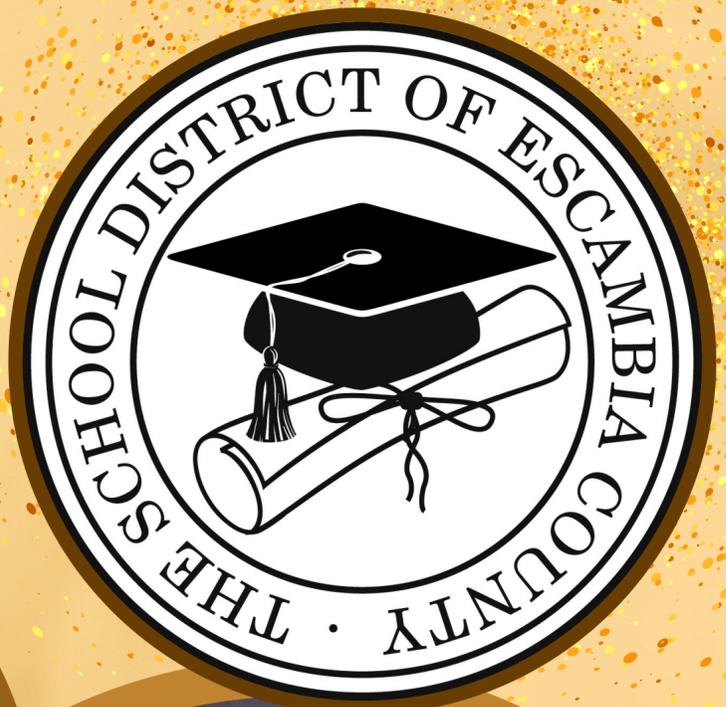


<b>THE SCHOOL DISTRICT OF ESCAMBIA COUNTY</b> Finance and Business Services		<b>SCHOOL BOARD AGENDA</b> <b>EXECUTIVE SUMMARY</b>	
AGENDA DATE: <b>January 19, 2021</b>		ITEM NUMBER: <b>V. b. 2. A. 3.</b>	
AGENDA REFERENCE: <b>Comprehensive Annual Financial Report (CAFR) of the District School Board of Escambia County, Florida for the fiscal year ended June 30, 2020</b>		FISCAL IMPACT / AMOUNT: <b>n/a</b>	
FUND SOURCE: <b>n/a</b>			
BACKGROUND INFORMATION/DESCRIPTION  The CAFR is composed of:  <ol style="list-style-type: none"> <li>1) <b>Introductory Section</b></li> <li>2) <b>Financial Section</b></li> <li>3) <b>Statistical Section</b></li> <li>4) <b>Federal Single Audit Section</b></li> <li>5) <b>Other Reports Section</b></li> </ol>			
EDUCATIONAL IMPACT  <b>n/a</b>			
OTHER REFERENCES OR NOTES  The District's CAFR is graded by Government Finance Officers Association of the United States and Canada (GFOA) and the Association of School Business Officials International (ASBO).			
ACTION REQUIRED  Acceptance of the Comprehensive Annual Financial Report (CAFR) of the District School Board of Escambia County, Florida for the fiscal year ended June 30, 2020			
STRATEGIC ALIGNMENT  GOAL: <b>F.1: To increase fiscal efficiencies while maintaining good stewardship of the District's fiscal assets in order to provide better educational resources to the students</b>  OBJECTIVE: <b>n/a</b>			
REQUESTED BY   <b>Debbie Fussell, Director Accounting Operations</b>		DATE  <b>January 6, 2021</b>	
ASSISTANT SUPERINTENDENT   <b>Terry St. Cyr Finance and Business Services</b>		DATE  <b>January 6, 2021</b>	DATE OF BOARD APPROVAL  <b>APPROVED</b> <b>ESCAMBIA COUNTY SCHOOL BOARD</b>

**JAN 19 2021**

DR. TIMOTHY A. SMITH, SUPERINTENDENT  
VERIFIED BY RECORDING SECRETARY



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

ESCAMBIA COUNTY SCHOOL DISTRICT  
PENSACOLA, FL

FISCAL YEAR ENDED JUNE 30, 2020



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District School Board  
Of Escambia County  
Pensacola, Florida

Comprehensive Annual  
Financial Report

For The  
Fiscal Year  
Ended June 30, 2020



Prepared By:  
Finance Department



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# DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA

## Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020

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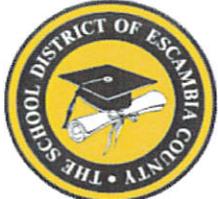
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# INTRODUCTORY SECTION



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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>  
**TIMOTHY A. SMITH, Ed.D., SUPERINTENDENT**

December 15, 2020

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 comprehensive annual financial report (CAFR) of the District School Board of Escambia County, Florida (District) for the fiscal year ended June 30, 2020.

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, 2020, 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, 2020, 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 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.

GAAP require 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 elected 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 2019-20 fiscal year, the District operated 61 schools, special centers, and other programs, including 32 elementary schools, 9 middle schools, 7 high schools, 3 special centers, and 10 other programs. These totals include two new schools that were opened for the 2018-19 fiscal year – an elementary school and a middle school. The District also has 5 charter schools that are component units of the District. In addition, the District provides 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 2019-20 fiscal year is 3.944 mills. In addition, a local operating discretionary millage rate (0.748 mills) is also levied by the District in order to receive the full amount of the available state portion.

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, 2020, was 9.1 percent, well above the minimum statutory requirement of 3 percent (local board requirement is 3.5 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 excess operating reserves.

During the 2019-20 fiscal year, the District provided general, special, vocational, and other education programs to 39,643 unweighted full-time equivalent students (UFTE), an increase of 23 UFTE over the prior fiscal year (39,620). Based on forecasting models, the District projects its 2020-21 student membership to further increase in number to 39,828 UFTE which represents an increase of 185 UFTE from the 2019-20 fiscal year. However, these projections will be materially affected due to the effects of coronavirus.

## **CORONAVIRUS PANDEMIC**

Due to the coronavirus pandemic, the District was directed by the Governor to close schools to physical attendance and provide access to remote off-site instruction along with all other Florida school districts. The remote learning requirement began in March 2020 and continued through the remainder of the school year. The District is making plans to address the 2020-21 school year and the safe reopening of schools by adjusting its learning options to include (1) traditional, on-site attendance, (2) remote learning by joining the physical classroom via Chromebook or similar device, and (3) Escambia Virtual Academy. However, it is expected that a large number of students will opt out of Escambia schools for alternative options such as home school instruction, private schools, or virtual platforms not sponsored by the District.

## **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 321,134. The population has increased by approximately 22,020 or 7.4 percent over the last 10 years (299,114). The statewide increase during that period has been approximately 14.2 percent. The Escambia county unemployment rate has increased from 3.3 percent a year ago to 9.2 percent in June 2020. The increase is directly related to the coronavirus pandemic and the impact on businesses.

Local sales tax revenues continue to increase on a yearly basis. Current year receipts totaled \$28.3 million which was a slight increase over the 2018-19 fiscal year (\$28.2 million). However, due to the coronavirus mandated economic shutdown (beginning in March 2020) the final two monthly receipts decreased \$414,782 and \$480,394, respectively, over the same prior fiscal year period (sales tax disbursements to the District lag collections by approximately two months).

Per pupil funding for the Escambia County School District was \$7,547 per UFTE, an increase of 3.6 percent over the 2018-19 fiscal year (\$7,285). The funding formula is made up of both State and local revenue as required by the FEFP. The FEFP is composed of several funding components including local ad valorem taxes and State categorical programs. School taxable property values in Escambia County grew 6.0 percent over the same period and generate both operating and capital outlay revenue according to millage rate set by the State (required local effort) and the local school board (discretionary millage).

The total fund balance of the District's General Fund increased by \$1,714,608 from the 2018-19 fiscal year mainly due to a surplus of unspent restricted funds. Assigned and unassigned fund balance (unrestricted funds) decreased by \$1,067,349. Due to the coronavirus shutdown of the physical schools, certain programs and purchases were discontinued or postponed. Consequently, those categorical and restricted funds, which supported such programs, went unspent and resulted in an unplanned increase in restricted fund balance at year end.

## **MAJOR INITIATIVES**

### **Capital Outlay Funds**

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.

In January 2016, the District issued Series 2016 Sales Tax Revenue Bonds to build a new 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 levy (December 2027). However, the District is planning to issue additional debt early in the 2020-21 fiscal year for the construction/rebuild of a new Pleasant Grove Elementary School. The financing structure was in progress at June 30, 2020, and will be issued as Series 2020A Certificates of Participation. The

debt will be serviced with a combination of capital outlay ad valorem taxes levied against the certified property tax roll and local sales tax proceeds from the current referendum. The debt on this issue will also be paid by the end of the 10-year sales tax referendum on December 31, 2027.

### **Federal CARES Act Funds**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides four education funding categories the largest of which is the Education and Secondary School Emergency Relief (ESSER) Fund. The ESSER award for the Escambia County School District is \$12.3 million. The purpose of ESSER is to address the impact that the Novel Coronavirus Disease – 19 (COVID – 19) has had, and continues to have, on elementary and secondary schools. The funds are available to develop and implement plans for delivering educational services in traditional and remote settings which require appropriate staff development for on-line delivery, related infrastructure, training, sanitation supplies and equipment, personal protective equipment, nursing resources, and other related categories. The grant period runs from June 2020 through September 2022 with a lookback period to mid-March 2020.

## **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 competitive salary and benefits

program for all employees, and (3) maintain adequate fund balance consistent with School Board policy.

## AWARDS AND ACKNOWLEDGMENTS

The District's CAFR for the fiscal year ended June 30, 2019, 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 twelfth consecutive year that the District's CAFR has been so recognized and demonstrates the District's commitment to transparency for the benefit of the taxpayers of Escambia County. The District will also submit the current 2019-20 CAFR for such consideration.

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,



Timothy A. Smith  
Superintendent of Schools



Terry St. Cyr, CPA  
Assistant Superintendent - Finance and Business Services



Debbie Fussell, CPA  
Director - Accounting Operations



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# District School Board of Escambia County, Florida

## School Board Members and Superintendent (Elected for a four-year term)



District 1  
Kevin Adams  
4 years  
November 2022



District 2  
Paul H. Fetsko  
2 years  
November 2022



District 3  
Dr. Laura Edler  
2 years  
November 2022



District 4  
Patty Hightower  
16 years  
Chairman  
November 2020



District 5  
Bill Slayton  
12 years  
Vice Chairman  
November 2020



Superintendent  
Malcolm Thomas  
12 years  
November 2020

# DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA

## PRINCIPAL OFFICIALS

Norm Ross

Deputy Superintendent

Shawn Dennis

Assistant Superintendent  
Operations

Steve Marcanio

Assistant Superintendent  
Curriculum and Instruction

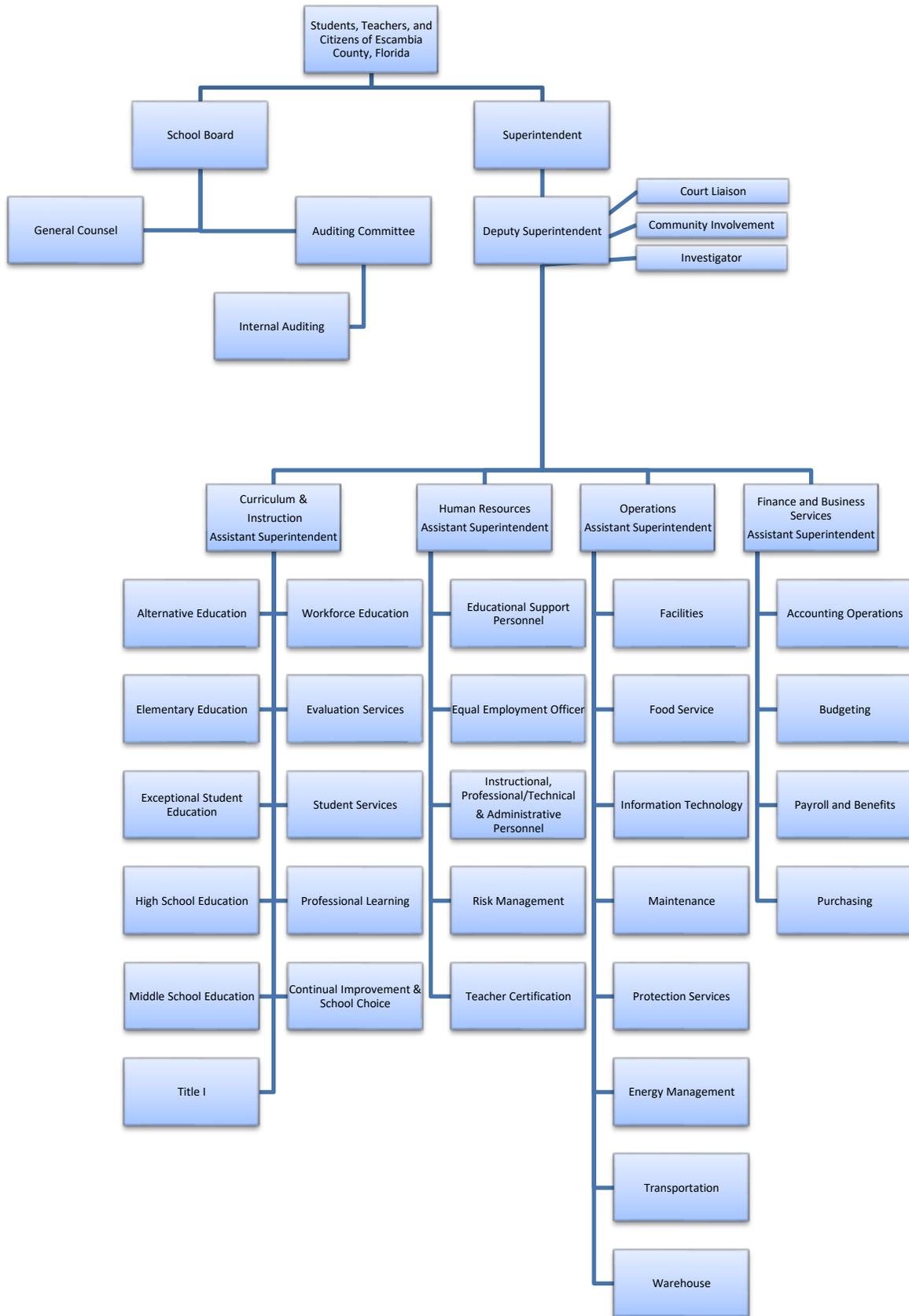
Terry St. Cyr

Assistant Superintendent  
Finance and Business Services

Keith Leonard

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 Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



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

**Claire Hertz, SFO**  
President

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

**David J. Lewis**  
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 Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

# FINANCIAL SECTION



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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 Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Escambia County District School Board, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the employee benefit trust fund, a blended component unit, which represents 32, 19, 63, and 52 percent, respectively, of the assets, liabilities, revenues, and expenses of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represents 100 percent of the transactions and account balances of the aggregate discretely presented component units columns. 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 those financial statements, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Escambia County District School Board, as of June 30, 2020, 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 fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that **Management's Discussion and Analysis, Schedule of Changes in the District's Total OPEB Liability and Related Ratios, 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**, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements

and schedules and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, 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*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS** are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2020, 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 14, 2020  
Audit Report No. 2021-079



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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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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, 2020. 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 2019-20 fiscal year are as follows:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at June 30, 2020, by \$281.3 million (net position).
- The District's total net position decreased by \$3.1 million from the prior fiscal year (\$284.4 million). The decrease in net position is primarily due to planned increases in salary and benefits costs that were negotiated and paid during the 2019-20 fiscal year. These costs exceeded the amount of available new revenue and relied on general fund reserves for a portion of the salary related increase.
- At June 30, 2020, the combined assigned and unassigned fund balance for the General Fund was \$28.5 million, or 9.1 percent (Financial Condition Ratio) of total General Fund revenues. These totals represent decreases of \$1.1 million and 0.6 percent, respectively from the prior fiscal year.
- The District's total long-term debt (Bonds Payable and Certificates of Participation) was \$55.3 million, a decrease of \$9.5 million from the prior fiscal year (\$64.8 million) due to the reduction of principal via normal debt service requirements.

### 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, Capital Projects – Local Capital Improvement 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 and the Special Revenue – Other Federal Programs 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.

**Fiduciary Funds.** Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide financial statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The District uses agency funds to account for resources held for student activities and groups and to account for the resources of the District's pre-tax flexible benefits plan.

### **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, 2020, compared to net position as of June 30, 2019:

	<b>Net Position, End of Year</b>	
	Governmental	
	Activities	
	6/30/20	6/30/19
Current Assets	\$ 198,418,587	\$ 205,357,796
Capital Assets	407,298,139	399,049,473
<b>Total Assets</b>	<b>605,716,726</b>	<b>604,407,269</b>
<b>Deferred Outflow of Resources</b>	<b>79,509,435</b>	<b>86,051,350</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>\$ 685,226,161</b>	<b>\$ 690,458,619</b>
Long-Term Liabilities	\$ 359,710,103	\$ 352,388,174
Other Liabilities	15,354,859	21,141,734
<b>Total Liabilities</b>	<b>375,064,962</b>	<b>373,529,908</b>
<b>Deferred Inflow of Resources</b>	<b>28,879,047</b>	<b>32,525,197</b>
Net Position:		
Net Investment in Capital Assets	353,513,610	343,230,615
Restricted	107,245,269	115,734,971
Unrestricted (Deficit)	(179,476,727)	(174,562,072)
<b>Total Net Position</b>	<b>281,282,152</b>	<b>284,403,514</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Net Position</b>	<b>\$ 685,226,161</b>	<b>\$ 690,458,619</b>

The largest portion of the District's net position, \$353.5 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, \$107.2 million, represents resources that are subject to external restrictions on how they may be used. The deficit unrestricted net position of \$179.5 million was mainly due to the accrual of net pension liability totaling \$223.8 million. The District reported net pension liability according to the requirements of GASB Statement No. 68 – *Accounting and Reporting for Pensions*.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2020, and June 30, 2019, are as follows:

	<b>Operating Results for the Year</b>	
	Governmental Activities	
	6/30/20	6/30/19
Program Revenues:		
Charges for Services	\$ 3,618,231	\$ 4,359,715
Operating Grants and Contributions	17,136,341	19,554,877
Capital Grants and Contributions	1,662,132	2,938,854
General Revenues:		
Property Taxes, Levied for Operational Purposes	93,739,773	92,400,716
Property Taxes, Levied for Capital Projects	26,719,561	25,713,431
Local Sales Taxes	28,259,025	28,220,187
Grants and Contributions Not Restricted to Specific Programs	248,290,407	240,182,926
Unrestricted Investment Earnings	2,072,953	3,088,594
Miscellaneous	3,446,948	5,310,353
<b>Total Revenues</b>	<b>424,945,371</b>	<b>421,769,653</b>
Functions/Program Expenses:		
Instruction	228,520,682	216,558,696
Student Support Services	19,431,978	18,032,843
Instructional Media Services	4,911,047	4,492,359
Instruction and Curriculum Development Services	15,391,672	13,268,349
Instructional Staff Training Services	8,215,793	8,812,216
Instruction-Related Technology	4,797,813	4,620,929
Board	1,280,383	7,528,891
General Administration	2,330,171	2,208,824
School Administration	18,725,797	17,121,281
Facility Acquisition and Construction	27,470,222	31,638,107
Fiscal Services	2,571,315	2,332,863
Food Services	19,945,691	21,462,250
Central Services	7,089,056	6,829,979
Student Transportation Services	21,056,289	21,859,505
Operation of Plant	27,520,790	26,987,310
Maintenance of Plant	11,974,205	12,187,824
Administrative Technology Services	4,083,262	3,511,314
Community Services	1,704,625	1,295,433
Unallocated Interest on Long-Term Debt	1,045,942	1,430,676
<b>Total Functions/Program Expenses</b>	<b>428,066,733</b>	<b>422,179,649</b>
<b>Increase (Decrease) in Net Position</b>	<b>(3,121,362)</b>	<b>(409,996)</b>
<b>Beginning Net Position</b>	<b>284,403,514</b>	<b>284,813,510</b>
<b>Ending Net Position</b>	<b>\$ 281,282,152</b>	<b>\$ 284,403,514</b>

Governmental Activities decreased the District's net position by \$3.1 million.

