646.97	1,674.06	1,628.62	1,582.40	1,558.14	1,590.58	1,589.18	1,572.97	1,771.05	1,842.24
Tate Senior High School	1950	318,045	1	1,928.67	2,073.34	2,144.00	2,095.49	2,096.45	2,100.79	2,027.70	2,007.56	1,992.70	2,045.73
Washington High School	1976	275,971	7	1,626.17	1,711.79	1,720.77	1,730.68	1,736.67	1,717.27	1,750.61	1,727.94	1,677.87	1,674.90
Total High Schools			47	10,094.06	10,324.07	10,300.71	10,236.27	10,297.91	10,214.58	10,156.49	9,967.27	10,052.92	10,086.13
Special Centers													
Judy Andrews Second Chance Center	1954	45,495	-	40.72	42.99	57.09	100.11	121.18	130.32	-	-	-	-
Success Academy (formerly known as Judy Andrews Second Chance Center) ⁽⁵⁾	1967	338,380	12	-	-	-	-	-	-	191.80	163.71	230.07	245.56
McMillian Learning Center	1961	44,979	5	38.95	25.51	16.96	21.84	25.82	34.58	-	-	-	-
Teenage Parent PK	n/a	n/a	n/a	-	-	12.33	24.00	18.00	19.00	19.56	7.50	5.00	6.00
George Stone Technical Center ⁽³⁾	1967	219,913	5	-	-	0.31	-	-	-	-	-	-	-
Escambia Westgate Center	1979	104,473	4	242.49	228.83	228.47	231.49	208.55	195.27	187.97	140.07	140.01	138.86
Total Special Centers			26	322.16	297.33	315.16	377.44	373.55	379.17	399.33	311.28	375.08	390.42
Other Programs													
Achieve Academy / Camelot	n/a	n/a	n/a	177.75	181.05	177.80	153.30	170.13	224.02	230.63	169.30	235.74	284.72
District Administered Programs	n/a	n/a	n/a	92.98	100.45	82.83	70.09	85.61	84.60	87.70	85.88	66.80	63.58
Escambia County Acceleration Academy	n/a	n/a	n/a	-	-	-	-	-	-	-	-	155.77	122.57
Escambia County Jail	n/a	n/a	n/a	15.13	17.30	28.14	21.46	9.95	10.01	11.04	12.87	4.34	6.00
Escambia Juvenile Justice Center	n/a	n/a	n/a	48.09	52.05	36.42	60.49	83.53	70.05	61.16	30.55	37.95	37.37
Hospital & Homebound	n/a	n/a	n/a	9.85	14.76	6.08	9.03	8.90	5.93	5.61	4.55	9.70	6.65
Drug and Alcohol Residential Treatment Center (DAART)	n/a	n/a	n/a	16.41	12.45	12.68	13.61	11.28	2.89	-	-	-	-
Hope Horizon @ Judy Andrews / Lakeview Center	n/a	n/a	n/a	26.63	24.90	43.48	46.66	38.69	41.60	39.00	40.96	36.02	27.27
Escambia Boys Base	n/a	n/a	n/a	28.38	30.34	34.39	33.02	30.47	29.60	27.66	10.96	16.72	28.68
Escambia Bay Marine	n/a	n/a	n/a	31.69	-	-	-	-	-	-	-	-	-
PACE Center for Girls	n/a	n/a	n/a	62.61	72.62	69.10	73.48	65.32	71.86	72.53	75.37	74.62	70.60
McKay Scholarships	n/a	n/a	n/a	316.71	328.86	311.35	386.00	391.00	405.00	395.50	356.00	305.50	-
Family Empowerment Scholarships	n/a	n/a	n/a	-	-	-	-	-	-	396.00	629.50	1,638.00	2,173.00
Total Other Programs				826.23	834.78	802.27	867.14	894.88	945.56	1,326.83	1,415.94	2,581.16	2,820.44
Charter Schools													
A. A. Dixon Charter School of Excellence	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	-
Beulah Academy of Science, Inc.	n/a	n/a	n/a	288.04	286.55	289.88	286.68	286.02	290.04	293.30	288.24	303.22	308.81
Byrnesville Elementary School, Inc.	n/a	n/a	n/a	174.10	191.63	206.72	206.50	214.49	192.57	181.54	180.60	161.01	174.89
Capstone Academy Pensacola	n/a	n/a	n/a	26.00	23.42	24.93	32.86	28.53	31.10	27.56	21.00	25.48	17.91
Escambia Charter School, Inc.	n/a	n/a	n/a	120.03	115.26	103.73	90.62	99.07	-	-	-	-	-
Jacqueline Harris Preparatory Academy	n/a	n/a	n/a	197.63	179.94	209.75	203.64	232.08	233.27	218.95	176.75	207.07	202.19
Five Flags Academy	n/a	n/a	n/a	-	89.44	-	-	-	-	-	-	-	-
Newpoint Academy Middle School	n/a	n/a	n/a	158.33	172.87	-	-	-	-	-	-	-	-
Newpoint Pensacola High School	n/a	n/a	n/a	113.23	109.43	-	-	-	-	-	-	-	-
Pensacola Beach Elementary School, Inc.	n/a	n/a	n/a	135.34	138.00	139.10	150.09	136.57	143.70	140.81	131.94	132.02	118.90
Pensacola State Charter Academy	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	45.42
Total Charter Schools				1,212.70	1,306.54	974.11	970.39	996.76	890.68	862.16	798.53	828.80	868.12
Virtual Instruction Programs	n/a	n/a	n/a	282.75	172.54	403.48	524.92	444.04	438.68	397.69	694.74	448.22	329.96
Total District				40,170.72	40,155.69	40,109.79	39,859.07	39,807.09	39,619.87	39,643.48	38,180.95	38,955.25	39,065.82