## 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 was \$45.8 million at June 30, 2020, an increase of \$1.7 million over the prior fiscal year. The components of fund balance based on Government Accounting Standards Board (GASB) Statement No. 54 were as follows in comparison to the 2018-19 fiscal year:

Fund Balance Component	6/30/2020	6/30/2019	Change
Nonspendable	\$ 1,957,133	\$ 1,548,283	\$ 408,850
Restricted	15,327,201	12,954,094	2,373,107
Assigned	22,296,996	23,493,626	(1,196,630)
Unassigned	6,248,556	6,119,275	129,281
<b>Total Fund Balance</b>	<b>\$ 45,829,886</b>	<b>\$ 44,115,278</b>	<b>\$ 1,714,608</b>

The assigned and unassigned fund balance at June 30, 2020, is \$28.5 million (a decrease of \$1.1 million), while the nonspendable and restricted portion totaled \$17.3 million (an increase of \$2.8 million). Total fund balance is \$45.8 million (an increase of \$1.7 million). Key fund balance performance indicators are as follows:

- Due to the Coronavirus pandemic, schools were ordered to provide remote instruction to students in lieu of physical attendance late in the fiscal year. Schools were closed to students and staff for on-site instruction beginning in March 2020 and continued through the end of the school year. Consequently, the District saved General Fund operating expenses related to utilities, student transportation, extra pay and overtime for staff, and other related expenditures. Other qualified expenditures related to the pandemic were charged to the CARES Act Federal funds (addressed in “Economic Factors” below).
- However, restricted FEFP categorical balances increased significantly at June 30, 2020. Due to the shutdown of on-site instruction, certain programs associated with these categorical funds, such as addressing turnaround schools and student mental health, were unable to continue. In addition, related instructional materials remained unpurchased.
- Salary increases were negotiated and paid to eligible employees. In an effort to increase the wages of all employee groups, the District utilized a combination of recurring revenue and a level of fund balance reserves. These salary increases were designed to provide general salary improvements on a percentage basis and a step up on the experience level of the various salary schedules for those eligible.

**Special Revenue – Other Federal Programs Fund.** The Special Revenue – Other Federal Programs Fund had revenues and expenditures of \$33.7 million each. This is an increase over the prior fiscal year of \$2.1

million due mainly to increased Special Education grant expenditures and Title I grants to schools in need of improvement as identified by the Florida Department of Education. Funds are typically recorded as revenue when expended.

**Capital Projects – Local Capital Improvement Fund.** The Capital Projects – Local Capital Improvement Fund accounts for the revenue and expenditures associated with the District’s ad valorem tax receipts generated through the discretionary capital outlay millage. The District is authorized to levy up to 1.5 mills for capital projects such as construction, technology, school bus purchases, and repair and maintenance of facilities. Other uses include, if eligible, payment of property and casualty insurance and debt service requirements. At June 30, 2020, the fund balance totals \$8.2 million and is restricted for eligible capital outlay purposes.

**Capital Projects – Other Fund.** The Capital Projects – Other Fund has a fund balance of \$63.7 million for the 2019-20 fiscal year. The fund balance decreased from the prior year by \$5.7 million due to ongoing construction programs at the various school sites.

The original net proceeds of the Series 2016, Sales Tax Revenue Bonds totaled \$60 million and has a remaining balance of \$44.1 million at June 30, 2020 (a decrease of \$4.7 million during the 2019-20 fiscal year).

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual revenues were more than final budgeted revenues by \$747 thousand, most of which (\$737 thousand) was from federal through state and local sources.

Actual expenditures were \$16.7 million less than final budgeted expenditures. The instruction function accounted for \$7.3 million of this variance primarily due to the lack of qualified candidates to fill certain classroom teaching vacancies. Some of these vacant positions were staffed with substitute teachers and some remained unfilled. In addition, during the March through June coronavirus shutdown of on-campus instruction, extra-pay opportunities and other instructional related expenditures were avoided.

Furthermore, operational expenditures such as student transportation and operation of plant costs were under budget by \$1.9 million and \$1.2 million, respectively, due to reduced diesel, electrical, and other utility usage. However, offsetting some of the cost savings was the District’s inability to transfer in other financing sources from capital outlay funds to cover eligible maintenance salaries and benefits. General Fund maintenance salary costs (function 8100) become eligible for capital outlay transfers when identified for specific capital maintenance projects via the work order system. Transfers in from capital funds were \$889 thousand short of budgeted amounts.

## CAPITAL ASSETS AND LONG-TERM DEBT

### Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$407.3 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 \$8.3 million (approximately 2 percent).

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

- Pleasant Grove Elementary School – New Construction
- Pensacola High School – Bus Ramp and Tennis Courts
- Escambia Westgate – Adaptable Play Facility
- Longleaf Elementary School – Covered Play Area
- Beulah Elementary School – Covered Play Area
- Pine Meadow Elementary School – Covered Play Area
- West Florida High School (Conversion from Middle School Facility)
- Tate High School – Agriscience Building
- Brown Barge Middle School – Gymnasium and track facility

Additional information on the District's capital assets can be found in Notes 5 and 12 to the financial statements.

### Long-Term Debt

At June 30, 2020, the District has total long-term debt outstanding of \$55.3 million. The District has \$1.3 million 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 \$9.9 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 \$44.1 million at June 30, 2020.

Additional information on the District's long-term debt can be found in Notes 7 through 9 to the financial statements.

## CONSIDERATION OF ECONOMIC FACTORS IN BUDGETARY PLANNING

Factors considered in preparing the District budget for the 2020-21 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 2020-21 FEFP funding formula over the current 2019-20 fiscal year include:

- The District projects an increase of 199 unweighted FTE students to begin the new fiscal year (Fourth FEFP Calculation 2019-20 v. Second FEFP Calculation 2020-21).
- FEFP formula funds will increase \$93 per unweighted FTE over the 2019-20 fiscal year (1.25 percent).
- Total increase in formula funds will be approximately \$5.2 million over the prior year.
- Two major changes in funding involved categorical programs which are earmarked for specific uses:
  - Best and Brightest Allocation was eliminated (\$3.8 million for teacher bonus program).
  - Teacher Salary Increase Allocation was introduced - \$6.7 million to address classroom teacher beginning salaries (80 percent) and other general instruction salaries (20 percent).

**General Fund** - The District will budget approximately \$2.5 million of total fund balance (based on Tentative Budget) to cover planned expenditures during the 2020-21 fiscal year. Any unspent appropriations and/or revenue receipts in excess of budgeted amounts will be used to replenish the unassigned fund balance accordingly.

**Coronavirus Pandemic** - The District will plan for major increases in certain operating expenditures to protect students and staff against the risk and effects of Coronavirus. The District will adhere to all safety protocol and recommendations of the Florida Department of Health in compliance with the Governor's order to return to school. The District will offer a remote learning option in addition to its traditional on-site attendance and virtual school opportunities. Remote learning will require increased teacher training for consistent and effective delivery through new and expanded technology.

As a part of the Governor's return-to-school plan, the results of the October 2020 student attendance and membership survey will be held harmless and will not affect FEFP funding through the third FEFP calculation. Districts will continue to receive FEFP revenue at their originally projected levels. However, the results of the February 2021 survey were not addressed in the Governor's order. Consequently, certain staffing and other decisions will be determined accordingly in anticipation of the fourth FEFP calculation in April 2021. In order to provide relief for school district revenue shortfalls and coronavirus related expenditures, the District has been approved for Federal funds via the Coronavirus, Aid, Relief, and Economic Security (CARES) Act:

- CARES Act – Elementary and Secondary School Emergency Relief Fund (ESSER) – The District was awarded \$12.3 million in Federal funds via the CARES Act to assist in the Coronavirus relief

effort. The funds are available for teacher training, protective equipment, substitute teachers, sanitation, continued employment of staff (otherwise at risk of layoff due to State revenue shortfalls), and other eligible uses. These funds will provide support to general fund operations and help maintain the District's financial condition in spite of the emergency spending and extraordinary level of preparation to start and maintain safe student instruction. These funds are available through September 2022.

- CARES Act – Governor's Emergency Education Relief Fund (GEERS) – Provides summer recovery learning opportunities for students adversely affected by school closures during the spring of 2020. These funds are designed to help students in grades K – 5. These funds are available from July through October 2020.

### **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.



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# BASIC FINANCIAL STATEMENTS



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	<b>Primary Government Governmental Activities</b>	<b>Component Units</b>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 103,379,668	\$ 4,225,529
Investments	82,525,244	-
Accounts Receivable	548,051	588,466
Deposits Receivable	2,000	-
Prepaid Items	-	24,585
Due from Other Agencies	7,406,039	88,935
Inventories	4,557,585	-
Capital Assets:		
Non-Depreciable Capital Assets	33,847,957	1,075,254
Depreciable Capital Assets, Net	373,450,182	6,850,131
Total Assets	605,716,726	12,852,900
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows Related to Pensions	76,374,684	482,885
Deferred Outflows Related to Other Postemployment Benefits	3,134,751	-
Total Deferred Outflows of Resources	79,509,435	482,885
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 685,226,161</b>	<b>\$ 13,335,785</b>
<b>LIABILITIES</b>		
Salaries and Benefits Payable	\$ 1,034,078	\$ 59,355
Payroll Deductions and Withholdings	1,035,545	-
Accounts Payable	5,426,112	596,730
Construction Contracts Payable - Retainage	1,228,017	-
Due to Other Agencies	216,437	-
Deposits Payable	175,022	7,000
Loan Payable	2,571,706	-
Unearned Revenue	3,667,942	-
Long-Term Liabilities:		
Portion Due Within One Year:	20,908,151	345,735
Portion Due After One Year:	338,801,952	4,731,908
Total Liabilities	375,064,962	5,740,728
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows Related to Pensions	25,326,861	97,792
Deferred Inflows Related to Other Postemployment Benefits	2,970,357	-
Deferred Gains on Refunding	581,829	-
Total Deferred Inflows of Resources	28,879,047	97,792
<b>NET POSITION</b>		
Net Investment in Capital Assets	353,513,610	4,234,067
Restricted for:		
State Required Carryover Programs	10,109,867	-
Debt Service	9,764,749	-
Capital Projects	75,256,599	-
Food Service	6,896,720	-
Other Required Carryover Programs	5,217,334	727,115
Unrestricted	(179,476,727)	2,536,083
Total Net Position	281,282,152	7,497,265
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<b>\$ 685,226,161</b>	<b>\$ 13,335,785</b>

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, 2020**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>	
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>
<b>Primary Government</b>			
<b>Governmental Activities:</b>			
Instruction	\$ 228,520,682	\$ 1,340,912	\$ -
Student Support Services	19,431,978	-	-
Instructional Media Services	4,911,047	-	-
Instruction and Curriculum Development Services	15,391,672	-	-
Instructional Staff Training Services	8,215,793	-	-
Instruction-Related Technology Board	4,797,813	-	-
General Administration	1,280,383	-	-
School Administration	2,330,171	-	-
Facilities Acquisition and Construction	18,725,797	-	-
Fiscal Services	27,470,222	44,794	-
Food Services	2,571,315	-	-
Central Services	19,945,691	1,622,986	17,136,341
Student Transportation Services	7,089,056	-	-
Operation of Plant	21,056,289	185,166	-
Maintenance of Plant	27,520,790	-	-
Administrative Technology Services	11,974,205	-	-
Community Services	4,083,262	-	-
Unallocated Interest on Long-Term Debt	1,704,625	424,373	-
	1,045,942	-	-
<b>Total Governmental Activities</b>	<b>\$ 428,066,733</b>	<b>\$ 3,618,231</b>	<b>\$ 17,136,341</b>
<b>Component Units</b>			
Foundation/Charter Schools	\$ 8,740,637	\$ 186,139	\$ 882,721

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, 2019

**Net Position, June 30, 2020**

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

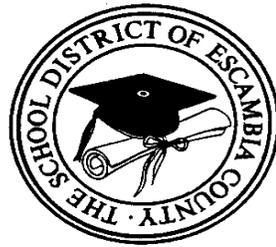
<b><i>Net (Expense) Revenue and Changes in Net Position</i></b>		
<b><i>Capital Grants and Contributions</i></b>	<b><i>Primary Government Governmental Activities</i></b>	<b><i>Component Units</i></b>
\$ -	\$ (227,179,770)	\$ -
-	(19,431,978)	-
-	(4,911,047)	-
-	(15,391,672)	-
-	(8,215,793)	-
-	(4,797,813)	-
-	(1,280,383)	-
-	(2,330,171)	-
-	(18,725,797)	-
1,448,689	(25,976,739)	-
-	(2,571,315)	-
-	(1,186,364)	-
-	(7,089,056)	-
-	(20,871,123)	-
-	(27,520,790)	-
-	(11,974,205)	-
-	(4,083,262)	-
-	(1,280,252)	-
213,443	(832,499)	-
<u>\$ 1,662,132</u>	<u>(405,650,029)</u>	<u>-</u>
<u>\$ 138,044</u>		<u>(7,533,733)</u>
	93,739,773	-
	26,719,561	-
	28,259,025	-
	248,290,407	7,191,802
	2,072,953	14,501
	<u>3,446,948</u>	<u>286,705</u>
	<u>402,528,667</u>	<u>7,493,008</u>
	<u>(3,121,362)</u>	<u>(40,725)</u>
	<u>284,403,514</u>	<u>7,537,990</u>
	<u>\$ 281,282,152</u>	<u>\$ 7,497,265</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>General Fund</u>	<u>Special Revenue - Other Federal Programs Fund</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 32,773,064	\$ 800,955
Investments	10,040,082	-
Accounts Receivable	523,673	21,645
Deposits Receivable	2,000	-
Due from Other Funds	6,313,845	-
Due from Other Agencies	545,654	5,978,710
Inventories	1,957,133	-
<b>TOTAL ASSETS</b>	<u>\$ 52,155,451</u>	<u>\$ 6,801,310</u>
<b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Salaries and Benefits Payable	\$ 893,852	\$ 132,519
Payroll Deductions and Withholdings	1,002,831	29,263
Accounts Payable	1,637,242	358,556
Construction Contracts Payable - Retainage	-	-
Due to Other Funds	-	6,280,972
Due to Other Agencies	2,791,640	-
Deposits Payable	-	-
Total Liabilities	<u>6,325,565</u>	<u>6,801,310</u>
Fund Balances:		
Nonspendable:		
Inventories	1,957,133	-
Restricted for:		
State Required Carryover Programs	10,109,867	-
Debt Service	-	-
Capital Projects	-	-
Food Service	-	-
Other Required Carryover Programs	5,217,334	-
Assigned for:		
Contingencies	7,680,024	-
Local Carryovers	14,616,972	-
Unassigned	6,248,556	-
Total Fund Balances	<u>45,829,886</u>	<u>-</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 52,155,451</u>	<u>\$ 6,801,310</u>

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

<b>Capital Projects - Local Capital Improvement Fund</b>	<b>Capital Projects - Other Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 1,202,233	\$ 1,995,746	\$ 19,598,980	\$ 56,370,978
9,771,920	62,687,252	25,990	82,525,244
-	-	2,231	547,549
-	-	-	2,000
-	-	12,905	6,326,750
-	470,600	410,558	7,405,522
-	-	2,600,452	4,557,585
<u>\$ 10,974,153</u>	<u>\$ 65,153,598</u>	<u>\$ 22,651,116</u>	<u>\$ 157,735,628</u>
\$ -	\$ -	\$ 7,707	\$ 1,034,078
-	-	3,451	1,035,545
2,822,856	176,272	262,191	5,257,117
-	1,228,017	-	1,228,017
-	24	54,659	6,335,655
-	-	-	2,791,640
-	-	175,022	175,022
<u>2,822,856</u>	<u>1,404,313</u>	<u>503,030</u>	<u>17,857,074</u>
-	-	2,600,452	4,557,585
-	-	-	10,109,867
-	-	9,764,749	9,764,749
8,151,297	63,749,285	5,486,617	77,387,199
-	-	4,296,268	4,296,268
-	-	-	5,217,334
-	-	-	7,680,024
-	-	-	14,616,972
-	-	-	6,248,556
<u>8,151,297</u>	<u>63,749,285</u>	<u>22,148,086</u>	<u>139,878,554</u>
<u>\$ 10,974,153</u>	<u>\$ 65,153,598</u>	<u>\$ 22,651,116</u>	<u>\$ 157,735,628</u>



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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, 2020**

**Total Fund Balances - Governmental Funds** \$ 139,878,554

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. 407,298,139

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. 16,553,017

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	\$ (39,501,000)	
Less: unamortized premiums on bonds payable	(5,911,489)	
Certificates of Participation Payable	(9,205,000)	
Less: unamortized premiums on certificates of participation payable	(715,811)	
Compensated Absences Payable	(40,904,268)	
Net Pension Liability	(223,849,731)	
Other Postemployment Benefits Payable	(12,990,647)	(333,077,946)

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	(10,400)	
Deferred Gains on Refunding - Certificates of Participation Payable	(571,429)	(581,829)

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	76,374,684	
Deferred Inflows Related to Pensions	(25,326,861)	
Deferred Outflows Related to Other Postemployment Benefits	3,134,751	
Deferred Inflows Related to Other Postemployment Benefits	(2,970,357)	51,212,217

**Total Net Position - Governmental Activities** \$ 281,282,152

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, 2020**

	<b>General Fund</b>	<b>Special Revenue - Other Federal Programs Fund</b>
<b>Revenues</b>		
Intergovernmental:		
Federal Direct	\$ 923,110	\$ 2,189,968
Federal Through State and Local	3,910,217	31,526,526
State	208,692,775	-
Local:		
Property Taxes	93,739,773	-
Sales Taxes	-	-
Charges for Food Service	-	-
Miscellaneous	5,489,810	-
<b>Total Revenues</b>	<b>312,755,685</b>	<b>33,716,494</b>
<b>Expenditures</b>		
Current - Education:		
Instruction	194,196,852	14,009,401
Student Support Services	16,988,879	1,452,720
Instructional Media Services	4,580,805	38,623
Instruction and Curriculum Development Services	7,453,245	7,364,840
Instructional Staff Training Services	4,344,682	3,662,007
Instruction-Related Technology	3,078,149	1,280,304
Board	1,215,971	-
General Administration	867,723	1,414,765
School Administration	17,534,744	15,775
Facilities Acquisition and Construction	868,153	5,948
Fiscal Services	2,419,029	-
Food Services	159,614	63,485
Central Services	6,432,905	166,809
Student Transportation Services	14,801,178	3,007,504
Operation of Plant	26,654,068	63,050
Maintenance of Plant	11,184,278	-
Administrative Technology Services	3,596,792	85,564
Community Services	782,407	892,089
Capital Outlay:		
Facilities Acquisition and Construction	324,697	-
Other Capital Outlay	859,058	193,610
Debt Service:		
Principal	-	-
Interest and Fiscal Charges	-	-
Other Debt Service	-	-
<b>Total Expenditures</b>	<b>318,343,229</b>	<b>33,716,494</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(5,587,544)</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>		
Refunding Bonds Issued	-	-
Premium on Refunding Bonds	-	-
Sale of Capital Assets	-	-
Transfers In	7,302,152	-
Transfers Out	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>7,302,152</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>1,714,608</b>	<b>-</b>
Fund Balances, July 1, 2019	44,115,278	-
<b>Fund Balances, June 30, 2020</b>	<b>\$ 45,829,886</b>	<b>\$ -</b>

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

<i>Capital Projects - Local Capital Improvement Fund</i>	<i>Capital Projects - Other Fund</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
\$ -	\$ -	\$ -	\$ 3,113,078
-	-	16,767,551	52,204,294
-	1,072,029	2,006,705	211,771,509
26,719,561	-	-	120,459,334
-	28,259,025	-	28,259,025
-	-	1,622,986	1,622,986
165,139	1,338,571	37,833	7,031,353
<u>26,884,700</u>	<u>30,669,625</u>	<u>20,435,075</u>	<u>424,461,579</u>
-	-	-	208,206,253
-	-	-	18,441,599
-	-	-	4,619,428
-	-	-	14,818,085
-	-	-	8,006,689
-	-	-	4,358,453
-	-	-	1,215,971
-	-	-	2,282,488
-	-	-	17,550,519
7,000,111	14,023,268	1,801,657	23,699,137
-	-	-	2,419,029
-	-	19,340,972	19,564,071
-	-	-	6,599,714
-	-	-	17,808,682
-	-	-	26,717,118
-	-	-	11,184,278
-	-	-	3,682,356
-	-	-	1,674,496
123,795	16,519,124	-	16,967,616
5,569,274	147,113	266,675	7,035,730
-	-	8,373,000	8,373,000
-	-	2,473,855	2,473,855
-	-	150,234	150,234
<u>12,693,180</u>	<u>30,689,505</u>	<u>32,406,393</u>	<u>427,848,801</u>
<u>14,191,520</u>	<u>(19,880)</u>	<u>(11,971,318)</u>	<u>(3,387,222)</u>
-	-	126,000	126,000
-	-	24,818	24,818
-	511,377	-	511,377
-	-	10,387,375	17,689,527
(11,534,639)	(6,154,888)	-	(17,689,527)
<u>(11,534,639)</u>	<u>(5,643,511)</u>	<u>10,538,193</u>	<u>662,195</u>
2,656,881	(5,663,391)	(1,433,125)	(2,725,027)
5,494,416	69,412,676	23,581,211	142,603,581
<u>\$ 8,151,297</u>	<u>\$ 63,749,285</u>	<u>\$ 22,148,086</u>	<u>\$ 139,878,554</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, 2020**

**Net Change in Fund Balances - Governmental Funds** \$ (2,725,027)

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	\$ 15,358,538	
Capital Outlay - Other Capital Outlay - Capitalized	7,035,730	
Less, Depreciation Expense	<u>(14,118,018)</u>	8,276,250

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. (27,584)

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 Proceeds	(126,000)	
Premium on Bonds	(24,818)	
Bond Repayments	4,253,000	
Certificate of Participation Repayments	<u>4,270,000</u>	8,372,182

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	781,927	
Amortization of deferred charges and gain on refunding, net	2,600	
Certificates of Participation Payable	357,906	
Amortization of deferred charges and gain on refunding, net	<u>285,714</u>	1,428,147

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. (22,876,262)

The net change in liability and related deferred outflows/inflows of resources for other postemployment benefits payable is reported as an expense in the government-wide statements, but not in the governmental fund statements. 1,331,086

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 earned in excess of the amount paid in the current fiscal year. (812,281)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. 3,912,127

**Change in Net Position of Governmental Activities** \$ (3,121,362)

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, 2020**

	<b>General Fund</b>			
	<b>Original Budget Amounts</b>	<b>Final Budget Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>Revenues</b>				
Intergovernmental:				
Federal Direct	\$ 950,000	\$ 999,663	\$ 923,110	\$ (76,553)
Federal Through State and Local	2,336,174	3,172,291	3,910,217	737,926
State	212,905,625	209,005,163	208,692,775	(312,388)
Local:				
Property Taxes	92,173,545	93,739,773	93,739,773	-
Miscellaneous	4,891,105	5,091,385	5,489,810	398,425
<b>Total Revenues</b>	<b>313,256,449</b>	<b>312,008,275</b>	<b>312,755,685</b>	<b>747,410</b>
<b>Expenditures</b>				
Current - Education:				
Instruction	196,203,713	201,452,581	194,196,852	7,255,729
Student Support Services	17,248,312	17,239,334	16,988,879	250,455
Instructional Media Services	4,756,577	5,019,862	4,580,805	439,057
Instruction and Curriculum Development Services	7,331,688	8,027,698	7,453,245	574,453
Instructional Staff Training Services	3,961,981	4,764,902	4,344,682	420,220
Instruction-Related Technology	3,057,666	3,138,964	3,078,149	60,815
Board	1,703,277	1,547,500	1,215,971	331,529
General Administration	893,468	911,468	867,723	43,745
School Administration	15,895,344	17,887,205	17,534,744	352,461
Facilities Acquisition and Construction	2,592,278	1,753,150	868,153	884,997
Fiscal Services	2,696,623	2,795,143	2,419,029	376,114
Food Services	70,051	169,622	159,614	10,008
Central Services	7,979,709	7,692,542	6,432,905	1,259,637
Student Transportation Services	16,683,755	16,681,849	14,801,178	1,880,671
Operation of Plant	26,733,605	27,861,158	26,654,068	1,207,090
Maintenance of Plant	11,393,067	11,495,449	11,184,278	311,171
Administrative Technology Services	3,330,919	3,720,075	3,596,792	123,283
Community Services	1,252,346	1,242,419	782,407	460,012
Capital Outlay:				
Facilities Acquisition and Construction	249,765	332,844	324,697	8,147
Other Capital Outlay	1,043,473	1,356,590	859,058	497,532
<b>Total Expenditures</b>	<b>325,077,617</b>	<b>335,090,355</b>	<b>318,343,229</b>	<b>16,747,126</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(11,821,168)</b>	<b>(23,082,080)</b>	<b>(5,587,544)</b>	<b>17,494,536</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	8,238,196	8,190,836	7,302,152	(888,684)
<b>Total Other Financing Sources (Uses)</b>	<b>8,238,196</b>	<b>8,190,836</b>	<b>7,302,152</b>	<b>(888,684)</b>
<b>Net Change in Fund Balances</b>	<b>(3,582,972)</b>	<b>(14,891,244)</b>	<b>1,714,608</b>	<b>16,605,852</b>
Fund Balances, July 1, 2019	44,115,278	44,115,278	44,115,278	-
<b>Fund Balances, June 30, 2020</b>	<b>\$ 40,532,306</b>	<b>\$ 29,224,034</b>	<b>\$ 45,829,886</b>	<b>\$ 16,605,852</b>

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, 2020**

**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>
<b>Revenues</b>				
Intergovernmental:				
Federal Direct	\$ 2,626,994	\$ 2,571,915	\$ 2,189,968	\$ (381,947)
Federal Through State and Local	37,347,917	39,116,924	31,526,526	(7,590,398)
<b>Total Revenues</b>	<u>39,974,911</u>	<u>41,688,839</u>	<u>33,716,494</u>	<u>(7,972,345)</u>
<b>Expenditures</b>				
Current - Education:				
Instruction	15,115,031	17,834,849	14,009,401	3,825,448
Student Support Services	1,862,561	1,791,737	1,452,720	339,017
Instructional Media Services	48,191	46,119	38,623	7,496
Instruction and Curriculum Development Services	8,451,973	8,294,374	7,364,840	929,534
Instructional Staff Training Services	6,308,360	5,425,053	3,662,007	1,763,046
Instruction-Related Technology	1,510,770	1,501,132	1,280,304	220,828
General Administration	1,820,583	1,830,804	1,414,765	416,039
School Administration	6,320	15,845	15,775	70
Facilities Acquisition and Construction	2,000	5,948	5,948	-
Food Services	-	63,485	63,485	-
Central Services	227,093	215,552	166,809	48,743
Student Transportation Services	3,289,298	3,287,069	3,007,504	279,565
Operation of Plant	17,846	72,989	63,050	9,939
Administrative Technology Services	82,644	87,429	85,564	1,865
Community Services	1,030,243	892,676	892,089	587
Capital Outlay:				
Other Capital Outlay	201,998	323,778	193,610	130,168
<b>Total Expenditures</b>	<u>39,974,911</u>	<u>41,688,839</u>	<u>33,716,494</u>	<u>7,972,345</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, July 1, 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances, June 30, 2020</b>	<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 NET POSITION -**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2020**

	<b>Governmental Activities - Internal Service Funds</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 47,008,690
Accounts Receivable	502
Due From Other Funds	8,905
Due From Other Agencies	4,014
	4,014
<b>TOTAL ASSETS</b>	<b>\$ 47,022,111</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	\$ 168,995
Unearned Revenue	3,667,942
Estimated Insurance Claims Payable	6,898,665
<b>Total Current Liabilities</b>	<b>10,735,602</b>
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	19,733,492
<b>Total Noncurrent Liabilities</b>	<b>19,733,492</b>
<b>TOTAL LIABILITIES</b>	<b>30,469,094</b>
<b>NET POSITION</b>	
Unrestricted	16,553,017
<b>Total Net Position</b>	<b>16,553,017</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 47,022,111</b>

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, 2020**

	<b>Governmental Activities - Internal Service Funds</b>
<b>OPERATING REVENUES</b>	
Premium Revenues	\$ 46,908,894
Other	1,669,391
<b>Total Operating Revenues</b>	48,578,285
<b>OPERATING EXPENSES</b>	
Salaries	281,498
Employee Benefits	63,674
Purchased Services	5,479,129
Energy Services	11,537
Materials and Supplies	13,083
Insurance Claims	36,326,841
Other	2,560,838
<b>Total Operating Expenses</b>	44,736,600
<b>Operating Income (Loss)</b>	3,841,685
<b>NONOPERATING REVENUES</b>	
Loss Recoveries	70,442
<b>Total Nonoperating Revenues</b>	70,442
<b>Income (Loss) Before Transfers</b>	3,912,127
<b>Change in Net Position</b>	3,912,127
<b>NET POSITION</b>	
Total Net Position, July 1, 2019	12,640,890
<b>Total Net Position, June 30, 2020</b>	\$ 16,553,017

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, 2020**

	<b>Governmental Activities - Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Board Funds and Participants	\$ 48,532,594
Cash Payments to Suppliers for Goods and Services	(8,062,124)
Cash Payments to Employees for Services	(345,172)
Cash Payments for Interfund Services	(617,420)
Cash Payments for Insurance Claims	(38,666,405)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>841,473</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Loss Recoveries	70,442
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>70,442</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>911,915</b>
Beginning Cash and Cash Equivalents	46,096,775
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 47,008,690</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	\$ 3,841,685
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	387
(Increase) Decrease in Due From Other Funds	(8,905)
(Increase) Decrease in Due From Other Agencies	(3,445)
Increase (Decrease) in Accounts Payable	(139,743)
Increase (Decrease) in Due to Other Funds	(463,382)
Increase (Decrease) in Unearned Revenue	(45,690)
Increase (Decrease) in Estimated Insurance Claims Payable	(2,339,434)
<b>Total Adjustments</b>	<b>(3,000,212)</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 841,473</b>

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 FIDUCIARY ASSETS AND LIABILITIES -**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2020**

	<u><b>Agency Funds</b></u>
<b>ASSETS</b>	
Cash	\$ 3,534,090
<b>LIABILITIES</b>	
Internal Accounts Payable	\$ 3,386,521
Payroll Deductions and Withholdings	<u>147,569</u>
<b>Total Liabilities</b>	<u>\$ 3,534,090</u>

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, 2020**

**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 elected 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**  
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**NOTES TO FINANCIAL STATEMENTS**  
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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.

Audits of the Foundation's financial statements and the charter schools' financial statements for the fiscal year ended June 30, 2020, are conducted by an independent certified public accountant 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 financial activities of the government in its entirety, except for those that are fiduciary. 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

**(Continued)**  
**DISTRICT SCHOOL BOARD OF**  
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**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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.

Agency (Fiduciary) funds are purely custodial in nature (assets equal liabilities) and as such do not have a measurement focus. Agency funds use the accrual basis of accounting to recognize receivables and payables.

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. The principal operating revenues of the District’s internal service funds are for self-insurance (property, casualty, liability, and workers’ compensation), and employee benefits

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**DISTRICT SCHOOL BOARD OF  
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(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, including fiduciary funds. Separate financial statements for each fund category – governmental, proprietary, and fiduciary – 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.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by capital outlay ad valorem property taxes based on the discretionary millage rate set by the School Board.
- 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 and fiduciary fund types:

- Internal Service Funds – to account for the District's individual self-insurance programs.
- Agency Funds – to account for resources of the District's pre-tax flexible benefits plan and the school internal funds, which are used to administer moneys collected at the schools in connection with school, student athletic, class, and club activities.

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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
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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 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**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. An additional action is essential to either remove or revise a commitment.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the "committed" criteria level. The Board has by resolution authorized the Superintendent to assign fund balances for such purposes as carry forward of school budget allocations or for amounts set aside for specific projects not required by statute or board policy. Unlike commitments, assignments generally only exist temporarily. An additional action does not normally have to be taken for the removal of an assignment.

➤ **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.

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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
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NOTES TO FINANCIAL STATEMENTS  
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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 consist of:

- (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) Government bonds.
- (3) Commercial paper.
- (4) Treasury bills.
- (5) U.S. Government bond funds.
- (6) Certificate of Deposits.

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, 2020, 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.

➤ **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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
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 NOTES TO FINANCIAL STATEMENTS  
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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.

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

(Continued)  
**DISTRICT SCHOOL BOARD OF  
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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 position 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.

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 position 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.

**(Continued)**  
**DISTRICT SCHOOL BOARD OF**  
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➤ **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.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from FDOE. A schedule of revenue from State sources for the current fiscal year is presented in a subsequent 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.

The School Board adopted the 2019 tax levy on September 17, 2019. 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.

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**DISTRICT SCHOOL BOARD OF  
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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.

➤ **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.

## 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  
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**3. INVESTMENTS**

As of June 30, 2020, the District has the following investments and maturities:

Investment	Average Maturities	Fair Value	Fair Value Measurement
<b>State Board of Administration</b>			
Florida PRIME (1)			
Governmental Funds	53 Days	\$ 418,575	N/A
Internal Service Fund	53 Days	13,011,289	N/A
Debt Service Accounts	6 months	25,990	N/A
<b>Sales Tax Investment Portfolio</b>			
Agency Bonds	499 Days	10,564,226	Level 2
Certificates of Deposit	284 Days	7,852,069	Level 2
Government Bonds	174 Days	19,222,940	Level 2
Treasury Bills	212 Days	3,996,105	Level 2
Commercial Paper	75 Days	8,989,716	N/A
First American Gov Obligations (1)	39 Days	1,237,705	N/A
<b>Florida Fixed Income Trust (FL FIT)</b>			
Enhanced Cash Investments	128 Days	24,952,994	N/A
Cash Pool	64 Days	4,713,583	N/A
Cash Pool (Series 2016)	64 Days	2,207,621	N/A
<b>Total Investments, Primary Government</b>		<b>\$ 97,192,813</b>	

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
- 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

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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, First American Government Obligations Fund, and Commercial Paper (CP) had weighted average maturities (WAMs) of 53 days, 39 days, and 75 days, respectively, at June 30, 2020.
- The District's investments in Agency Bonds and Government Bonds had WAMs of 499 and 174 days, respectively, at June 30, 2020.
- The District's investments in Treasury Bills had a WAM of 212 days.
- Florida Fixed Income Trust (FL FIT) had the following WAM for each portfolio:
  - FL FIT Enhanced Cash Pool – 128 days
  - FL FIT Cash Pool – 64 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.

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➤ As of June 30, 2020, 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
Major Governmental Funds:			
General	\$ 10,458,657	\$ 10,458,657	\$ -
Capital Projects - Local Capital Improvement	9,771,920	9,771,920	-
Capital Projects - Other	63,924,957	43,012,451	20,912,506
Nonmajor Governmental	25,990	25,990	-
Proprietary - Internal Service Fund (Self Insurance)	13,011,289	13,011,289	-
Total Investments	<u>\$ 97,192,813</u>	<u>\$ 76,280,307</u>	<u>\$ 20,912,506</u>

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 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.

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As of June 30, 2020, 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-mf 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 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 Treasury Bills are rated A-1+ by S&P and P-1 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 Certificates of Deposit are rated A-1+ by S&P and P-1 by Moody's.
- The District's investments in FL FIT Commercial Paper (Cash) Pool and Enhanced Cash Pool are rated AAAs/S1 and AAAs/S1, respectively, 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 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, 2020, all investments are held with an appropriate custodian or trustee or are held in accounts in the name of and belonging to the District.

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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).

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.

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**DISTRICT SCHOOL BOARD OF**  
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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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**5. CHANGES IN CAPITAL ASSETS**

Changes in capital assets are presented in the table below.

	Balance 7-1-19	Additions	Deletions	Balance 6-30-20
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 12,637,974	\$ 307,787	\$ -	\$ 12,945,761
Construction in Progress	10,109,843	17,032,185	6,239,832	20,902,196
Total Capital Assets Not Being Depreciated	<u>22,747,817</u>	<u>17,339,972</u>	<u>6,239,832</u>	<u>33,847,957</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	19,378,144	1,536,189	-	20,914,333
Buildings and Fixed Equipment	510,679,145	4,136,329	59,900	514,755,574
Furniture, Fixtures, and Equipment	15,382,306	1,009,734	788,749	15,603,291
Motor Vehicles	52,626,472	4,611,876	323,065	56,915,283
Audio Visual Materials and Computer Software	9,148,859	-	-	9,148,859
Total Capital Assets Being Depreciated	<u>607,214,926</u>	<u>11,294,128</u>	<u>1,171,714</u>	<u>617,337,340</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	12,139,614	1,015,210	-	13,154,824
Buildings and Fixed Equipment	180,658,153	9,269,818	59,804	189,868,167
Furniture, Fixtures, and Equipment	9,972,293	824,129	761,261	10,035,161
Motor Vehicles	20,180,257	2,734,349	323,065	22,591,541
Audio Visual Materials and Computer Software	7,962,953	274,512	-	8,237,465
Total Accumulated Depreciation	<u>230,913,270</u>	<u>14,118,018</u>	<u>1,144,130</u>	<u>243,887,158</u>
Total Capital Assets Being Depreciated, Net	<u>376,301,656</u>	<u>(2,823,890)</u>	<u>27,584</u>	<u>373,450,182</u>
Governmental Activities Capital Assets, Net	<u>\$ 399,049,473</u>	<u>\$ 14,516,082</u>	<u>\$ 6,267,416</u>	<u>\$ 407,298,139</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	\$ 8,020,488
Student Support Services	10,084
Instructional Media Services	3,693
Instruction and Curriculum Development Services	64,687
Instructional Staff Training Services	3,000
Instruction-Related Technology	267,082
General Administration	159
School Administration	17,891
Facilities Acquisition and Construction	2,131,963
Food Services	368,141
Central Services	104,147
Student Transportation Services	2,457,236
Operation of Plant	135,212
Maintenance of Plant	348,260
Administrative Technology Services	182,218
Community Services	3,757
Total Depreciation Expense - Governmental Activities	\$ 14,118,018

**6. SCHOOL DISTRICT LOAN PROGRAM**

In accordance with the School District Loan Program authorized by Chapter 2006-25, Laws of Florida, the District applied for and received an interest-free loan from the Florida Department of Education totaling \$2,571,706, which is included as a liability of the General Fund. The loan enabled the District to meet operating expenses while awaiting resolution of litigation regarding school property taxes for Pensacola Beach property owners. Loan provisions require District personnel to notify the Florida Department of Education within 5 business days after the resolution of the litigation. Repayment of the loan must be made within 20 business days following the resolution of the litigation or the District may submit a repayment plan not to exceed 2 fiscal years.

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**7. 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, 2020:

Issue	Original	Principal		Refunded By Series	Balance 6-30-20
	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	10,635,000	-		9,205,000
	<u>\$ 184,649,561</u>	<u>\$ 70,904,561</u>	<u>\$ 104,540,000</u>		<u>\$ 9,205,000</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 earlier of (a) the date on which the Series 1996-1, 2005, 2006, and 2011 Certificates, and any Certificates of Participation refunding such Certificates, have been paid in full, or provision for their payment has been made, or (b) June 30, 2028. The ground leases on the property associated with the Series 1996-2, 2004, and 2014 Certificates end on the earlier of (a) the date on which the series of Certificates has been paid in full, or (b) June 30, 2022. 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.

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

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- 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

The lease payments are payable by the District, semiannually, on August 1 and February 1 at the interest rate of 5 percent. The following is a schedule by years of future minimum lease payments under the lease agreements, together with the present value of minimum lease payments as of June 30, 2020:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 4,838,000	\$ 4,490,000	\$ 348,000
2022	4,832,875	4,715,000	117,875
Total Minimum Lease Payments	9,670,875	9,205,000	465,875
Unamortized Premium	715,811	715,811	-
Total Certificates of Participation	<u>\$ 10,386,686</u>	<u>\$ 9,920,811</u>	<u>\$ 465,875</u>

In February 2020, the School Board established, through resolution, its intent to issue Series 2020A, Certificates of Participation. The Certificates will provide new construction proceeds to

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replace the current Pleasant Grove Elementary School. The current facility is located near the area of Sherman Field on board Naval Air Station Pensacola. Due to the age and condition of the physical plant, and its location in relation to the flight path of Naval aircraft, the school will be relocated to another nearby area. The Certificates will provide approximately \$44.7 million in construction proceeds with building construction to begin in the fall of 2020.