⁽¹⁾ Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodeling.

⁽²⁾ Square footage includes portables and modulars in addition to permanent buildings.

⁽³⁾ George Stone Center houses adult programs that do not typically generate Full Time Enrollment (FTE) except for dual enrollment during 2015-16 school year.

⁽⁴⁾ Moved to former Woodham Middle School campus.

⁽⁵⁾ Moved to former West Florida High School of Advanced Technology campus.

Source: District Records

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
NUMBER OF PERSONNEL
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	(A) Instructional	(B) Administrative	(C) Support Services	Total	Ratio of Students (FTE) to Instructional Personnel	Ratio of Instructional Personnel to Administrators
2022-23	2,932	198	2,015	5,145	13.32	14.81
2021-22	3,328	180	1,944	5,452	11.71	18.49
2020-21	3,147	185	2,057	5,389	12.23	17.01
2019-20	3,044	192	2,120	5,356	13.02	15.85
2018-19	2,963	174	2,041	5,178	13.36	17.03
2017-18	3,139	181	2,057	5,377	12.68	17.34
2016-17	3,082	178	2,040	5,300	12.95	17.31
2015-16	3,097	177	2,053	5,327	12.97	17.50
2014-15	3,138	173	2,050	5,361	12.80	18.14
2013-14	3,161	164	1,870	5,195	12.71	19.27

(A) Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists, Other Professional Instructional Staff

(B) Principals, Assistant Principals, Superintendent, Assistant Superintendent, Executive Directors, Directors, Managers, Coordinators

(C) Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, Etc.