**8. BONDS PAYABLE**

SBE Bonds payable at June 30, 2020, are as follows:

Bond Type	Original Debt Issue Amount	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
State School Bonds:				
Series 2011A (Refunding)	\$ 2,625,000	\$ 195,000	3-5	2023
Series 2014A (Refunding)	229,000	117,000	3-5	2025
Series 2017A (Refunding)	812,000	698,000	3-5	2028
Series 2020A (Refunding)	<u>126,000</u>	<u>126,000</u>	2-5	2030
Subtotal	3,792,000	1,136,000		
Unamortized Premiums, Net	<u>440,398</u>	<u>150,322</u>		
Total Bonds Payable	<u><u>\$ 4,232,398</u></u>	<u><u>\$ 1,286,322</u></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 \$1,662,132, 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.

On January 14, 2020, SBE Capital Outlay Bonds, 2020 Series A, were delivered to refund callable portions of SBE Capital Outlay Bonds, 2010 Series A. These refunding bonds were issued to reduce total debt service. Premium on the refunding totaled \$24,818.

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**DISTRICT SCHOOL BOARD OF  
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Annual requirements to amortize all bonded debt outstanding as of June 30, 2020, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2021	\$ 210,285	\$ 159,000	\$ 51,285
2022	215,400	172,000	43,400
2023	222,100	186,000	36,100
2024	152,530	124,000	28,530
2025	132,330	110,000	22,330
2026-2030	<u>421,470</u>	<u>385,000</u>	<u>36,470</u>
Subtotal	1,354,115	1,136,000	218,115
Unamortized Premiums, Net	<u>150,322</u>	<u>150,322</u>	<u>-</u>
Total Bonds Payable	<u>\$ 1,504,437</u>	<u>\$ 1,286,322</u>	<u>\$ 218,115</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 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, 2020, for principal and interest was \$46,006,800. Final debt service requirements on this bond issue will be paid on September 1, 2027. Assuming a nominal growth rate in the collection of sales tax revenues through December 2027, approximately 19.3 percent of this revenue stream has been pledged in connection with debt service on the bonds.

During the 2019-20 fiscal year, the District recognized sales tax revenues totaling \$28,259,025 and expended \$5,780,500 (20.5 percent) of these revenues for debt service directly collateralized by these revenues.

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Series 2016 Bonds payable at June 30, 2020, are as follows:

Bond Type	Original Debt Issue Amount	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
Sales Tax Revenue Bonds:				
Series 2016	\$ 51,910,000	\$ 38,365,000	5	2028
Unamortized Premiums, Net	<u>8,641,751</u>	<u>5,761,167</u>		
Total Bonds Payable	<u>\$ 60,551,751</u>	<u>\$ 44,126,167</u>		

The following is a schedule by years of the future annual debt service of the Series 2016 Bonds at June 30, 2020:

Fiscal Year Ending June 30	Total	Principal	Interest
Sales Tax Revenue Bonds:			
2021	\$ 5,789,800	\$ 4,105,000	\$ 1,684,800
2022	5,769,250	4,250,000	1,519,250
2023	5,749,625	4,435,000	1,314,625
2024	5,742,375	4,655,000	1,087,375
2025	5,738,750	4,890,000	848,750
2026-2028	<u>17,217,000</u>	<u>16,030,000</u>	<u>1,187,000</u>
Subtotal	46,006,800	38,365,000	7,641,800
Unamortized Premiums, Net	<u>5,761,167</u>	<u>5,761,167</u>	-
Total Bonds Payable	<u>\$ 51,767,967</u>	<u>\$ 44,126,167</u>	<u>\$ 7,641,800</u>

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**9. CHANGES IN LONG-TERM LIABILITIES**

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

Description	Balance 7-1-19	Additions	Deductions	Balance 6-30-20	Due in One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
SBE Bonds Payable	\$ 1,318,000	\$ 126,000	\$ 308,000	\$ 1,136,000	\$ 159,000
Unamortized Premiums, Net	187,285	24,818	61,781	150,322	-
Total SBE Bonds Payable	<u>1,505,285</u>	<u>150,818</u>	<u>369,781</u>	<u>1,286,322</u>	<u>159,000</u>
Sales Tax Revenue Bonds Payable	42,310,000	-	3,945,000	38,365,000	4,105,000
Unamortized Premiums, Net	6,481,313	-	720,146	5,761,167	-
Total Sales Tax Revenue Bonds Payable	<u>48,791,313</u>	<u>-</u>	<u>4,665,146</u>	<u>44,126,167</u>	<u>4,105,000</u>
Certificates of Participation Payable	13,475,000	-	4,270,000	9,205,000	4,490,000
Unamortized Premium	1,073,717	-	357,906	715,811	-
Total Certificates of Participation Payable	<u>14,548,717</u>	<u>-</u>	<u>4,627,906</u>	<u>9,920,811</u>	<u>4,490,000</u>
Estimated Insurance Claims Payable	28,971,591	36,326,841	38,666,275	26,632,157	6,898,665
Compensated Absences Payable	40,091,987	5,129,273	4,316,992	40,904,268	4,072,076
Net Pension Liability	206,221,638	85,946,277	68,318,184	223,849,731	1,183,410
Other Postemployment Benefits Payable	12,257,643	2,526,601	1,793,597	12,990,647	-
Total Governmental Activities	<u>\$ 352,388,174</u>	<u>\$ 130,079,810</u>	<u>\$ 122,757,881</u>	<u>\$ 359,710,103</u>	<u>\$ 20,908,151</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.

**10. 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	\$ 6,313,845	\$ -
Special Revenue - Other Federal Programs	-	6,280,972
Capital Projects - Other	-	24
Nonmajor Governmental	12,905	54,659
Internal Service	<u>8,905</u>	<u>-</u>
Total	<u>\$ 6,335,655</u>	<u>\$ 6,335,655</u>

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The interfund receivables and payables represent the payment of expenditures by one fund for another fund and will be repaid within 12 months. The amounts above do not include the school activity funds.

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

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 7,302,152	\$ -
Capital Projects - Local Capital Improvement	-	11,534,639
Capital Projects - Other	-	6,154,888
Nonmajor Governmental	10,387,375	-
Total	\$ 17,689,527	\$ 17,689,527

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 and, (2) 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.

**11. 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 Comprehensive Annual 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

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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, 2020.

- **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 \$22,296,996 consisting of the following: encumbered local project carryovers totaling \$1,740,350; unencumbered local project carryovers totaling \$12,876,622 and local project contingencies of \$7,680,024.
- **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 \$6,248,556 at June 30, 2020.

**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 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 3.5 percent of general fund revenue to comply with the intent of Section 1011.051, Florida Statutes.

As of June 30, 2020, the assigned and unassigned fund balance in the General Fund totaled \$28,545,552 (9.1 percent of General Fund revenues).

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**12. 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, 2020:

Major Funds				Nonmajor	Total
General	Special Revenue - Other Federal Programs	Capital Projects - Local Capital Improvement	Capital Projects - Other	Governmental Funds	Governmental Funds
\$ 3,220,133	\$ 460,595	\$ 1,770,282	\$ 19,369,674	\$ 542,264	\$ 25,362,948

**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:			
Roofing Projects	\$ 1,153,728	\$ 732,296	\$ 421,432
Mechanical and Life Safety Systems	3,300,042	1,677,647	1,622,395
School Specific Projects:			
New Construction - Pleasant Grove Elementary School	10,234,711	2,856,453	7,378,258
West Florida High School - Conversion	7,987,181	7,534,573	452,608
Pensacola High School - Bus Ramp/Tennis Courts	1,070,763	655,891	414,872
Brown Barge Middle School - New Gym and Track	3,455,479	2,930,374	525,105
Tate High School - Agriscience Building	560,171	-	560,171
Escambia Westgate School - Adaptable Play Facility	3,483,752	1,073,644	2,410,108
Longleaf Elementary School - Covered Play Area	1,489,042	67,110	1,421,932
Beulah Elementary School - Covered Play Area	1,413,047	80,514	1,332,533
Pine Meadow Elementary School - Covered Play Area	1,352,347	78,141	1,274,206
Total	<u>\$ 35,500,263</u>	<u>\$ 17,686,643</u>	<u>\$ 17,813,620</u>

Total other construction contract commitments (individually below \$250,000) amounted to \$466,596 at June 30, 2020.

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**13. SCHEDULE OF STATE REVENUE SOURCES**

The following is a schedule of the District's State revenue for the 2019-20 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 158,121,503
Categorical Educational Program - Class Size Reduction	42,475,573
Workforce Development Program	4,052,637
Motor Vehicle License Tax (Capital Outlay and Debt Service)	1,662,132
School Recognition	1,604,518
Voluntary Pre-K Program	1,080,533
Educational Facilities School Security Grant	697,641
Racing Commission Funds	446,500
Charter School Capital Outlay	374,388
Workforce Training Grant	337,649
Food Service Supplement	280,072
Florida Student Assistance Grant	84,430
Law Enforcement Training	70,440
Learning for Life	60,000
State License Tax	55,287
Youth Mental Health Awareness Training	54,353
Discretionary Lottery	39,797
Miscellaneous	274,056
Total	<u><u>\$ 211,771,509</u></u>

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

**14. PROPERTY TAXES**

The following is a summary of millages and taxes levied on the 2019 tax roll for the 2019-20 fiscal year:

<u>GENERAL FUND</u>	<u>Millages</u>	<u>Taxes Levied</u>
Nonvoted School Tax:		
Required Local Effort	3.944	\$ 80,612,745
Discretionary Local Effort	0.748	15,288,624
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvement	1.351	27,613,544
Total	<u><u>6.043</u></u>	<u><u>\$ 123,514,913</u></u>

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**15. 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, 2020, totaled \$223,849,731.

**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. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The District's total pension expense was \$40,991,783 for the fiscal year ended June 30, 2020.

**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:

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<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<b><i>Regular Class members initially enrolled before July 1, 2011</i></b>	
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
<b><i>Regular Class members initially enrolled on or after July 1, 2011</i></b>	
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
<b><i>Elected County Officers</i></b>	<b>3.00</b>

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 2019-20 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	8.47
FRS, Elected County Officers	3.00	48.82
DROP - Applicable to		
Members from All of the Above Classes	0.00	14.60
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, 2020 totaled \$14,549,031 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, 2020, the District reported a liability of \$154,102,523 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members.

At June 30, 2019, the District's proportionate share was 0.447470245 percent, which was 0.013237082 less than the proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$36,149,402 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	\$ 9,140,261	\$ 95,635
Change of assumptions	39,580,158	-
Net difference between projected and actual earnings on FRS pension plan investments	-	8,525,756
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	103,293	7,059,084
District FRS contributions subsequent to the measurement date	14,549,031	-
<b>Total</b>	<u>\$ 63,372,743</u>	<u>\$ 15,680,475</u>

The deferred outflows of resources related to pensions, totaling \$14,549,031, 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, 2021. 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>
2021	\$ 12,722,987
2022	2,477,168
2023	9,091,203
2024	7,015,562
2025	1,490,331
Thereafter	345,986
Total	<u><u>\$ 33,143,237</u></u>

Actuarial Assumptions. The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	6.90 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, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

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

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<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.3%	3.3%	1.2%
Fixed Income	18.0%	4.1%	4.1%	3.5%
Global Equity	54.0%	8.0%	6.8%	16.5%
Real Estate (Property)	10.0%	6.7%	6.1%	11.7%
Private Equity	11.0%	11.2%	8.4%	25.8%
Strategic Investments	6.0%	5.9%	5.7%	6.7%
<b>Total</b>	<u>100.0%</u>			
Assumed inflation - Mean			2.6%	1.7%

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

Discount Rate. The discount rate used to measure the total pension liability was 6.9 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2019 valuation was updated from 7.0 percent to 6.9 percent.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.9 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 (5.9 percent) or 1 percentage point higher (7.9 percent) than the current rate:

	<u>1% Decrease (5.9%)</u>	<u>Current Discount Rate (6.9%)</u>	<u>1% Increase (7.9%)</u>
District's proportionate share of the net pension liability	\$ 266,391,945	\$ 154,102,523	\$ 60,321,861

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 Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2020, the District reported a payable of \$55,241 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2020.

**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.

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Benefits Provided. For the fiscal year ended June 30, 2020, 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, 2020, 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.

The District's contributions to the HIS Plan totaled \$3,566,493 for the fiscal year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the District reported a net pension liability of \$69,747,208 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, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, and update procedures were used to determine the net pension liability as of June 30, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the District's proportionate share was 0.623355193 percent, which was a decrease of 0.013960452 from its proportionate share measured as of June 30, 2018.

For the fiscal year ended June 30, 2020, the District recognized pension expense of \$4,842,381 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:

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<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 847,158	\$ 85,403
Change of assumptions	8,076,068	5,700,568
Net difference between projected and actual earnings on HIS pension plan investments	45,007	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	467,215	3,860,415
District contributions subsequent to the measurement date	3,566,493	-
<b>Total</b>	<b>\$ 13,001,941</b>	<b>\$ 9,646,386</b>

The deferred outflows of resources related to pensions, totaling \$3,566,493, 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ending June 30</b>	<u>Amount</u>
2021	\$ 849,152
2022	499,673
2023	(118,379)
2024	(1,184,366)
2025	(458,985)
Thereafter	201,967
<b>Total</b>	<b>\$ (210,938)</b>

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Actuarial Assumptions. The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Discount Rate	3.50 percent
Municipal Bond Rate	3.50 percent

Mortality rates were based on the Generational RP-2000 with Projected Scale BB

Discount Rate. The discount rate used to measure the total pension liability was 3.50 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used in the 2019 valuation was updated from 3.87 percent to 3.50 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 3.50 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 (2.50 percent) or 1 percentage point higher (4.50 percent) than the current rate:

	<b>1% Decrease (2.50%)</b>	<b>Current Discount Rate (3.50%)</b>	<b>1% Increase (4.50%)</b>
District's proportionate share of the net pension liability	\$ 79,620,014	\$ 69,747,208	\$ 61,524,279

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 Comprehensive Annual 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	\$ 154,102,523	\$ 69,747,208	\$ 223,849,731
Deferred Outflows of Resources	63,372,743	13,001,941	76,374,684
Deferred Inflows of Resources	15,680,475	9,646,386	25,326,861
Pension Expense	36,149,402	4,842,381	40,991,783

**FRS – Defined Contribution Pension Plan**

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. 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 2019-20 fiscal year were as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after 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

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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, 2020, 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 1,020 District participants in the Investment Plan during the 2019-20 fiscal year. The District's total contribution to the plan, including the employee portion totaled \$4,391,299 (which was equal to the required contribution for the 2019-20 fiscal year). The employer portion was \$3,250,770.

**16. 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 \$362,554 during the 2019-20 fiscal year for Retirement Incentive pay.

**17. 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, 2019 in which 170 retirees and 21 eligible dependents received postemployment healthcare benefits. For the 2019-20 fiscal year, the District provided required contributions of \$1,793,597 toward annual OPEB costs, an increase of \$1,266,804 over the prior fiscal year (\$526,793), comprised of benefit payments made on behalf of retirees for claims expenses, retention costs, and net of retiree contributions totaling \$2,020,757, 1.0 percent of covered payroll. Required contributions are based on projected pay-as-you-go financing.

As of July 1, 2019, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	191
Active employees	<u>5,083</u>
Total	<u>5,274</u>

**Total OPEB Liability.** The District’s total OPEB liability was measured as of June 30, 2019 and was determined by an actuarial valuation as of July 1, 2019.

**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 2018-19 fiscal year used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2020, and to estimate the District’s annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 3.51 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

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percent, general inflation is 2.5 percent, and an annual healthcare cost trend rate of 7.50 percent initially for the 2019-20 fiscal year, reduced to an ultimate rate of 5 percent for the fiscal year ending June 30, 2029. 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 6/30/2019 (Based on 6/30/2018 Measurement Date)	\$ 12,257,643
Changes Recognized for the Fiscal Year:	
Service Costs	974,799
Interest on the total OPEB Liability	477,719
Differences Between Expected and Actual Experience	829,638
Changes in Assumptions	244,445
Benefit Payments	(1,793,597)
Contributions From Employer	-
Net Changes	733,004
Balance Recognized at 6/30/2020 (Based on 6/30/2019 Measurement Date)	\$ 12,990,647

**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, 2020:

	1% Decrease (2.51%)	Current Discount Rate (3.51%)	1% Increase (4.51%)
Total OPEB Liability	\$ 13,563,326	\$ 12,990,647	\$ 12,367,515

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**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, 2020:

	1% Decrease (6.50%)	Current Trend (7.50%)	1% Increase (8.50%)
Total OPEB Liability	\$ 11,553,500	\$ 12,990,647	\$ 14,685,032

**OPEB Expense and Deferred Outflows/Inflows of Resources.** For the year ended June 30, 2020 the District recognized OPEB expense of \$853,434. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 748,004	\$ 645,082
Change of assumptions	202,227	2,325,275
Sub Total	950,231	2,970,357
Contributions made in FYE 6/30/2020 after measurement date	2,184,520	-
<b>Total</b>	<b>\$ 3,134,751</b>	<b>\$ 2,970,357</b>

Amounts reported as deferred outflows of resources and deferred inflows of resources to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ (599,084)
2022	(599,084)
2023	(583,483)
2024	(385,028)
2025	146,553
Total	<b>\$ (2,020,126)</b>

**18. 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

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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, except for certain claims covered under stop-loss insurance policies purchased in prior fiscal years, are fully covered by the District.

The District also provides commercially purchased life insurance and self-insured dental, 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 has entered into agreements with various insurance companies to provide specific excess coverage of health 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 dental, prescription drugs, and health claims.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage 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 \$26,632,157 (\$23,789,157 for workers' compensation, automobile and general liability claims, and \$2,843,000 for dental, prescription drug, and health insurance claims) was actuarially determined to cover estimated incurred, but not reported claims and insurance claims payable at June 30, 2020.

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
2018-19	\$ 27,847,921	\$ 37,100,159	\$ (35,976,489)	\$ 28,971,591
2019-20	28,971,591	36,326,841	(38,666,275)	26,632,157

**19. OTHER LOSS CONTINGENCY**

The Escambia County Property Appraiser has been involved in ongoing litigation with the Pensacola Beach Leaseholders and Residents Association regarding the appraisals on and taxability of the values of leasehold improvements and land on Pensacola Beach. During the litigation, some leaseholders have chosen to pay the assessed taxes, while others have chosen not to pay the assessed taxes pending the outcome.

The Florida Supreme Court ruled during the 2013-14 fiscal year that the leasehold improvements were taxable. The Property Appraiser was of the opinion that the land under lease is also addressed by the Court ruling but the leaseholders disagree. In March of 2016, the Florida 1<sup>st</sup> District Court of Appeals ruled that the land was not taxable in a specific case involving a

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condominium development. As a result, the Property Appraiser entered into settlement agreements with the Pensacola Beach leaseholders and the litigation was dismissed with prejudice.

The settlement agreements entered into between the Property Appraiser and the Pensacola Beach leaseholders requires the District to refund a portion of the property tax revenues previously collected. As of June 30, 2020, refunds totaled \$6,057,273, all of which were recorded in the 2018-19 fiscal year. There are currently no additional refund requests in process according to the Escambia County Tax Collector. Neither has there been any notification that future refund orders will be forthcoming. However, the District will maintain a budgeted reserve of approximately \$1.7 million through the upcoming 2020-21 fiscal year for potential beach tax refunds to leaseholders.

As of June 30, 2020, the District has received \$33,622,514 in taxes collected from residential leaseholders.

**20. 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.

# 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>2020</u>	<u>2019</u>	<u>2018</u>
<b>Total OPEB Liability</b>			
Service Cost	\$ 974,799	\$ 1,365,697	\$ 1,464,394
Interest Cost	477,719	577,365	442,761
Differences between Expected and Actual Experiences	829,638	(985,496)	128,911
Changes in Assumptions	244,445	(3,196,018)	(487,674)
Benefit Payments	<u>(1,793,597)</u>	<u>(526,793)</u>	<u>(1,184,877)</u>
<b>Net Change in Total OPEB Liability</b>	733,004	(2,765,245)	363,515
<b>Total OPEB Liability (Beginning)</b>	<u>12,257,643</u>	<u>15,022,888</u>	<u>14,659,373</u>
<b>Total OPEB Liability (Ending)</b>	<u><u>\$ 12,990,647</u></u>	<u><u>\$ 12,257,643</u></u>	<u><u>\$ 15,022,888</u></u>
<b>Covered-Employee Payroll at Measurement Period</b>	\$ 208,523,980	\$ 208,266,112	\$ 279,651,532
<b>Total OPEB Liability as a Percentage of Covered-Employee Payroll</b>	6.23%	5.89%	5.37%

GASB 75 was effective first for employer fiscal years beginning after June 15, 2017. Fiscal year ended 6/30/2020 values reflect the measurement period from July 1, 2018 to June 30, 2019.