Sources: District Records, Florida Department of Education Staff Reports

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
TEACHERS' SALARIES
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year	Minimum Range 10-Month Salary (a)	Maximum Range 10-Month Salary (a)	Average Teacher Salary
2022-23	\$ 45,700 - \$ 49,660	\$ 75,500 - \$ 79,460	\$ 49,049
2021-22	44,100 - 48,060	73,900 - 77,860	47,281
2020-21	43,500 - 47,100	73,300 - 76,900	48,037
2019-20	38,000 - 41,600	67,800 - 71,400	44,427
2018-19	37,800 - 41,400	67,600 - 71,200	44,312
2017-18	37,000 - 40,600	66,800 - 70,400	43,963
2016-17	36,810 - 40,410	59,374 - 62,974	47,632
2015-16	36,446 - 40,046	58,786 - 62,386	45,171
2014-15	35,872 - 39,472	56,250 - 59,850	44,841
2013-14	34,152 - 37,752	55,635 - 59,235	44,254

(a) Minimum and maximum salary ranges are based on the educational level of the employee. The starting amount represents a bachelor's degree and the ending amount represents an in-field doctorate degree. Employees may earn additional pay for the following degree levels: in-field masters (\$2,750); out-of-field masters (\$1,870); in-field specialist (\$3,410); out-of-field specialist (\$2,860); in-field doctorate (\$3,960); out-of-field doctorate (\$3,630). Employees may also receive additional compensation for working 11 or 12 months.

Note: The 2020-21 fiscal year was the initial implementation of the governor's Teacher Salary Increase Allocation. The goal was to implement a minimum teacher salary of not less than \$47,500 statewide. The Escambia County School District has increased minimum teacher salary each year towards that goal.

Sources: Minimum & Maximum Salaries - District Records; Average Teacher Salaries - Florida Department of Education.

DISTRICT SCHOOL BOARD OF ESCAMBA COUNTY, FLORIDA
FOOD SERVICE OPERATING DATA
LAST TEN FISCAL YEARS
(Unaudited)

	Fiscal Year Ending			
	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Days Meals were Served	175	180	180	179
Average Number of Free and Reduced Meals Served Daily	30,792	30,809	32,567	31,442
Number of Free and Reduced Meals Served	5,388,581	5,545,625	5,862,052	5,628,083
Average Daily Subsidy Received	\$ 90,802	\$ 1,580	\$ 90,295	\$ 89,222
Total Subsidy Received	\$ 15,890,352	\$ 284,424	\$ 16,253,037	\$ 15,970,789
Average Number of Meals Served Daily	35,870	35,751	35,875	34,462
Number of Meals Served	6,277,235	6,435,127	6,457,472	6,168,739
Average Daily Revenues	\$ 112,721	\$ 110,961	\$ 116,613	\$ 113,276
Total Revenues	\$ 19,726,102	\$ 19,973,056	\$ 20,990,375	\$ 20,276,400
Average Daily Costs	\$ 118,158	\$ 112,483	\$ 111,525	\$ 117,249
Total Costs	\$ 20,677,648	\$ 20,246,983	\$ 20,074,488	\$ 20,987,576

Source: District Records

Fiscal Year Ending					
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
175	176	141	191	206	178
35,153	33,956	31,412	21,851	26,938	30,050
6,151,817	5,976,306	4,429,119	4,173,515	5,549,133	5,348,942
\$ 101,975	\$ 101,304	\$ 97,309	\$ 78,739	\$ 103,950	\$ 138,657
\$ 17,845,684	\$ 17,829,460	\$ 13,720,503	\$ 15,039,154	\$ 21,413,669	\$ 24,680,870
36,814	35,737	33,824	22,002	27,007	31,854
6,442,413	6,289,726	4,769,214	4,202,292	5,563,543	5,669,991
\$ 126,738	\$ 123,659	\$ 133,313	\$ 101,423	\$ 119,923	\$ 150,360
\$ 22,179,211	\$ 21,763,939	\$ 18,797,160	\$ 19,371,869	\$ 24,704,176	\$ 26,764,131
\$ 120,478	\$ 120,837	\$ 139,061	\$ 93,553	\$ 100,766	\$ 143,964
\$ 21,083,616	\$ 21,267,297	\$ 19,607,647	\$ 17,868,535	\$ 20,757,857	\$ 25,625,548



Escambia County

PUBLIC SCHOOLS

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SINGLE AUDIT



DISTRICT SCHOOL BOARD OF ESCAMBLIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2023

Federal Grantor /Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor Number	Amount of Expenditures (1)
United States Department of Agriculture:			
Indirect:			
Child Nutrition Cluster:			
Florida Department of Agriculture and Consumer Services:			
School Breakfast Program	10.553	23002	\$ 5,070,703
National School Lunch Program	10.555	23001, 23003	17,746,486
COVID-19 National School Lunch Program	COVID-19, 10.555	22020	1,823,180
Total Child Nutrition Cluster			<u>24,640,369</u>
Florida Department of Health:			
Child and Adult Care Food Program	10.558	5033	40,502
Total United States Department of Agriculture			<u>24,680,871</u>
United States Department of Defense:			
Direct:			
Army Junior Reserve Officers Training Corps	12.UNK	N/A	86,456
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	58,930
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	424,145
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools	12.556	N/A	1,045,151
Total United States Department of Defense			<u>1,614,682</u>
United States Department of Labor:			
Indirect:			
WIOA Cluster:			
Workforce Escarosa, Inc.:			
WIOA Youth Activities	17.259	2022-2023-03	208,397
Total United States Department of Labor			<u>208,397</u>
United States Department of Education:			
Direct:			
Student Financial Assistance Cluster:			
Federal Pell Grant Program	84.063	N/A	803,135
Impact Aid	84.041	N/A	429,895
Higher Education Emergency Relief Fund - Student Aid Portion	84.425E	N/A	122,365
Higher Education Emergency Relief Fund - Institutional Aid Portion	84.425F	N/A	4,125
Total Direct			<u>1,359,520</u>
Indirect:			
Special Education Cluster:			
Florida Department of Education:			
Special Education - Grants to States	84.027	262, 263	11,783,956
COVID-19 Special Education - Grants to States	COVID-19, 84.027	263	1,881,148
Total Special Education - Grants to States			<u>13,665,104</u>
Special Education - Preschool Grants	84.173	267	190,741
Total Special Education Cluster			<u>13,855,845</u>

DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2023

Federal Grantor /Pass-Through Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor Number	Amount of Expenditures (1)
Education Stabilization Fund:			
Florida Department of Education:			
Governor's Emergency Education Relief Fund	COVID-19, 84.425C	123	285,994
Elementary and Secondary School Emergency Relief Fund	COVID-19, 84.425D	124, 128	18,465,961
American Rescue Plan - Elementary and Secondary School Emergency Relief Fund	COVID-19, 84.425U	121	56,662,774
American Rescue Plan - Elementary and Secondary School Emergency Relief Fund - Homeless Children and Youth Fund	COVID-19, 84.425W	122	390,234
Total Education Stabilization Fund			75,804,963
Florida Department of Education:			
Adult Education - Basic Grants to States	84.002	191	237,802
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	17,330,381
Student Support and Academic Enrichment Program	84.424	241	1,128,754
Career and Technical Education - Basic Grants to States	84.048	161	661,908
Education for Homeless Children and Youth	84.196	127	157,200
English Language Acquisition State Grants	84.365	102	154,350
Supporting Effective Instruction State Grants	84.367	224	1,923,507
Total Florida Department of Education			21,593,902
Total Indirect			111,254,710
Total United States Department of Education			112,614,230
United States Department of Health and Human Services:			
Indirect:			
Community Action Community - Head Start:			
Head Start	93.600	None	490,066
Early Learning Coalition of Escambia County			
COVID-19 Child Care and Development Block Grant	COVID-19, 93.575	None	71,908
Total United States Department of Health and Human Services			561,974
Total Expenditures of Federal Awards			\$ 139,680,154

The notes below are an integral part of this Schedule.

Notes:

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Escambia 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 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 financial position, changes in net position, or cash flows of the District.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

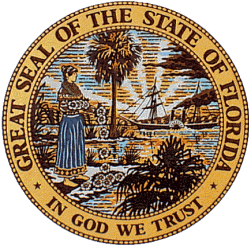
The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

(4) Noncash Assistance: National School Lunch Program

Includes \$2,020,813 of donated food received during the fiscal year. Donated foods are recorded at fair value as determined at the time of donation.