\*GASB Statement No. 75 was implemented during the 2017-18 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.



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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Total OPEB Liability was \$12,990,647 at the June 30, 2019 measurement date.

**Actuarial Valuation:**

Cost Method - Entry Age Normal Cost Method

Method Changes - None

Assumption Changes:

- A change in the funding discount rate from 3.87 percent at June 30, 2019 to 3.51 percent at June 30, 2020.
- The mortality improvement projection scale was updated from MP-2018 to MP-2019.

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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the FRS net pension liability	0.447470245%	0.460707327%	0.474619344%	0.492777162%	0.522779113%
District's proportionate share of the FRS net pension liability	\$ 154,102,523	\$ 138,767,435	\$ 140,389,217	\$ 124,426,620	\$ 67,523,934
District's covered payroll	208,523,980	208,266,112	279,651,532	226,377,227	217,952,759
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	73.90%	66.63%	50.20%	54.96%	30.98%
FRS Plan fiduciary net position as percentage of total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%

	<u>2014</u>	<u>2013</u>
District's proportion of the FRS net pension liability	0.523517774%	0.510916965%
District's proportionate share of the FRS net pension liability	\$ 31,942,283	\$ 87,951,549
District's covered payroll	209,931,489	196,359,029
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	15.22%	44.79%
FRS Plan fiduciary net position as percentage of total pension liability	96.09%	88.54%

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

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

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required FRS contribution	\$ 14,549,031	\$ 13,874,806	\$ 13,129,789	\$ 12,355,510	\$ 12,017,157
FRS contributions in relation to the contractually required contribution	<u>(14,549,031)</u>	<u>(13,874,806)</u>	<u>(13,129,789)</u>	<u>(12,355,510)</u>	<u>(12,017,157)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>				
District's covered payroll	\$ 214,865,105	\$ 208,523,980	\$ 208,266,112	\$ 279,651,532	\$ 226,377,227
FRS contributions as a percentage of covered payroll	6.77%	6.65%	6.30%	4.42%	5.31%
	<u>2015</u>	<u>2014</u>			
Contractually required FRS contribution	\$ 12,745,799	\$ 11,467,261			
FRS contributions in relation to the contractually required contribution	<u>(12,745,799)</u>	<u>(11,467,261)</u>			
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>			
District's covered payroll	\$ 217,952,759	\$ 209,931,489			
FRS contributions as a percentage of covered payroll	5.85%	5.46%			

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

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, 2020.

Changes in Assumptions. The long-term expected rate of return, net of investment expense, decreased from 7.0 percent to 6.9 percent and the active member mortality assumption was updated. A decrease in discount rate results in an increase in pension liability.

**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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the HIS net pension liability (asset)	0.623355193%	0.637315645%	0.657317628%	0.677334098%	0.676027064%
District's proportionate share of the HIS net pension liability (asset)	\$ 69,747,208	\$ 67,454,203	\$ 70,283,433	\$ 78,940,483	\$ 68,944,126
District's covered payroll	208,523,980	208,266,112	279,651,532	226,377,227	217,952,759
District's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	33.45%	32.39%	25.13%	34.87%	31.63%
FRS HIS Plan fiduciary net position as percentage of total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%
	<u>2014</u>	<u>2013</u>			
District's proportion of the HIS net pension liability (asset)	0.665329064%	0.657194019%			
District's proportionate share of the HIS net pension liability (asset)	\$ 62,209,891	\$ 57,217,380			
District's covered payroll	209,931,489	196,359,029			
District's proportionate share of the HIS net pension liability (asset) as a percentage of its covered payroll	29.63%	29.14%			
FRS HIS Plan fiduciary net position as percentage of total pension liability	0.99%	1.78%			

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

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

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

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

\*GASB Statement No. 68 was implemented during the 2014-15 fiscal year. Therefore, data for a full 10-year presentation was not available. Additional years' information will be displayed as it becomes available.

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, 2020.

Changes in Assumptions. The municipal bond rate used to determine total pension liability decreased from 3.87 to 3.50 percent. A decrease in discount rate results in an increase in pension liability.



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**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.**

### **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.**

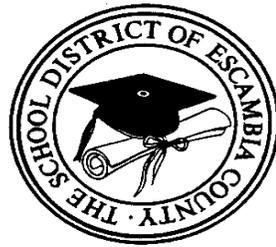
**Nonmajor Governmental Funds (Continued)**

**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:**

**Public Education Capital Outlay Fund – To account for and report on funds received from the State for the construction and maintenance of schools.**

**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.**



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**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020**

	<b>Total Nonmajor Governmental Funds</b>	<b>Special Revenue Fund</b>		<b>Debt Service Funds</b>		
		<b>Total Nonmajor Special Revenue Fund</b>	<b>Food Service Fund</b>	<b>Total Nonmajor Debt Service Funds</b>	<b>State Board of Education (SBE) Bond Fund</b>	<b>Other Debt Service Fund</b>
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 19,598,980	\$ 4,524,334	\$ 4,524,334	\$ 9,738,759	\$ -	\$ 9,738,759
Investments	25,990	-	-	25,990	25,990	-
Accounts Receivable	2,231	2,231	2,231	-	-	-
Due from Other Funds	12,905	12,905	12,905	-	-	-
Due from Other Agencies	410,558	10,828	10,828	-	-	-
Inventories	2,600,452	2,600,452	2,600,452	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 22,651,116</b>	<b>\$ 7,150,750</b>	<b>\$ 7,150,750</b>	<b>\$ 9,764,749</b>	<b>\$ 25,990</b>	<b>\$ 9,738,759</b>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Salaries and Benefits Payable	\$ 7,707	\$ 7,707	\$ 7,707	\$ -	\$ -	\$ -
Payroll Deductions and Withholdings	3,451	3,451	3,451	-	-	-
Accounts Payable	262,191	54,945	54,945	-	-	-
Due to Other Funds	54,659	12,905	12,905	-	-	-
Deposits Payable	175,022	175,022	175,022	-	-	-
<b>Total Liabilities</b>	<b>503,030</b>	<b>254,030</b>	<b>254,030</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>						
Nonspendable:						
Inventories	2,600,452	2,600,452	2,600,452	-	-	-
Restricted for:						
Debt Service	9,764,749	-	-	9,764,749	25,990	9,738,759
Capital Projects	5,486,617	-	-	-	-	-
Food Service	4,296,268	4,296,268	4,296,268	-	-	-
<b>Total Fund Balances</b>	<b>22,148,086</b>	<b>6,896,720</b>	<b>6,896,720</b>	<b>9,764,749</b>	<b>25,990</b>	<b>9,738,759</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 22,651,116</b>	<b>\$ 7,150,750</b>	<b>\$ 7,150,750</b>	<b>\$ 9,764,749</b>	<b>\$ 25,990</b>	<b>\$ 9,738,759</b>

(Continued)

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS (Continued)**  
**JUNE 30, 2020**

	<b>Capital Projects Funds</b>		
	<b>Total Nonmajor Capital Projects Funds</b>	<b>Public Education Capital Outlay Fund</b>	<b>Capital Outlay &amp; Debt Service Fund</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 5,335,887	\$ -	\$ 5,335,887
Due from Other Agencies	399,730	396,619	3,111
	<b>TOTAL ASSETS</b>	<b>\$ 396,619</b>	<b>\$ 5,338,998</b>
	<b>\$ 5,735,617</b>	<b>\$ 396,619</b>	<b>\$ 5,338,998</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	\$ 207,246	\$ 2,167	\$ 205,079
Due to Other Funds	41,754	41,754	-
	<b>Total Liabilities</b>	<b>43,921</b>	<b>205,079</b>
	<b>249,000</b>	<b>43,921</b>	<b>205,079</b>
<b>Fund Balances:</b>			
Restricted for:			
Capital Projects	5,486,617	352,698	5,133,919
	<b>Total Fund Balances</b>	<b>352,698</b>	<b>5,133,919</b>
	<b>5,486,617</b>	<b>352,698</b>	<b>5,133,919</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,735,617</b>	<b>\$ 396,619</b>	<b>\$ 5,338,998</b>

**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, 2020**

	<b>Total Nonmajor Governmental Funds</b>	<b>Special Revenue Fund</b>		<b>Debt Service Funds</b>		
		<b>Total Nonmajor Special Revenue Fund</b>	<b>Food Service Fund</b>	<b>Total Nonmajor Debt Service Funds</b>	<b>State Board of Education (SBE) Bond Fund</b>	<b>Other Debt Service Fund</b>
<b>REVENUES</b>						
Federal Through State and Local:						
Food Service	\$ 16,767,551	\$ 16,767,551	\$ 16,767,551	\$ -	\$ -	\$ -
<b>Total Federal Through State and Local</b>	<u>16,767,551</u>	<u>16,767,551</u>	<u>16,767,551</u>	<u>-</u>	<u>-</u>	<u>-</u>
State:						
Food Service	368,790	368,790	368,790	-	-	-
CO&DS Withheld for SBE/COBI Bond	213,146	-	-	213,146	213,146	-
CO&DS Distribution	1,377,113	-	-	-	-	-
Other State Sources	47,656	-	-	297	297	-
<b>Total State</b>	<u>2,006,705</u>	<u>368,790</u>	<u>368,790</u>	<u>213,443</u>	<u>213,443</u>	<u>-</u>
Local:						
Charges for Food Service	1,622,986	1,622,986	1,622,986	-	-	-
Interest Income	19,314	19,314	19,314	-	-	-
Other Local Sources	18,519	18,519	18,519	-	-	-
<b>Total Local</b>	<u>1,660,819</u>	<u>1,660,819</u>	<u>1,660,819</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<u>20,435,075</u>	<u>18,797,160</u>	<u>18,797,160</u>	<u>213,443</u>	<u>213,443</u>	<u>-</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, 2020**

	<u>Special Revenue Fund</u>			<u>Debt Service Funds</u>		
	<u>Total Nonmajor Governmental Funds</u>	<u>Total Nonmajor Special Revenue Fund</u>	<u>Food Service Fund</u>	<u>Total Nonmajor Debt Service Funds</u>	<u>State Board of Education (SBE) Bond Fund</u>	<u>Other Debt Service Fund</u>
<b>EXPENDITURES</b>						
Current Education:						
Facilities Acquisition and Construction	\$ 1,801,657	\$ -	\$ -	\$ -	\$ -	\$ -
Food Services	19,340,972	19,340,972	19,340,972	-	-	-
Capital Outlay:						
Other Capital Outlay	266,675	266,675	266,675	-	-	-
Debt Service:						
Principal	8,373,000	-	-	8,373,000	158,000	8,215,000
Interest and Fiscal Charges	2,473,855	-	-	2,472,186	60,186	2,412,000
Other Debt Service	150,234	-	-	150,234	150,234	-
<b>Total Expenditures</b>	<u>32,406,393</u>	<u>19,607,647</u>	<u>19,607,647</u>	<u>10,995,420</u>	<u>368,420</u>	<u>10,627,000</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(11,971,318)</u>	<u>(810,487)</u>	<u>(810,487)</u>	<u>(10,781,977)</u>	<u>(154,977)</u>	<u>(10,627,000)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Refunding Bonds Issued	126,000	-	-	126,000	126,000	-
Premium on Refunding Bonds	24,818	-	-	24,818	24,818	-
Transfers In	10,387,375	-	-	10,387,375	-	10,387,375
<b>Total Other Financing Sources (Uses)</b>	<u>10,538,193</u>	<u>-</u>	<u>-</u>	<u>10,538,193</u>	<u>150,818</u>	<u>10,387,375</u>
<b>Net Change in Fund Balances</b>	(1,433,125)	(810,487)	(810,487)	(243,784)	(4,159)	(239,625)
Fund Balances, July 1, 2019	23,581,211	7,707,207	7,707,207	10,008,533	30,149	9,978,384
<b>Fund Balances, June 30, 2020</b>	<u>\$ 22,148,086</u>	<u>\$ 6,896,720</u>	<u>\$ 6,896,720</u>	<u>\$ 9,764,749</u>	<u>\$ 25,990</u>	<u>\$ 9,738,759</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, 2020**

	<b>Capital Projects Funds</b>		
	<b>Total Nonmajor Capital Projects Funds</b>	<b>Public Education Capital Outlay Fund</b>	<b>Capital Outlay &amp; Debt Service Fund</b>
<b>REVENUES</b>			
State:			
CO&DS Distribution	\$ 1,377,113	\$ -	\$ 1,377,113
Other State Sources	47,359	-	47,359
<b>Total State</b>	1,424,472	-	1,424,472
<b>Total Revenues</b>	\$ 1,424,472	\$ -	\$ 1,424,472

(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, 2020**

	<b>Capital Projects Funds</b>		
	<b>Total Nonmajor Capital Projects Funds</b>	<b>Public Education Capital Outlay Fund</b>	<b>Capital Outlay &amp; Debt Service Fund</b>
<b>EXPENDITURES</b>			
Current Education:			
Facilities Acquisition and Construction	\$ 1,801,657	\$ 497,583	\$ 1,304,074
Debt Service:			
Interest and Fiscal Charges	1,669	-	1,669
<b>Total Expenditures</b>	<b>1,803,326</b>	<b>497,583</b>	<b>1,305,743</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(378,854)</b>	<b>(497,583)</b>	<b>118,729</b>
<b>Net Change in Fund Balances</b>	<b>(378,854)</b>	<b>(497,583)</b>	<b>118,729</b>
Fund Balances, July 1, 2019	5,865,471	850,281	5,015,190
<b>Fund Balances, June 30, 2020</b>	<b>\$ 5,486,617</b>	<b>\$ 352,698</b>	<b>\$ 5,133,919</b>

## **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, 2020**

	<i>General Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Federal Direct:				
Federal Impact, Current Operations	\$ 500,000	\$ 500,000	\$ 416,889	\$ (83,111)
Reserve Officers Training Corps (ROTC)	450,000	499,663	506,165	6,502
Other Federal Direct Sources	-	-	56	56
Total Federal Direct	<u>950,000</u>	<u>999,663</u>	<u>923,110</u>	<u>(76,553)</u>
Federal Through State and Local:				
Medicaid	1,200,000	1,657,890	1,595,656	(62,234)
Other Federal Through State and Local Sources	<u>1,136,174</u>	<u>1,514,401</u>	<u>2,314,561</u>	<u>800,160</u>
Total Federal Through State and Local	<u>2,336,174</u>	<u>3,172,291</u>	<u>3,910,217</u>	<u>737,926</u>
State:				
Florida Education Finance Program (FEFP)	162,863,669	158,121,503	158,121,503	-
Workforce Development	3,830,626	3,794,637	3,794,637	-
Workforce Education Performance Incentive	135,000	258,000	258,000	-
CO & DS Withheld for Administrative Expense	24,217	24,217	24,217	-
Discretionary Lottery Funds	132,336	39,797	39,797	-
Categorical Programs - Class Size Reduction	42,274,952	42,475,573	42,475,573	-
Other State Sources	<u>3,644,825</u>	<u>4,291,436</u>	<u>3,979,048</u>	<u>(312,388)</u>
Total State	<u>212,905,625</u>	<u>209,005,163</u>	<u>208,692,775</u>	<u>(312,388)</u>
Local:				
Property Taxes	92,173,545	93,739,773	93,739,773	-
Interest Income	750,000	750,000	542,327	(207,673)
Other Local Sources	<u>4,141,105</u>	<u>4,341,385</u>	<u>4,947,483</u>	<u>606,098</u>
Total Local	<u>97,064,650</u>	<u>98,831,158</u>	<u>99,229,583</u>	<u>398,425</u>
<b>Total Revenues</b>	<u>313,256,449</u>	<u>312,008,275</u>	<u>312,755,685</u>	<u>747,410</u>
<b>EXPENDITURES</b>				
Current - Education:				
Instruction:				
Salaries	131,711,388	131,192,461	131,274,352	(81,891)
Employee Benefits	38,399,587	38,514,103	37,733,335	780,768
Purchased Services	14,014,092	14,974,710	14,650,900	323,810
Energy Services	12,507	8,876	2,338	6,538
Materials and Supplies	6,308,089	8,704,426	5,313,470	3,390,956
Capital Outlay	962,264	1,822,286	777,317	1,044,969
Other Expenses	<u>4,795,786</u>	<u>6,235,719</u>	<u>4,445,140</u>	<u>1,790,579</u>
Total Instruction	<u>196,203,713</u>	<u>201,452,581</u>	<u>194,196,852</u>	<u>7,255,729</u>

(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, 2020**

	<b>General Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current - Education: (Continued)				
Student Support Services:				
Salaries	\$ 11,142,404	\$ 11,160,435	\$ 11,116,853	\$ 43,582
Employee Benefits	3,495,673	3,364,290	3,352,948	11,342
Purchased Services	2,335,983	2,409,597	2,402,809	6,788
Energy Services	2,850	2,850	2,020	830
Materials and Supplies	231,665	230,169	77,021	153,148
Capital Outlay	8,052	19,024	10,007	9,017
Other Expenses	31,685	52,969	27,221	25,748
<b>Total Student Support Services</b>	<b>17,248,312</b>	<b>17,239,334</b>	<b>16,988,879</b>	<b>250,455</b>
Instructional Media Services:				
Salaries	3,131,110	3,374,080	3,359,501	14,579
Employee Benefits	1,020,181	1,024,627	988,335	36,292
Purchased Services	48,554	46,893	40,173	6,720
Materials and Supplies	42,434	49,893	20,736	29,157
Capital Outlay	455,818	466,600	138,653	327,947
Other Expenses	58,480	57,769	33,407	24,362
<b>Total Instructional Media Services</b>	<b>4,756,577</b>	<b>5,019,862</b>	<b>4,580,805</b>	<b>439,057</b>
Instruction and Curriculum Development Services:				
Salaries	5,641,335	6,270,513	5,803,439	467,074
Employee Benefits	1,452,750	1,525,647	1,516,899	8,748
Purchased Services	100,990	103,392	85,255	18,137
Materials and Supplies	65,533	75,169	23,559	51,610
Capital Outlay	30,000	1,216	6,410	(5,194)
Other Expenses	41,080	51,761	17,683	34,078
<b>Total Instruction and Curriculum Development Services</b>	<b>7,331,688</b>	<b>8,027,698</b>	<b>7,453,245</b>	<b>574,453</b>
Instructional Staff Training Services:				
Salaries	1,995,664	2,356,529	2,207,883	148,646
Employee Benefits	587,255	623,555	534,644	88,911
Purchased Services	1,151,425	1,466,917	1,446,117	20,800
Materials and Supplies	71,135	125,209	80,731	44,478
Capital Outlay	600	3,677	3,331	346
Other Expenses	155,902	189,015	71,976	117,039
<b>Total Instructional Staff Training Services</b>	<b>3,961,981</b>	<b>4,764,902</b>	<b>4,344,682</b>	<b>420,220</b>
Instruction-Related Technology:				
Salaries	1,850,700	2,008,508	2,002,837	5,671
Employee Benefits	553,028	565,438	563,732	1,706
Purchased Services	507,285	507,285	482,971	24,314
Materials and Supplies	13,169	10,476	307	10,169
Capital Outlay	126,500	27,189	8,748	18,441
Other Expenses	6,984	20,068	19,554	514
<b>Total Instruction-Related Technology</b>	<b>3,057,666</b>	<b>3,138,964</b>	<b>3,078,149</b>	<b>60,815</b>