(5) Impact Aid

Expenditures are related to grant numbers/programs as follows: 19-FL-2021-0001 (\$84,815), 19-FL-2023-0001 (\$345,080).



Sherrill F. Norman, CPA
Auditor General

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

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

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 Escambia County District School Board as of and for the fiscal 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 December 15, 2023, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the employee benefit trust fund, a blended component unit, and the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 District'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

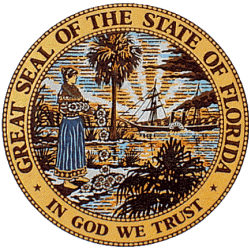
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 15, 2023
Audit Report No. 2024-094



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Escambia County District School Board's 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 fiscal year ended June 30, 2023. The District's major Federal programs are identified in **SECTION I – SUMMARY OF AUDITOR'S RESULTS** 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 fiscal 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 (*Government Auditing Standards*); 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 **Auditor's 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.

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The District's basic financial statements include the operations of Beulah Academy of Science, Inc. (Charter School) as part of the reported aggregate discretely presented component units on the accompanying basic financial statements. The Charter School expended \$2,945,262 in Federal awards, which is not included in the District's **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS** during the fiscal year ended June 30, 2023. Our compliance audit, described in the ***Opinion on Each Major Federal Program*** section of our report, did not include the operations of this Charter School because the Charter School engaged other auditors to perform an audit in accordance with the Uniform Guidance.

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.

Auditor's 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** as Federal Award Finding Nos. 2023-001 and 2023-002. Our opinion on each major Federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our compliance audit described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**. The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's responses and **CORRECTIVE ACTION PLAN** were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the ***Auditor's 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** as Federal Award Finding Nos. 2023-001 and 2023-002, to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our compliance audit described in

the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**. The District is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's responses and **CORRECTIVE ACTION PLAN** were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

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.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 15, 2023
Audit Report No. 2024-094

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major Federal program(s):	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	Yes
Type of auditor’s report issued on compliance for major Federal program(s):	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major Federal program(s):	
Assistance Listing Number(s):	Name of Federal Program or Cluster:
10.553 and 10.555	Child Nutrition Cluster
84.425	Education Stabilization Fund
Dollar threshold used to distinguish between type A and type B programs:	\$3,000,000
Auditee qualified as low risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters are reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

U.S. DEPARTMENT OF AGRICULTURE

Finding Number	2023-001
Assistance Listing Number	10.553 and 10.555
Program Title	Child Nutrition Cluster (CNC)
Compliance Requirement	Special Tests and Provisions
Pass-Through Entity	Florida Department of Agriculture and Consumer Services (FDACS)
Federal Grant/Contract Number and Grant Year	225FL915N1199 – 2022; 235FL915N1199 – 2023
Statistically Valid Sample	No
Finding Type	Noncompliance and Significant Deficiency
Questioned Costs	None
Prior Year Finding	Not Applicable
Finding	Improvements were needed in the District’s process for verifying free and reduced-price meal applications.
Criteria	<p>Title 7, Section 245.6, Code of Federal Regulations (CFR), provides application and other documentation requirements for a child to qualify for meals served free or at a reduced price under the School Breakfast and National School Lunch programs. Children qualify for free or reduced-price meals based on household income and categorical eligible children are automatically eligible for free meal benefits because they, or any household member, receive benefits from, or are eligible for, certain other assistance programs. Also, Title 7, Section 245.6a, CFR, provides, in part, that the District must verify the household income of the lesser of 3,000 or 3 percent of the free and reduced-price meal applications approved as of October 1. The sample must be selected from error-prone applications defined as applications that indicate monthly income within \$100, or annual income within \$1,200, of the applicable income eligibility limit for free or reduced-price meals.</p> <p>Title 7, Section 245.6a(a)(7), CFR, provides that the sources of verification may include written evidence as the primary source of verification and includes written confirmation of a household’s circumstances, such as wage stubs, award letters, and letters from employers. Whenever written evidence is insufficient to confirm income information on the application or current eligibility, the District may require verbal confirmations of a household’s circumstances by a person outside of the household.</p> <p>Title 7, Section 245.6a(f)(2), CFR, also provides that the documentation of income must indicate the source, amount, and frequency of all income and can be for any point in time between the month prior to application for school meal benefits and the time the household is requested to provide income documentation. The <i>USDA, Eligibility Manual for School Meals: Determining and Verifying Eligibility</i>, July 18, 2017 (<i>Manual</i>) requires that reportable income to be included on the free and reduced-price meal application include earnings from work, public assistance, and any other income regularly received. In addition, Title 7, Section 245.6a(f)(7), CFR, requires the District, based on the verification activities, to make appropriate modifications to the eligibility determinations made initially and notify the household of any change.</p>

Condition	<p>For the 2022-23 fiscal year, the District had a total of 655 free and reduced-price meal applications and District personnel input household information for students into food service software to help determine the student's meal-price status. In an effort to comply with Federal requirements, District personnel selected for verification 20 (3 percent) of the applications. However, our examination of District records supporting the 20 applications disclosed that, contrary to Federal verification requirements, the household income listed on 4 applications was not properly supported and the District did not change the meal-price status of the students listed on the 4 applications. Specifically, based on District records, the listed household income was incorrect on:</p> <ul style="list-style-type: none"> • 2 applications and the food service software was not updated based on the income of the households' most recent earnings statements. • Another application because it reflected earnings from a prior year earnings statement and District personnel did not request the most recent earnings statement. • A fourth application because the application excluded housing and subsistence allowances.
Cause	District personnel indicated that, due to personnel turnover, those responsible for verifying free and reduced-price meal applications did not fully understand the Federal verification requirements. In addition, those responsible for review of the verifications were not fully aware of the input requirements within the food service software and did not detect the errors.
Effect	The price of the meals for each of the students listed on the 4 applications should have been, but was not, increased to reduced price or paid (i.e., full price). Without following the Federally mandated verification procedures, the District did not comply with those requirements and may be using Federal funds to serve students who do not qualify for free or reduced-price meals.
Recommendation	The District should enhance procedures to ensure that free and reduced-price meal application verifications are performed in accordance with Federal requirements. Such enhancements should include appropriate training for personnel to understand the Federal verification requirements and food service software input requirements.
District Response	The District acknowledges the finding and has corrected the errors. Accordingly, a corrective action plan has been developed and provided separately.

U.S. DEPARTMENT OF EDUCATION

Finding Number	2023-002
Assistance Listing Number	84.425D and 84.425U
Program Title	Education Stabilization (ES) Fund: Elementary and Secondary School Emergency Relief (ESSER) Fund and American Rescue Plan ESSER Fund
Compliance Requirement	Special Tests and Provisions
Pass-Through Entity	Florida Department of Education (FDOE)
Federal Grant/Contract Number and Grant Year	S425D210052 – 2023, S425U210052 – 2023
Statistically Valid Sample	No
Finding Type	Noncompliance and Significant Deficiency