(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, 2020**

	<b>General Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current - Education: (Continued)				
Board:				
Salaries	\$ 711,391	\$ 764,791	\$ 710,505	\$ 54,286
Employee Benefits	294,287	286,287	263,173	23,114
Purchased Services	423,845	432,647	195,698	236,949
Energy Services	600	21	21	-
Materials and Supplies	13,080	9,803	1,726	8,077
Capital Outlay	-	1,895	1,873	22
Other Expenses	260,074	52,056	42,975	9,081
<b>Total Board of Education</b>	<b>1,703,277</b>	<b>1,547,500</b>	<b>1,215,971</b>	<b>331,529</b>
General Administration:				
Salaries	580,347	598,347	597,195	1,152
Employee Benefits	147,019	147,019	145,701	1,318
Purchased Services	74,802	75,334	56,099	19,235
Materials and Supplies	19,000	17,675	7,220	10,455
Capital Outlay	600	1,393	793	600
Other Expenses	71,700	71,700	60,715	10,985
<b>Total General Administration</b>	<b>893,468</b>	<b>911,468</b>	<b>867,723</b>	<b>43,745</b>
School Administration:				
Salaries	11,942,838	13,591,365	13,565,251	26,114
Employee Benefits	3,825,901	4,091,156	3,878,189	212,967
Purchased Services	4,970	5,128	3,634	1,494
Materials and Supplies	72,107	129,116	59,205	69,911
Capital Outlay	8,178	24,543	23,505	1,038
Other Expenses	41,350	45,897	4,960	40,937
<b>Total School Administration</b>	<b>15,895,344</b>	<b>17,887,205</b>	<b>17,534,744</b>	<b>352,461</b>
Facilities Acquisition and Construction:				
Salaries	1,600,810	627,810	333,122	294,688
Employee Benefits	630,297	570,297	70,293	500,004
Purchased Services	230,987	231,189	148,915	82,274
Energy Services	20,750	16,150	16,033	117
Materials and Supplies	21,157	26,139	15,581	10,558
Capital Outlay	82,627	278,532	282,607	(4,075)
Other Expenses	5,650	3,033	1,602	1,431
<b>Total Facilities Acquisition and Construction</b>	<b>2,592,278</b>	<b>1,753,150</b>	<b>868,153</b>	<b>884,997</b>
Fiscal Services:				
Salaries	1,673,512	1,772,612	1,762,760	9,852
Employee Benefits	534,708	544,708	537,767	6,941
Purchased Services	421,105	418,615	94,592	324,023
Materials and Supplies	37,873	26,583	7,791	18,792
Capital Outlay	15,000	15,251	453	14,798
Other Expenses	14,425	17,374	15,666	1,708
<b>Total Fiscal Services</b>	<b>2,696,623</b>	<b>2,795,143</b>	<b>2,419,029</b>	<b>376,114</b>

(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, 2020**

	<b>General Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current - Education: (Continued)				
Food Services:				
Salaries	\$ 59,000	\$ 150,698	\$ 150,116	\$ 582
Employee Benefits	1,051	6,638	6,114	524
Materials and Supplies	10,000	10,011	1,109	8,902
Other Expenses	-	2,275	2,275	-
<b>Total Food Services</b>	<b>70,051</b>	<b>169,622</b>	<b>159,614</b>	<b>10,008</b>
Central Services:				
Salaries	4,801,595	4,484,741	4,462,169	22,572
Employee Benefits	1,059,798	1,061,271	981,180	80,091
Purchased Services	1,597,357	1,613,724	642,756	970,968
Energy Services	29,106	17,339	16,129	1,210
Materials and Supplies	234,586	235,405	172,477	62,928
Capital Outlay	4,407	13,904	10,537	3,367
Other Expenses	252,860	266,158	147,657	118,501
<b>Total Central Services</b>	<b>7,979,709</b>	<b>7,692,542</b>	<b>6,432,905</b>	<b>1,259,637</b>
Student Transportation Services:				
Salaries	8,382,418	8,450,708	8,262,787	187,921
Employee Benefits	3,011,085	3,211,653	3,203,439	8,214
Purchased Services	988,779	1,089,295	691,376	397,919
Energy Services	1,493,526	1,371,133	1,043,632	327,501
Materials and Supplies	1,317,085	1,347,527	807,211	540,316
Capital Outlay	18,265	18,371	2,987	15,384
Other Expenses	1,472,597	1,193,162	789,746	403,416
<b>Total Student Transportation Services</b>	<b>16,683,755</b>	<b>16,681,849</b>	<b>14,801,178</b>	<b>1,880,671</b>
Operation of Plant:				
Salaries	6,596,798	7,084,538	7,040,447	44,091
Employee Benefits	2,647,592	2,692,397	2,682,723	9,674
Purchased Services	6,391,931	7,606,525	7,083,944	522,581
Energy Services	9,845,405	8,904,629	8,403,649	500,980
Materials and Supplies	816,714	808,665	725,229	83,436
Capital Outlay	45,765	83,419	82,279	1,140
Other Expenses	389,400	680,985	635,797	45,188
<b>Total Operation of Plant</b>	<b>26,733,605</b>	<b>27,861,158</b>	<b>26,654,068</b>	<b>1,207,090</b>
Maintenance of Plant:				
Salaries	4,505,841	4,719,441	4,714,657	4,784
Employee Benefits	1,970,765	1,740,765	1,686,170	54,595
Purchased Services	2,735,061	2,790,430	2,790,350	80
Energy Services	194,975	194,960	189,035	5,925
Materials and Supplies	1,898,425	1,721,399	1,684,995	36,404
Capital Outlay	53,000	293,264	117,231	176,033
Other Expenses	35,000	35,190	1,840	33,350
<b>Total Maintenance of Plant</b>	<b>11,393,067</b>	<b>11,495,449</b>	<b>11,184,278</b>	<b>311,171</b>

(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, 2020**

	<b>General Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current - Education: (Continued)				
Administrative Technology Services:				
Salaries	\$ 2,505,643	\$ 2,625,738	\$ 2,613,810	\$ 11,928
Employee Benefits	749,476	762,137	711,827	50,310
Purchased Services	5,900	246,900	245,517	1,383
Energy Services	3,000	3,000	2,151	849
Materials and Supplies	64,531	64,531	10,116	54,415
Capital Outlay	1,369	10,369	7,058	3,311
Other Expenses	1,000	7,400	6,313	1,087
<b>Total Administrative Technology Services</b>	<b>3,330,919</b>	<b>3,720,075</b>	<b>3,596,792</b>	<b>123,283</b>
Community Services:				
Salaries	135,820	247,714	211,080	36,634
Employee Benefits	78,451	146,019	94,591	51,428
Purchased Services	11,040	8,662	6,371	2,291
Materials and Supplies	289,379	209,438	34,633	174,805
Capital Outlay	4,500	12,625	9,958	2,667
Other Expenses	733,156	617,961	425,774	192,187
<b>Total Community Services</b>	<b>1,252,346</b>	<b>1,242,419</b>	<b>782,407</b>	<b>460,012</b>
Capital Outlay:				
Facilities Acquisition and Construction	249,765	332,844	324,697	8,147
Other Capital Outlay	1,043,473	1,356,590	859,058	497,532
<b>Total Capital Outlay</b>	<b>1,293,238</b>	<b>1,689,434</b>	<b>1,183,755</b>	<b>505,679</b>
<b>Total Expenditures</b>	<b>325,077,617</b>	<b>335,090,355</b>	<b>318,343,229</b>	<b>16,747,126</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(11,821,168)</b>	<b>(23,082,080)</b>	<b>(5,587,544)</b>	<b>17,494,536</b>
<b>Other Financing Sources</b>				
Transfers In	8,238,196	8,190,836	7,302,152	(888,684)
<b>Total Other Financing Sources</b>	<b>8,238,196</b>	<b>8,190,836</b>	<b>7,302,152</b>	<b>(888,684)</b>
<b>Net Change in Fund Balances</b>	<b>(3,582,972)</b>	<b>(14,891,244)</b>	<b>1,714,608</b>	<b>16,605,852</b>
Fund Balances, July 1, 2019	44,115,278	44,115,278	44,115,278	-
<b>Fund Balances, June 30, 2020</b>	<b>\$ 40,532,306</b>	<b>\$ 29,224,034</b>	<b>\$ 45,829,886</b>	<b>\$ 16,605,852</b>

## **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.**

### **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.**

**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, 2020**

	<i>Food Service Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Federal Through State and Local:				
Food Service	\$ 19,443,453	\$ 19,926,544	\$ 16,767,551	\$ (3,158,993)
Total Federal Through State and Local	<u>19,443,453</u>	<u>19,926,544</u>	<u>16,767,551</u>	<u>(3,158,993)</u>
State:				
Food Service	280,700	368,790	368,790	-
Total State	<u>280,700</u>	<u>368,790</u>	<u>368,790</u>	<u>-</u>
Local:				
Charges for Food Service	2,205,000	1,622,986	1,622,986	-
Interest Income	17,000	19,314	19,314	-
Other Local Sources	10,000	18,519	18,519	-
Total Local	<u>2,232,000</u>	<u>1,660,819</u>	<u>1,660,819</u>	<u>-</u>
<b>Total Revenues</b>	<u>21,956,153</u>	<u>21,956,153</u>	<u>18,797,160</u>	<u>(3,158,993)</u>
<b>EXPENDITURES</b>				
Current - Education:				
Food Services:				
Salaries	5,153,450	5,307,334	5,254,521	52,813
Employee Benefits	2,716,700	2,562,816	2,337,561	225,255
Purchased Services	746,423	746,423	657,812	88,611
Energy Services	283,775	283,775	188,923	94,852
Materials and Supplies	11,354,478	11,354,478	9,730,362	1,624,116
Capital Outlay	163,116	163,116	148,282	14,834
Other Expenses	1,387,569	1,387,569	1,023,511	364,058
Total Food Services	<u>21,805,511</u>	<u>21,805,511</u>	<u>19,340,972</u>	<u>2,464,539</u>
Capital Outlay:				
Other Capital Outlay	438,636	438,636	266,675	171,961
Total Capital Outlay	<u>438,636</u>	<u>438,636</u>	<u>266,675</u>	<u>171,961</u>
<b>Total Expenditures</b>	<u>22,244,147</u>	<u>22,244,147</u>	<u>19,607,647</u>	<u>2,636,500</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(287,994)</u>	<u>(287,994)</u>	<u>(810,487)</u>	<u>(522,493)</u>
<b>Net Change in Fund Balances</b>	<u>(287,994)</u>	<u>(287,994)</u>	<u>(810,487)</u>	<u>(522,493)</u>
Fund Balances, July 1, 2019	<u>7,707,207</u>	<u>7,707,207</u>	<u>7,707,207</u>	<u>-</u>
<b>Fund Balances, June 30, 2020</b>	<u>\$ 7,419,213</u>	<u>\$ 7,419,213</u>	<u>\$ 6,896,720</u>	<u>\$ (522,493)</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, 2020**

	<u>Other Federal Programs Fund</u>			<b>Variance with Final Budget - Positive (Negative)</b>
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Federal Direct:				
Other Federal Direct Sources	\$ 2,626,994	\$ 2,571,915	\$ 2,189,968	\$ (381,947)
Total Federal Direct	2,626,994	2,571,915	2,189,968	(381,947)
Federal Through State and Local:				
Career and Technical Education	704,112	758,478	571,425	(187,053)
WIOA - Adult General Education	189,856	189,856	113,350	(76,506)
Other Workforce and Innovation Opportunity Act	315,000	231,858	231,858	-
Individuals with Disabilities Education Act	13,187,620	14,735,675	11,610,677	(3,124,998)
Elementary and Secondary Education Act - Title I	19,468,421	19,545,232	16,705,196	(2,840,036)
Other Federal Through State and Local Sources	3,482,908	3,655,825	2,294,020	(1,361,805)
Total Federal Through State and Local	37,347,917	39,116,924	31,526,526	(7,590,398)
<b>Total Revenues</b>	<b>39,974,911</b>	<b>41,688,839</b>	<b>33,716,494</b>	<b>(7,972,345)</b>
<b>EXPENDITURES</b>				
Current - Education:				
Instruction:				
Salaries	5,554,665	7,502,441	6,115,732	1,386,709
Employee Benefits	2,547,566	2,741,549	2,070,385	671,164
Purchased Services	2,928,933	2,821,622	2,024,601	797,021
Materials and Supplies	1,856,864	2,454,799	1,968,933	485,866
Capital Outlay	770,185	1,145,206	925,764	219,442
Other Expenses	1,456,818	1,169,232	903,986	265,246
Total Instruction	15,115,031	17,834,849	14,009,401	3,825,448
Student Support Services:				
Salaries	703,765	619,667	592,223	27,444
Employee Benefits	231,758	201,846	189,974	11,872
Purchased Services	558,775	555,724	345,468	210,256
Materials and Supplies	256,374	315,153	257,839	57,314
Capital Outlay	10,824	10,875	8,422	2,453
Other Expenses	101,065	88,472	58,794	29,678
Total Student Support Services	1,862,561	1,791,737	1,452,720	339,017
Instructional Media Services:				
Salaries	13,264	12,801	12,006	795
Employee Benefits	7,140	6,627	4,015	2,612
Materials and Supplies	3,915	4,149	2,371	1,778
Capital Outlay	23,872	22,542	20,231	2,311
Total Instructional Media Services	48,191	46,119	38,623	7,496

(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, 2020**

	<i>Other Federal Programs Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>EXPENDITURES</b>				
Current - Education: (Continued)				
Instruction and Curriculum Development Services:				
Salaries	\$ 5,986,231	\$ 5,928,636	\$ 5,527,995	\$ 400,641
Employee Benefits	1,731,422	1,830,442	1,596,974	233,468
Purchased Services	163,712	269,664	82,651	187,013
Materials and Supplies	404,349	113,784	42,947	70,837
Capital Outlay	82,495	84,853	82,000	2,853
Other Expenses	83,764	66,995	32,273	34,722
<b>Total Instruction and Curriculum Development Services</b>	<b>8,451,973</b>	<b>8,294,374</b>	<b>7,364,840</b>	<b>929,534</b>
Instructional Staff Training Services:				
Salaries	2,542,086	2,419,358	1,864,243	555,115
Employee Benefits	722,915	693,602	547,943	145,659
Purchased Services	2,445,928	1,624,694	904,155	720,539
Energy Services	500	1,000	-	1,000
Materials and Supplies	398,637	501,324	281,195	220,129
Capital Outlay	17,803	34,895	10,700	24,195
Other Expenses	180,491	150,180	53,771	96,409
<b>Total Instructional Staff Training Services</b>	<b>6,308,360</b>	<b>5,425,053</b>	<b>3,662,007</b>	<b>1,763,046</b>
Instruction-Related Technology:				
Salaries	1,002,800	1,033,059	946,490	86,569
Employee Benefits	345,333	351,455	324,511	26,944
Purchased Services	104,900	99,500	905	98,595
Materials and Supplies	19,500	9,290	2,286	7,004
Capital Outlay	3,450	1,396	-	1,396
Other Expenses	34,787	6,432	6,112	320
<b>Total Instruction-Related Technology</b>	<b>1,510,770</b>	<b>1,501,132</b>	<b>1,280,304</b>	<b>220,828</b>
General Administration:				
Other Expenses	1,820,583	1,830,804	1,414,765	416,039
<b>Total General Administration</b>	<b>1,820,583</b>	<b>1,830,804</b>	<b>1,414,765</b>	<b>416,039</b>
School Administration:				
Salaries	693	38	38	-
Employee Benefits	127	7	7	-
Purchased Services	5,500	-	-	-
Other Expenses	-	15,800	15,730	70
<b>Total School Administration</b>	<b>6,320</b>	<b>15,845</b>	<b>15,775</b>	<b>70</b>
Facilities Acquisition and Construction:				
Other Capital Outlay	2,000	5,948	5,948	-
<b>Total Facilities Acquisition and Construction</b>	<b>2,000</b>	<b>5,948</b>	<b>5,948</b>	<b>-</b>
Food Services:				
Salaries	-	52,813	52,813	-
Employee Benefits	-	4,563	4,563	-
Materials and Supplies	-	4,543	4,543	-
Other Expenses	-	1,566	1,566	-
<b>Total Food Services</b>	<b>-</b>	<b>63,485</b>	<b>63,485</b>	<b>-</b>
Central Services:				
Salaries	123,366	128,185	114,958	13,227
Employee Benefits	21,693	40,489	29,160	11,329
Purchased Services	71,826	44,570	22,618	21,952
Materials and Supplies	1,608	1,608	-	1,608
Other Expenses	8,600	700	73	627
<b>Total Central Services</b>	<b>227,093</b>	<b>215,552</b>	<b>166,809</b>	<b>48,743</b>

(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, 2020**

	<i>Other Federal Programs Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>EXPENDITURES</b>				
Current - Education: (Continued)				
Student Transportation Services:				
Salaries	\$ 1,716,610	\$ 1,846,610	\$ 1,844,653	\$ 1,957
Employees Benefits	928,401	821,401	758,043	63,358
Purchased Services	28,112	230,188	215,478	14,710
Energy Services	2,000	-	-	-
Other Expenses	614,175	388,870	189,330	199,540
<b>Total Student Transportation Services</b>	<b>3,289,298</b>	<b>3,287,069</b>	<b>3,007,504</b>	<b>279,565</b>
Operation of Plant:				
Salaries	200	5,554	5,354	200
Employee Benefits	36	891	855	36
Purchased Services	11,550	9,067	5,424	3,643
Materials and Supplies	-	36,879	36,879	-
Capital Outlay	-	14,538	14,538	-
Other Expenses	6,060	6,060	-	6,060
<b>Total Operation of Plant</b>	<b>17,846</b>	<b>72,989</b>	<b>63,050</b>	<b>9,939</b>
Administrative Technology Services:				
Salaries	61,997	65,090	64,854	236
Employee Benefits	20,647	22,339	20,710	1,629
<b>Total Administrative Technology Services</b>	<b>82,644</b>	<b>87,429</b>	<b>85,564</b>	<b>1,865</b>
Community Services:				
Employee Benefits	2,173	483	483	-
Purchased Services	6,327	3,304	3,304	-
Materials and Supplies	800	5,043	5,043	-
Other Expenses	1,020,943	883,846	883,259	587
<b>Total Community Services</b>	<b>1,030,243</b>	<b>892,676</b>	<b>892,089</b>	<b>587</b>
Capital Outlay:				
Other Capital Outlay	201,998	323,778	193,610	130,168
<b>Total Capital Outlay</b>	<b>201,998</b>	<b>323,778</b>	<b>193,610</b>	<b>130,168</b>
<b>Total Expenditures</b>	<b>39,974,911</b>	<b>41,688,839</b>	<b>33,716,494</b>	<b>7,972,345</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances, July 1, 2019	-	-	-	-
<b>Fund Balances, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## **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, 2020**

	<i>State Board of Education (SBE) Bond Fund</i>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
State:				
CO&DS Withheld for SBE/COBI Bonds	\$ 217,355	\$ 213,146	\$ 213,146	\$ -
Other State Sources	-	297	297	-
<b>Total State</b>	<u>217,355</u>	<u>213,443</u>	<u>213,443</u>	<u>-</u>
<b>Total Revenues</b>	<u>217,355</u>	<u>213,443</u>	<u>213,443</u>	<u>-</u>
<b>EXPENDITURES</b>				
Debt Service:				
Principal	158,000	158,000	158,000	-
Interest and Fiscal Charges	59,355	60,186	60,186	-
Other Debt Service	-	150,234	150,234	-
<b>Total Expenditures</b>	<u>217,355</u>	<u>368,420</u>	<u>368,420</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>(154,977)</u>	<u>(154,977)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Refunded Bonds Issued	-	126,000	126,000	-
Premium on Refunded Bonds	-	24,818	24,818	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>150,818</u>	<u>150,818</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>(4,159)</u>	<u>(4,159)</u>	<u>-</u>
Fund Balances, July 1, 2019	<u>30,149</u>	<u>30,149</u>	<u>30,149</u>	<u>-</u>
<b>Fund Balances, June 30, 2020</b>	<u><u>\$ 30,149</u></u>	<u><u>\$ 25,990</u></u>	<u><u>\$ 25,990</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**  
**DEBT SERVICE FUND - OTHER DEBT SERVICE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<i>Other Debt Service Fund</i>			<i>Variance with Final Budget - Positive (Negative)</i>
	<i>Budgeted Amounts</i>		<i>Actual Amounts</i>	
	<i>Original</i>	<i>Final</i>		
<b>REVENUES</b>				
Local:				
Interest Income	\$ -	\$ -	\$ -	\$ -
Total Local	-	-	-	-
<b>Total Revenues</b>	-	-	-	-
<b>EXPENDITURES</b>				
Debt Service:				
Principal	8,215,000	8,215,000	8,215,000	-
Interest and Fiscal Charges	2,417,500	2,412,000	2,412,000	-
<b>Total Expenditures</b>	10,632,500	10,627,000	10,627,000	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(10,632,500)	(10,627,000)	(10,627,000)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	10,617,500	10,387,375	10,387,375	-
<b>Total Other Financing Sources (Uses)</b>	10,617,500	10,387,375	10,387,375	-
<b>Net Change in Fund Balances</b>	(15,000)	(239,625)	(239,625)	-
Fund Balances, July 1, 2019	9,978,384	9,978,384	9,978,384	-
<b>Fund Balances, June 30, 2020</b>	<u>\$ 9,963,384</u>	<u>\$ 9,738,759</u>	<u>\$ 9,738,759</u>	<u>\$ -</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**

**Public Education Capital Outlay Fund – To account for and report on funds received from the State for the construction and maintenance of schools.**

**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.**

### **Major Capital Projects Funds**

**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.**

**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.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL  
CAPITAL PROJECTS FUND - PUBLIC EDUCATION CAPITAL OUTLAY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Public Education Capital Outlay Fund</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
State:				
Public Education Capital Outlay	\$ -	\$ -	\$ -	\$ -
Total State	-	-	-	-
<b>Total Revenues</b>	-	-	-	-
<b>EXPENDITURES</b>				
Current - Education:				
Facilities Acquisition and Construction:				
Remodeling and Renovations	735,281	735,281	497,583	237,698
Total Facilities Acquisition and Construction	735,281	735,281	497,583	237,698
Capital Outlay:				
Facilities Acquisition and Construction:				
Improvements Other Than Buildings	115,000	115,000	-	115,000
Total Facilities Acquisition and Construction	115,000	115,000	-	115,000
<b>Total Expenditures</b>	850,281	850,281	497,583	352,698
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(850,281)	(850,281)	(497,583)	352,698
<b>Net Change in Fund Balances</b>	(850,281)	(850,281)	(497,583)	352,698
Fund Balances, July 1, 2019	850,281	850,281	850,281	-
<b>Fund Balances, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 352,698</b>	<b>\$ 352,698</b>

**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, 2020**

	<b>Capital Outlay &amp; Debt Service Fund</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
State:				
CO&DS Distribution	\$ 1,384,598	\$ 1,377,113	\$ 1,377,113	\$ -
Other State Sources	-	47,359	47,359	-
Total State	<u>1,384,598</u>	<u>1,424,472</u>	<u>1,424,472</u>	<u>-</u>
<b>Total Revenues</b>	<u>1,384,598</u>	<u>1,424,472</u>	<u>1,424,472</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current - Education:				
Facilities Acquisition and Construction:				
Improvements Other Than Buildings	435,738	241,067	-	241,067
Remodeling and Renovations	3,980,465	6,158,721	1,304,074	4,854,647
Total Facilities Acquisition and Construction	<u>4,416,203</u>	<u>6,399,788</u>	<u>1,304,074</u>	<u>5,095,714</u>
Capital Outlay:				
Facilities Acquisition and Construction:				
Furniture, Fixtures, and Equipment	455,015	-	-	-
Total Facilities Acquisition and Construction	<u>455,015</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service:				
Interest and Fiscal Charges	-	1,669	1,669	-
Total Debt Service	<u>-</u>	<u>1,669</u>	<u>1,669</u>	<u>-</u>
<b>Total Expenditures</b>	<u>4,871,218</u>	<u>6,401,457</u>	<u>1,305,743</u>	<u>5,095,714</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(3,486,620)</u>	<u>(4,976,985)</u>	<u>118,729</u>	<u>5,095,714</u>
<b>Net Change in Fund Balances</b>	<u>(3,486,620)</u>	<u>(4,976,985)</u>	<u>118,729</u>	<u>5,095,714</u>
Fund Balances, July 1, 2019	<u>5,015,190</u>	<u>5,015,190</u>	<u>5,015,190</u>	<u>-</u>
<b>Fund Balances, June 30, 2020</b>	<u>\$ 1,528,570</u>	<u>\$ 38,205</u>	<u>\$ 5,133,919</u>	<u>\$ 5,095,714</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, 2020**

	<b>Local Capital Improvement Fund</b>			
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Local:				
Property Taxes	\$ 26,540,167	\$ 26,719,561	\$ 26,719,561	\$ -
Interest Income	-	160,074	160,074	-
Other Local Sources	-	5,065	5,065	-
Total Local	<u>26,540,167</u>	<u>26,884,700</u>	<u>26,884,700</u>	<u>-</u>
<b>Total Revenues</b>	<u>26,540,167</u>	<u>26,884,700</u>	<u>26,884,700</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current - Education:				
Facilities Acquisition and Construction:				
Furniture, Fixtures, and Equipment	386,962	3,656,309	3,368,262	288,047
Improvements Other Than Buildings	104,012	252,138	72,141	179,997
Remodeling and Renovations	5,246,731	5,605,728	3,267,664	2,338,064
Computer Software	381,648	381,648	292,044	89,604
Total Facilities Acquisition and Construction	<u>6,119,353</u>	<u>9,895,823</u>	<u>7,000,111</u>	<u>2,895,712</u>
Capital Outlay:				
Other Capital Outlay:				
Furniture, Fixtures, and Equipment	5,232,314	2,031,505	1,082,884	948,621
Motor Vehicles	4,587,261	4,587,261	4,486,390	100,871
Improvements Other Than Buildings	-	123,795	123,795	-
Computer Software	132,000	132,000	-	132,000
Total Capital Outlay	<u>9,951,575</u>	<u>6,874,561</u>	<u>5,693,069</u>	<u>1,181,492</u>
<b>Total Expenditures</b>	<u>16,070,928</u>	<u>16,770,384</u>	<u>12,693,180</u>	<u>4,077,204</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>10,469,239</u>	<u>10,114,316</u>	<u>14,191,520</u>	<u>4,077,204</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(12,677,670)</u>	<u>(12,630,310)</u>	<u>(11,534,639)</u>	<u>1,095,671</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(12,677,670)</u>	<u>(12,630,310)</u>	<u>(11,534,639)</u>	<u>1,095,671</u>
<b>Net Change in Fund Balances</b>	<u>(2,208,431)</u>	<u>(2,515,994)</u>	<u>2,656,881</u>	<u>5,172,875</u>
Fund Balances, July 1, 2019	<u>5,494,416</u>	<u>5,494,416</u>	<u>5,494,416</u>	<u>-</u>
<b>Fund Balances, June 30, 2020</b>	<u><u>\$ 3,285,985</u></u>	<u><u>\$ 2,978,422</u></u>	<u><u>\$ 8,151,297</u></u>	<u><u>\$ 5,172,875</u></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, 2020**

	<b>Other Capital Projects Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
State:				
Charter School Capital Outlay	\$ 397,526	\$ 374,388	\$ 374,388	\$ -
Other State Sources	-	697,641	697,641	-
Total State	397,526	1,072,029	1,072,029	-
Local:				
Sales Taxes	25,000,000	28,259,025	28,259,025	-
Interest Income	-	1,337,132	1,337,132	-
Other Local Sources	-	1,439	1,439	-
Total Local	25,000,000	29,597,596	29,597,596	-
<b>Total Revenues</b>	<b>25,397,526</b>	<b>30,669,625</b>	<b>30,669,625</b>	<b>-</b>
<b>EXPENDITURES</b>				
Current - Education:				
Facilities Acquisition and Construction:				
Furniture, Fixtures, and Equipment	916,233	528,798	476,690	52,108
Improvements Other Than Buildings	2,464,545	2,725,717	1,003,925	1,721,792
Remodeling and Renovations	27,682,843	28,615,152	12,542,653	16,072,499
Total Facilities Acquisition and Construction	31,063,621	31,869,667	14,023,268	17,846,399
Capital Outlay:				
Facilities Acquisition and Construction:				
Buildings and Fixed Equipment	22,425,781	31,987,238	13,852,391	18,134,847
Furniture, Fixtures, and Equipment	667,576	913,018	147,113	765,905
Land	-	307,787	307,787	-
Improvements Other Than Buildings	1,813,852	3,671,237	2,064,148	1,607,089
Remodeling and Renovations	2,473,274	606,676	294,798	311,878
Total Facilities Acquisition and Construction	27,380,483	37,485,956	16,666,237	20,819,719
<b>Total Expenditures</b>	<b>58,444,104</b>	<b>69,355,623</b>	<b>30,689,505</b>	<b>38,666,118</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(33,046,578)</b>	<b>(38,685,998)</b>	<b>(19,880)</b>	<b>38,666,118</b>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	511,377	511,377	-
Transfers Out	(6,178,026)	(6,154,888)	(6,154,888)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(6,178,026)</b>	<b>(5,643,511)</b>	<b>(5,643,511)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(39,224,604)</b>	<b>(44,329,509)</b>	<b>(5,663,391)</b>	<b>38,666,118</b>
Fund Balances, July 1, 2019	69,412,676	69,412,676	69,412,676	-
<b>Fund Balances, June 30, 2020</b>	<b>\$ 30,188,072</b>	<b>\$ 25,083,167</b>	<b>\$ 63,749,285</b>	<b>\$ 38,666,118</b>

## **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, 2020**

	<b>Governmental Activities</b>		
	<b>Proprietary Funds - Internal Service Funds</b>		
	<b>Self-Insurance</b>		
	<b>Risk Management Fund</b>	<b>Employee Benefit Trust Fund</b>	<b>Total</b>
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 23,800,536	\$ 23,208,154	\$ 47,008,690
Accounts Receivable	-	502	502
Due from Other Funds	-	8,905	8,905
Due from Other Agencies	-	4,014	4,014
<b>TOTAL ASSETS</b>	<b>\$ 23,800,536</b>	<b>\$ 23,221,575</b>	<b>\$ 47,022,111</b>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	\$ 11,379	\$ 157,616	\$ 168,995
Unearned Revenue	-	3,667,942	3,667,942
Estimated Insurance Claims Payable	4,055,665	2,843,000	6,898,665
<b>Total Current Liabilities</b>	<b>4,067,044</b>	<b>6,668,558</b>	<b>10,735,602</b>
Noncurrent Liabilities:			
Estimated Insurance Claims Payable	19,733,492	-	19,733,492
<b>Total Noncurrent Liabilities</b>	<b>19,733,492</b>	<b>-</b>	<b>19,733,492</b>
<b>TOTAL LIABILITIES</b>	<b>23,800,536</b>	<b>6,668,558</b>	<b>30,469,094</b>
<b>NET POSITION</b>			
Unrestricted	-	16,553,017	16,553,017
<b>Total Net Position</b>	<b>-</b>	<b>16,553,017</b>	<b>16,553,017</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 23,800,536</b>	<b>\$ 23,221,575</b>	<b>\$ 47,022,111</b>

**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, 2020**

	<b>Governmental Activities</b>		
	<b>Proprietary Funds - Internal Service Funds</b>		
	<b>Self-Insurance</b>		
	<b>Risk Management Fund</b>	<b>Employee Benefit Trust Fund</b>	<b>Total</b>
<b>OPERATING REVENUES</b>			
Premium Revenues	\$ 4,831,069	\$ 42,077,825	\$ 46,908,894
Other	-	1,669,391	1,669,391
<b>Total Operating Revenues</b>	<b>4,831,069</b>	<b>43,747,216</b>	<b>48,578,285</b>
<b>OPERATING EXPENSES</b>			
Salaries	275,839	5,659	281,498
Employee Benefits	60,702	2,972	63,674
Purchased Services	720,317	4,758,812	5,479,129
Energy Services	2,846	8,691	11,537
Material and Supplies	2,007	11,076	13,083
Insurance Claims	1,280,276	35,046,565	36,326,841
Other	2,559,524	1,314	2,560,838
<b>Total Operating Expenses</b>	<b>4,901,511</b>	<b>39,835,089</b>	<b>44,736,600</b>
<b>Operating Income (Loss)</b>	<b>(70,442)</b>	<b>3,912,127</b>	<b>3,841,685</b>
<b>NONOPERATING REVENUES</b>			
Loss Recoveries	70,442	-	70,442
<b>Total Nonoperating Revenues</b>	<b>70,442</b>	<b>-</b>	<b>70,442</b>
<b>Income (Loss) Before Transfers</b>	<b>-</b>	<b>3,912,127</b>	<b>3,912,127</b>
<b>Change in Net Position</b>	<b>-</b>	<b>3,912,127</b>	<b>3,912,127</b>
<b>NET POSITION</b>			
Total Net Position, July 1, 2019	-	12,640,890	12,640,890
<b>Total Net Position, June 30, 2020</b>	<b>\$ -</b>	<b>\$ 16,553,017</b>	<b>\$ 16,553,017</b>

**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, 2020**

	<b>Governmental Activities</b>		
	<b>Proprietary Funds - Internal Service Funds</b>		
	<b>Self-Insurance</b>		
	<b>Risk Management Fund</b>	<b>Employee Benefit Trust Fund</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Board Funds and Participants	\$ 4,831,069	\$ 43,701,525	\$ 48,532,594
Cash Payments to Suppliers for Goods and Services	(723,909)	(7,338,215)	(8,062,124)
Cash Payments to Employees for Services	(345,172)	-	(345,172)
Cash Payments for Interfund Services Used	(445,197)	(172,223)	(617,420)
Cash Payments for Insurance Claims	(5,343,477)	(33,322,928)	(38,666,405)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>(2,026,686)</u>	<u>2,868,159</u>	<u>841,473</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Loss Recoveries	70,442	-	70,442
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<u>70,442</u>	<u>-</u>	<u>70,442</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(1,956,244)	2,868,159	911,915
Beginning Cash and Cash Equivalents	25,756,780	20,339,995	46,096,775
<b>Ending Cash and Cash Equivalents</b>	<u>\$ 23,800,536</u>	<u>\$ 23,208,154</u>	<u>\$ 47,008,690</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$ (70,442)	\$ 3,912,127	\$ 3,841,685
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	387	387
(Increase) Decrease in Due From Other Funds	-	(8,905)	(8,905)
(Increase) Decrease in Due From Other Agencies	-	(3,445)	(3,445)
Increase (Decrease) in Accounts Payable	1,889	(141,632)	(139,743)
Increase (Decrease) in Due to Other Funds	(445,197)	(18,185)	(463,382)
Increase (Decrease) in Unearned Revenue	-	(45,690)	(45,690)
Increase (Decrease) in Estimated Insurance Claims Payable	(1,512,936)	(826,498)	(2,339,434)
<b>Total Adjustments</b>	<u>(1,956,244)</u>	<u>(1,043,968)</u>	<u>(3,000,212)</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (2,026,686)</u>	<u>\$ 2,868,159</u>	<u>\$ 841,473</u>

## **Agency Funds**

**Agency funds are fiduciary funds used to account for resources held by the District in a trustee capacity or as an agent for individuals or private organizations. These resources include student and club activities funds that are held in trust for student, athletic, class, club activities, etc., and a voluntary employee benefits program.**

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 FIDUCIARY FUNDS  
 JUNE 30, 2020**

	<i>Agency Funds</i>		
	<i>Total</i>	<i>Student and Club Activities</i>	<i>Employee Benefits Program</i>
<b>ASSETS</b>			
Cash	\$ 3,534,090	\$ 3,386,521	\$ 147,569
<b>LIABILITIES</b>			
Internal Accounts Payable	\$ 3,386,521	\$ 3,386,521	\$ -
Payroll Deductions and Withholdings	147,569	-	147,569
<b>Total Liabilities</b>	<b>\$ 3,534,090</b>	<b>\$ 3,386,521</b>	<b>\$ 147,569</b>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

		<b>Student and Club Activities</b>			
		<u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
<b>Assets</b>					
Cash		\$ 3,301,410	\$ 5,379,880	\$ 5,294,769	\$ 3,386,521
<b>Liabilities</b>					
Internal Accounts Payable		\$ 3,301,410	\$ 5,379,880	\$ 5,294,769	\$ 3,386,521
		<b>Employee Benefits Program</b>			
		<u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
<b>Assets</b>					
Cash		\$ 102,991	\$ 679,431	\$ 634,853	\$ 147,569
<b>Liabilities</b>					
Payroll Deductions and Withholdings		\$ 102,991	\$ 679,431	\$ 634,853	\$ 147,569
		<b>Total</b>			
		<u>June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
<b>Assets</b>					
Cash		\$ 3,404,401	\$ 6,059,311	\$ 5,929,622	\$ 3,534,090
<b>Liabilities</b>					
Internal Accounts Payable		\$ 3,301,410	\$ 5,379,880	\$ 5,294,769	\$ 3,386,521
Payroll Deductions and Withholdings		102,991	679,431	634,853	147,569
<b>Total Liabilities</b>		<u>\$ 3,404,401</u>	<u>\$ 6,059,311</u>	<u>\$ 5,929,622</u>	<u>\$ 3,534,090</u>

### **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, 2020**

	<b>Charter Schools</b>			
	<b>Beulah Academy of Science, Inc.</b>	<b>Jacqueline Harris Preparatory Academy</b>	<b>Pensacola Beach Elementary School, Inc.</b>	<b>Byrneville Elementary School, Inc.</b>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 1,462,039	\$ 309,366	\$ 561,510	\$ 851,345
Accounts Receivable	12,292	-	502,364	-
Prepaid Items	-	-	-	22,935
Due from Other Agencies	-	10,045	-	-
Capital Assets:				
Non-Depreciable Capital Assets	428,690	530,871	-	-
Depreciable Capital Assets, Net	1,768,551	2,496,607	2,241,624	188,577
<b>Total Assets</b>	<u>3,671,572</u>	<u>3,346,889</u>	<u>3,305,498</u>	<u>1,062,857</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows Related to Pensions	-	-	210,454	272,431
<b>Total Deferred Outflows of Resources</b>	<u>-</u>	<u>-</u>	<u>210,454</u>	<u>272,431</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
	<u>\$ 3,671,572</u>	<u>\$ 3,346,889</u>	<u>\$ 3,515,952</u>	<u>\$ 1,335,288</u>
<b>LIABILITIES</b>				
Salaries and Benefits Payable	\$ 332	\$ -	\$ 40,192	\$ -
Accounts Payable	870	21,283	521,496	49,189
Deposits Payable	-	-	-	-
Long-Term Liabilities:				
Portion Due Within One Year:				
Notes Payable	70,058	202,981	-	-
Obligations Under Capital Leases	3,001	-	-	-
Compensated Absences Payable	-	-	14,479	14,422
Portion Due After One Year:				
Notes Payable	487,008	2,889,419	47,456	-
Compensated Absences Payable	-	-	-	29,619
Pension Liability	-	-	542,496	685,016
<b>Total Liabilities</b>	<u>561,269</u>	<u>3,113,683</u>	<u>1,166,119</u>	<u>778,246</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Inflows Related to Pensions	-	-	45,586	52,206
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>-</u>	<u>45,586</u>	<u>52,206</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	1,637,174	166,543	2,241,624	188,577
Restricted for:				
Other Required Carryover Programs	-	-	-	-
Unrestricted	1,473,129	66,663	62,623	316,259
<b>Total Net Position - Component Units</b>	<u>3,110,303</u>	<u>233,206</u>	<u>2,304,247</u>	<u>504,836</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>				
	<u>\$ 3,671,572</u>	<u>\$ 3,346,889</u>	<u>\$ 3,515,952</u>	<u>\$ 1,335,288</u>