Questioned Costs	\$716,957
Prior Year Finding	Not Applicable
Finding	District controls did not always ensure compliance with the Davis-Bacon Act for Federally funded construction projects exceeding \$2,000, resulting in questioned costs totaling \$716,957.
Criteria	<p>The ES Fund provides Federal funds for school facility repairs and improvements to reduce the risk of virus transmission and exposure to environmental health hazards, and to support student health needs.</p> <p>Title 29, Section 5.5, Code of Federal Regulations (Davis-Bacon Act), requires the District to include prevailing wage rate clauses in any construction contract exceeding \$2,000 that is financed either wholly or in part by Federal funds and ensure that contractors pay workers the prevailing wage rates established by the United States Department of Labor. This includes a requirement for the contractor to submit to the District weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls). The United States Department of Labor established “prevailing wages” by geographic area and interprets the Davis-Bacon Act to apply to construction, alteration, or repair of public buildings or public work.</p>
Condition	<p>During the 2022-23 fiscal year, the District expended \$16,735,847 from the ES Fund for projects related to 38 construction contracts totaling \$52,100,469 to install replacement windows, HVAC systems, flooring, and cooling towers, and to upgrade chiller plants at various District facilities.</p> <p>Our examination of District records supporting 9 selected construction contracts totaling \$25,292,337 disclosed that the District expended \$716,957 related to 3 construction contracts and the District did not receive required weekly certified payrolls for those contracts.</p>
Cause	District personnel indicated that the District typically complied with Davis-Bacon Act and considered the 3 contracts to be purchase-service contracts. Notwithstanding, since the contracts included installation of flooring and the replacement of a cooling tower, the contracts were for construction projects subject to the Davis-Bacon Act.
Effect	Absent the required weekly certified payrolls, there is an increased risk that construction contractors paid with Federal moneys will not pay workers the prevailing wage rates established by the United States Department of Labor. Although we requested, the District did not provide the certified payrolls from the contractors demonstrating that the prevailing wage rates were paid for the construction contracts. Consequently, the District incurred questioned costs totaling \$716,957.
Recommendation	The District should enhance procedures to ensure compliance with all Davis-Bacon Act requirements. Such procedures should ensure that applicable Federally funded construction contracts require submittal of weekly certified payrolls and that District personnel verify that the payrolls were received. In addition, the District should document to the FDOE the allowability of the questioned costs or contact the FDOE regarding necessary corrective action.
District Response	The District disagrees with the finding and has discussed its position on the corrective action document separately enclosed.

Auditor's Remarks

Management's response and corrective action plan provides that the District disagrees with the finding and contends that "the services obtained through these contracts were not considered 'construction' as no design professional nor general contractor (GC) was needed and no permits were required to perform the work." Notwithstanding, since the contracted services were for construction, alterations, or repair, and were paid for using Federal ES Funds, the District was required to comply with the Davis-Bacon Act and the finding stands as presented.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The District did not have prior audit findings required to be reported under 2 CFR 200.511.

CORRECTIVE ACTION PLAN



THE SCHOOL DISTRICT OF ESCAMBIA COUNTY
75 NORTH PACE BOULEVARD
PENSACOLA, FL 32505
PH (850)432-6121 FX (850)469-6379
<http://escambiaschools.org>
KEITH LEONARD, SUPERINTENDENT

November 20, 2023

**Escambia County District School Board
Management's Corrective Action Plans
For the Fiscal Year Ended June 30, 2023**

Federal Award Findings
Number: 2023-001

Planned Corrective Action: Upon initial notification of the verification findings, the District Food Services department immediately began corrective action to ensure the success of the SY 23-24 Verification. Specifically, three Food Services Office staff members were actively involved in the Verification training offered by the governing State agency, as well as, the software provider. All questions throughout the verification process were immediately asked of the State agency and/or software provider as appropriate. All supporting documents were reviewed by two staff members at the time of submission. Once verification was completed on November 15, 2023, a report was pulled to show change in status. The change in status for families that did and did not respond was reviewed by two staff members to ensure accuracy.

Anticipated Completion: 11/16/2023

Responsible Contact
Person: Jaleena Davis, Director - School Food Services

Federal Award Findings
Number: 2023-002

Planned Corrective Action: When using cooperative purchasing agreement, District staff will require documentation from the vendor of compliance with prevailing wage or Davis-Bacon Act when using Federal funds.

Anticipated Completion: Completed

Responsible Contract
Person: M. Keith Wasdin, Director, Facilities Planning

Response: The District contends that the service obtained through these contracts were not considered "construction" as no design professional nor general contractor (GC) was needed and no permits were required to perform the work. Rather they were
Affirmative action / equal opportunity employer

viewed as a "Maintenance" activity that are routinely carried out by the same vendors working under the same contracts using local funds.

Affirmative action / equal opportunity employer