<b>Charter Schools</b>			
<b>Capstone Academy Pensacola</b>	<b>Total Charter Schools</b>	<b>The Escambia County Public Schools Foundation for Excellence, Inc.</b>	<b>Total Component Units</b>
\$ 126,262	\$ 3,310,522	\$ 915,007	\$ 4,225,529
46,728	561,384	27,082	588,466
-	22,935	1,650	24,585
78,890	88,935	-	88,935
115,693	1,075,254	-	1,075,254
154,623	6,849,982	149	6,850,131
<u>522,196</u>	<u>11,909,012</u>	<u>943,888</u>	<u>12,852,900</u>
-	482,885	-	482,885
-	482,885	-	482,885
<u>\$ 522,196</u>	<u>\$ 12,391,897</u>	<u>\$ 943,888</u>	<u>\$ 13,335,785</u>
\$ 18,831	\$ 59,355	\$ -	\$ 59,355
-	592,838	3,892	596,730
7,000	7,000	-	7,000
40,794	313,833	-	313,833
-	3,001	-	3,001
-	28,901	-	28,901
50,894	3,474,777	-	3,474,777
-	29,619	-	29,619
-	1,227,512	-	1,227,512
<u>117,519</u>	<u>5,736,836</u>	<u>3,892</u>	<u>5,740,728</u>
-	97,792	-	97,792
-	97,792	-	97,792
-	4,233,918	149	4,234,067
-	-	727,115	727,115
404,677	2,323,351	212,732	2,536,083
<u>404,677</u>	<u>6,557,269</u>	<u>939,996</u>	<u>7,497,265</u>
<u>\$ 522,196</u>	<u>\$ 12,391,897</u>	<u>\$ 943,888</u>	<u>\$ 13,335,785</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<b>Charter Schools</b>			
	<b>Beulah Academy of Science, Inc.</b>	<b>Jacqueline Harris Preparatory Academy</b>	<b>Pensacola Beach Elementary School, Inc.</b>	<b>Byrneville Elementary School, Inc.</b>
<b>Functions/Programs</b>				
<b>Expenses:</b>				
Governmental Activities:				
Instruction	\$ 803,256	\$ 794,595	\$ 701,568	\$ 1,176,616
Student Support Services	41,820	-	4,566	-
Instructional Media Services	582	-	-	-
Instruction and Curriculum Development Services	29	-	-	-
Instructional Staff Training Services	280	-	-	-
Instruction-Related Technology	-	-	34,842	-
Board	-	-	-	-
General Administration	-	-	108,626	79,196
School Administration	244,464	204,279	223,095	199,106
Facilities Acquisition and Construction	3,855	-	207,733	2,580
Fiscal Services	14,963	60,000	32,381	14,355
Food Services	176,272	-	-	5,420
Central Services	100,058	80,409	-	64,988
Student Transportation Services	212,078	171,575	14,255	72,873
Operation of Plant	252,850	181,927	286,322	162,147
Maintenance of Plant	85,329	185,461	706	-
Unallocated Interest on Long-Term Debt	29,531	141,533	-	-
Unallocated Depreciation Expense	-	-	-	-
<b>Total Expenses</b>	<b>1,965,367</b>	<b>1,819,779</b>	<b>1,614,094</b>	<b>1,777,281</b>
<b>Program Revenues:</b>				
Charges for Services	30,145	-	-	5,420
Operating Grants and Contributions	267,665	96,936	316,088	107,618
Capital Grants and Contributions	-	138,044	-	-
<b>Total Program Revenues</b>	<b>297,810</b>	<b>234,980</b>	<b>316,088</b>	<b>113,038</b>
<b>Net Program Expense</b>	<b>(1,667,557)</b>	<b>(1,584,799)</b>	<b>(1,298,006)</b>	<b>(1,664,243)</b>
<b>General Revenues:</b>				
Grants and Contributions Not Restricted to Specific Programs	1,844,928	1,608,185	1,058,645	1,299,737
Unrestricted Investment Earnings	-	-	9,295	4,063
Miscellaneous	40	35,790	13,511	72,696
<b>Total General Revenues</b>	<b>1,844,968</b>	<b>1,643,975</b>	<b>1,081,451</b>	<b>1,376,496</b>
<b>Change in Net Position</b>	<b>177,411</b>	<b>59,176</b>	<b>(216,555)</b>	<b>(287,747)</b>
<b>Net Position</b>				
Net Position, July 1, 2019	2,932,892	174,030	2,520,802	792,583
<b>Net Position, June 30, 2020</b>	<b>\$ 3,110,303</b>	<b>\$ 233,206</b>	<b>\$ 2,304,247</b>	<b>\$ 504,836</b>

<u>Charter Schools</u>		<i>The Escambia County Public Schools Foundation for Excellence, Inc.</i>		<u>Total Component Units</u>
<u>Capstone Academy Pensacola</u>	<u>Total Charter Schools</u>			
\$ 494,562	\$ 3,970,597	\$ 740,458	\$ 4,711,055	
-	46,386	-	46,386	
-	582	-	582	
-	29	-	29	
-	280	-	280	
-	34,842	-	34,842	
25	25	-	25	
20,684	208,506	108,522	317,028	
133,732	1,004,676	-	1,004,676	
-	214,168	-	214,168	
4,290	125,989	-	125,989	
1,029	182,721	-	182,721	
71	245,526	-	245,526	
6,081	476,862	-	476,862	
25,110	908,356	-	908,356	
403	271,899	-	271,899	
-	171,064	-	171,064	
29,149	29,149	-	29,149	
<u>715,136</u>	<u>7,891,657</u>	<u>848,980</u>	<u>8,740,637</u>	
150,574	186,139	-	186,139	
94,414	882,721	-	882,721	
-	138,044	-	138,044	
<u>244,988</u>	<u>1,206,904</u>	<u>-</u>	<u>1,206,904</u>	
<u>(470,148)</u>	<u>(6,684,753)</u>	<u>(848,980)</u>	<u>(7,533,733)</u>	
433,923	6,245,418	946,384	7,191,802	
51	13,409	1,092	14,501	
-	122,037	164,668	286,705	
<u>433,974</u>	<u>6,380,864</u>	<u>1,112,144</u>	<u>7,493,008</u>	
(36,174)	(303,889)	263,164	(40,725)	
440,851	6,861,158	676,832	7,537,990	
<u>\$ 404,677</u>	<u>\$ 6,557,269</u>	<u>\$ 939,996</u>	<u>\$ 7,497,265</u>	



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# STATISTICAL SECTION



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## STATISTICAL SECTION

This part of the District School Board of Escambia County, Florida's comprehensive annual 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.

<b>Contents</b>	<b>Page</b>
Financial Trend Information	134
<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	142
<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	148
<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	154
<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	158
<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 ESCAMBA COUNTY, FLORIDA**  
**NET POSITION BY COMPONENT - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(Unaudited)**

	<b>Fiscal Year Ending</b>		
	<b>June 30, 2011</b>	<b>June 30, 2012</b>	<b>June 30, 2013</b>
<b>Governmental Activities:</b>			
Net Investment in Capital Assets	\$ 252,115,638	\$ 254,218,697	\$ 252,132,981
Restricted	107,465,893	115,478,880	119,870,743
Unrestricted	<u>22,166,216</u>	<u>5,025,406</u>	<u>90,030</u>
Total Governmental Activities Net Position	<u>\$ 381,747,747</u>	<u>\$ 374,722,983</u>	<u>\$ 372,093,754</u>

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

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Source: District Records

<b>Fiscal Year Ending</b>						
<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>
\$ 269,930,903	\$ 288,526,040	\$ 234,417,599	\$ 301,633,148	\$ 341,718,135	\$ 343,230,615	\$ 353,513,610
121,223,565	115,241,269	182,241,764	129,167,248	105,923,265	115,734,971	107,245,269
<u>(2,969,337)</u>	<u>(131,632,624)</u>	<u>(140,330,443)</u>	<u>(147,573,423)</u>	<u>(162,827,890)</u>	<u>(174,562,072)</u>	<u>(179,476,727)</u>
<u>\$ 388,185,131</u>	<u>\$ 272,134,685</u>	<u>\$ 276,328,920</u>	<u>\$ 283,226,973</u>	<u>\$ 284,813,510</u>	<u>\$ 284,403,514</u>	<u>\$ 281,282,152</u>

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

	<b>Fiscal Year Ending</b>									
	<b>June 30, 2011</b>	<b>June 30, 2012</b>	<b>June 30, 2013</b>	<b>June 30, 2014</b>	<b>June 30, 2015</b>	<b>June 30, 2016</b>	<b>June 30, 2017</b>	<b>June 30, 2018</b>	<b>June 30, 2019</b>	<b>June 30, 2020</b>
<b>Primary Government:</b>										
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
Instruction	\$ 209,265,786	\$ 197,679,286	\$ 202,319,715	\$ 200,433,368	\$ 206,850,659	\$ 213,251,178	\$ 214,493,605	\$ 214,425,693	\$ 216,558,696	\$ 228,520,682
Student Support Services	16,848,558	15,147,309	15,295,809	16,018,809	16,357,758	18,119,750	18,015,111	17,331,002	18,032,843	19,431,978
Instructional Media Services	4,772,147	4,223,246	4,170,561	4,224,367	4,400,081	4,763,360	4,752,394	4,517,610	4,492,359	4,911,047
Instruction and Curriculum Development Services	11,008,291	9,883,085	9,685,168	10,038,942	10,450,035	12,301,860	13,390,752	13,201,725	13,268,349	15,391,672
Instructional Staff Training Services	8,633,858	7,502,117	8,083,368	9,139,669	8,497,923	9,038,724	7,082,312	6,348,029	8,812,216	8,215,793
Instruction-Related Technology	4,254,642	4,054,693	4,295,397	4,401,182	4,165,597	4,598,508	4,620,276	4,736,281	4,620,929	4,797,813
Board	1,444,331	1,353,109	1,272,572	1,196,527	1,223,781	1,370,750	1,290,759	1,300,560	7,528,891	1,280,383
General Administration	2,653,708	1,518,541	1,581,664	2,413,878	2,211,509	1,839,932	2,043,693	2,145,111	2,208,824	2,330,171
School Administration	14,358,227	13,427,115	14,123,325	14,787,725	14,978,087	16,420,126	16,829,076	15,858,774	17,121,281	18,725,797
Facilities Acquisition and Construction	15,698,815	16,667,247	9,966,883	13,506,908	19,944,374	15,877,255	17,831,416	21,339,837	31,638,107	27,470,222
Fiscal Services	2,299,755	2,180,152	2,401,752	2,164,484	2,335,937	2,428,612	2,321,692	2,330,536	2,332,863	2,571,315
Food Service	18,486,692	20,414,794	21,199,498	20,988,484	20,515,294	20,327,540	21,082,132	21,261,023	21,462,250	19,945,691
Central Services	3,967,315	4,629,028	5,019,010	4,791,656	5,050,783	5,488,570	5,999,352	6,062,529	6,829,979	7,089,056
Student Transportation Services	18,863,979	18,651,437	19,359,259	18,220,613	17,788,057	21,368,991	22,193,795	20,887,224	21,859,505	21,056,289
Operation of Plant	28,489,116	28,363,047	27,069,683	27,217,458	27,069,043	26,673,022	25,956,001	25,346,355	26,987,310	27,520,790
Maintenance of Plant	11,255,993	10,749,457	11,641,163	10,943,295	11,041,441	11,231,772	11,503,358	11,107,852	12,187,824	11,974,205
Administrative Technology Services	3,781,038	3,891,979	3,911,729	3,948,080	3,508,846	3,586,559	3,514,601	3,479,380	3,511,314	4,083,262
Community Services	1,084,175	1,253,975	1,458,102	1,384,546	1,119,798	1,106,272	1,069,492	1,085,710	1,295,433	1,704,625
Unallocated Interest on Long-Term Debt	2,643,630	2,404,644	2,105,728	1,883,019	1,855,933	3,051,758	2,149,676	1,658,723	1,430,676	1,045,942
<b>Total Governmental Activities</b>	<b>379,810,056</b>	<b>363,994,261</b>	<b>364,960,386</b>	<b>367,703,010</b>	<b>379,364,936</b>	<b>392,844,539</b>	<b>396,139,493</b>	<b>394,423,954</b>	<b>422,179,649</b>	<b>428,066,733</b>
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
Instruction	1,344,462	1,302,174	1,040,440	1,154,747	916,332	1,197,625	1,162,564	1,189,505	1,192,531	1,340,912
Facilities Acquisition and Construction	-	-	33,888	40,716	28,759	38,707	37,259	38,499	38,872	44,794
Food Services	5,195,911	4,734,992	4,033,654	3,827,300	3,480,641	2,897,012	2,960,429	2,215,916	2,157,187	1,622,986
Student Transportation Services	262,892	437,998	256,127	252,548	241,944	259,827	254,942	162,620	439,208	185,166
Community Services	-	-	394,213	393,075	424,983	471,105	475,398	501,109	531,917	424,373
Operating Grants and Contributions	14,392,698	15,000,374	16,029,099	15,890,352	16,484,055	18,028,039	17,245,206	19,920,098	19,554,877	17,136,341
Capital Grants and Contributions	11,338,456	1,966,452	2,583,367	2,632,234	6,094,047	4,800,120	5,133,006	2,730,986	2,938,854	1,662,132
<b>Total Primary Government Program Revenues</b>	<b>32,534,419</b>	<b>23,441,990</b>	<b>24,370,788</b>	<b>24,190,972</b>	<b>27,670,761</b>	<b>27,692,435</b>	<b>27,268,804</b>	<b>26,758,733</b>	<b>26,853,446</b>	<b>22,416,704</b>
<b>Net (Expenses)/Revenues</b>										
Total Primary Government Net Expenses	(347,275,637)	(340,552,271)	(340,589,598)	(343,512,038)	(351,694,175)	(365,152,104)	(368,870,689)	(367,665,221)	(395,326,203)	(405,650,029)

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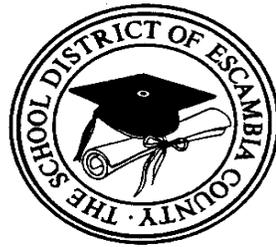
**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**CHANGES IN NET POSITION - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
(Unaudited)

	Fiscal Year Ending									
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
<b>General Revenues and Other Changes in Net Position:</b>										
<b>Governmental Activities:</b>										
Property Taxes:										
Levied for Operational Purposes	\$ 99,288,288	\$ 92,658,245	\$ 89,803,524	\$ 91,977,693	\$ 95,102,045	\$ 91,336,026	\$ 88,907,015	\$ 88,593,488	\$ 92,400,716	\$ 93,739,773
Levied for Capital Projects	18,435,553	21,989,423	21,518,559	22,777,599	21,492,708	21,709,577	24,005,885	25,897,925	25,713,431	26,719,561
Local Sales Taxes	19,643,663	20,135,054	20,944,666	21,856,254	23,376,775	24,164,744	24,900,899	26,693,489	28,220,187	28,259,025
Grants and Contributions Not Restricted to Specific Programs	230,271,976	195,648,584	202,402,869	219,193,213	222,905,305	228,438,767	233,409,076	235,440,637	240,182,926	248,290,407
Unrestricted Investment Earnings	295,489	158,475	77,582	96,333	584,835	681,813	1,300,072	1,877,193	3,088,594	2,072,953
Miscellaneous	4,185,317	2,937,726	3,213,169	3,702,323	3,604,535	3,015,412	3,245,795	3,072,906	5,310,353	3,446,948
<b>Total Primary Government General Revenues and Other Changes in Net Position</b>	<b>372,120,286</b>	<b>333,527,507</b>	<b>337,960,369</b>	<b>359,603,415</b>	<b>367,066,203</b>	<b>369,346,339</b>	<b>375,768,742</b>	<b>381,575,638</b>	<b>394,916,207</b>	<b>402,528,667</b>
<b>Changes in Net Position:</b>										
Governmental Activities	24,844,649	(7,024,764)	(2,629,229)	16,091,377	15,372,028	4,194,235	6,898,053	13,910,417	(409,996)	(3,121,362)
Adjustment to Net Position (a), (b)	-	-	-	-	(131,422,474)	-	-	(12,323,880)	-	-
<b>Total Primary Government</b>	<b>\$ 24,844,649</b>	<b>\$ (7,024,764)</b>	<b>\$ (2,629,229)</b>	<b>\$ 16,091,377</b>	<b>\$ (116,050,446)</b>	<b>\$ 4,194,235</b>	<b>\$ 6,898,053</b>	<b>\$ 1,586,537</b>	<b>\$ (409,996)</b>	<b>\$ (3,121,362)</b>

(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."

Source: District Records



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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, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
<b>General Fund</b>										
Nonspendable	\$ 1,215,720	\$ 1,208,455	\$ 1,208,455	\$ 1,215,625	\$ 1,208,455	\$ 1,208,455	\$ 1,399,578	\$ 1,434,376	\$ 1,548,283	\$ 1,957,133
Restricted	9,184,279	13,311,648	9,106,284	17,486,027	13,050,637	12,301,277	14,472,496	11,032,511	12,954,094	15,327,201
Assigned	15,762,759	20,804,591	21,234,802	20,243,410	22,247,545	24,577,866	25,167,612	26,744,108	23,493,626	22,296,996
Unassigned	40,731,996	20,156,679	19,036,830	14,514,070	14,759,425	10,456,241	8,148,624	5,955,245	6,119,275	6,248,556
<b>Total General Fund</b>	<u>\$ 66,894,754</u>	<u>\$ 55,481,373</u>	<u>\$ 50,586,371</u>	<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>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ 1,334,910	\$ 1,286,998	\$ 1,600,470	\$ 1,715,215	\$ 1,977,837	\$ 2,204,600	\$ 1,916,224	\$ 2,518,830	\$ 2,105,294	\$ 2,600,452
Restricted	92,954,183	95,657,391	106,024,402	102,022,323	91,533,061	159,853,016	144,366,037	100,991,717	96,383,009	91,448,216
<b>Total All Other Governmental Funds</b>	<u>\$ 94,289,093</u>	<u>\$ 96,944,389</u>	<u>\$ 107,624,872</u>	<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>

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, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
<b>Revenues:</b>										
<b>Federal Direct:</b>										
Federal Impact, Current Operations	\$ 920,990	\$ 724,457	\$ 701,600	\$ 550,597	\$ 615,566	\$ 520,324	\$ 407,487	\$ 378,907	\$ 573,760	\$ 416,889
Reserve Officers Training Corps (ROTC)	433,570	424,206	435,608	437,965	438,955	457,309	471,063	404,967	495,904	506,165
Other Federal Direct Sources	1,848,880	2,033,007	2,494,810	1,849,952	1,991,890	1,405,073	2,082,909	2,035,210	1,807,988	2,190,024
<b>Total Federal Direct</b>	<b>3,203,440</b>	<b>3,181,670</b>	<b>3,632,018</b>	<b>2,838,514</b>	<b>3,046,411</b>	<b>2,382,706</b>	<b>2,961,459</b>	<b>2,819,084</b>	<b>2,877,652</b>	<b>3,113,078</b>
<b>Federal Through State and Local:</b>										
Food Service	14,045,674	14,682,599	15,386,860	15,587,668	16,199,631	17,796,125	16,967,566	19,619,678	19,262,313	16,767,551
Other Federal Through State and Local Sources	64,993,242	34,657,795	34,719,040	34,830,597	34,186,962	32,181,086	30,789,622	30,598,505	32,221,188	35,436,743
<b>Total Federal Through State and Local</b>	<b>79,038,916</b>	<b>49,340,394</b>	<b>50,105,900</b>	<b>50,418,265</b>	<b>50,386,593</b>	<b>49,977,211</b>	<b>47,757,188</b>	<b>50,218,183</b>	<b>51,483,501</b>	<b>52,204,294</b>
<b>State:</b>										
Florida Education Finance Program (FEFP)	110,995,559	105,659,076	113,112,565	130,085,150	133,079,212	141,767,900	147,813,119	149,340,069	151,052,919	158,121,503
Workforce Development	4,532,780	4,765,518	4,778,222	4,895,677	4,880,129	4,586,924	4,525,985	4,060,898	4,084,457	3,794,637
Adults with Disabilities	219,164	187,087	160,690	162,244	167,298	-	-	-	-	-
Categorical Educational Programs	42,556,763	42,960,100	43,640,836	43,315,211	45,171,285	46,190,066	43,599,683	44,500,630	44,606,358	45,160,624
Discretionary Lottery Funds	143,196	125,912	-	387,403	142,093	-	657,935	68,609	133,344	39,797
CO&DS Distribution	179,241	155,363	184,231	181,172	272,230	997,774	1,218,416	1,353,223	1,384,598	1,448,986
CO&DS Withheld for SBE/COBI Bonds	1,408,787	1,449,634	1,427,398	1,441,102	1,288,789	621,725	371,843	282,396	205,661	213,146
Public Education Capital Outlay	2,262,924	-	-	-	787,693	912,198	1,388,480	1,081,559	898,479	-
Food Service	347,024	317,775	301,994	302,684	284,424	279,694	277,640	277,420	276,324	368,790
Other State Sources	4,002,816	4,426,113	3,019,987	3,183,878	2,680,220	1,601,569	3,349,997	4,075,841	5,653,809	2,624,026
<b>Total State</b>	<b>166,648,254</b>	<b>160,046,578</b>	<b>166,625,923</b>	<b>183,954,521</b>	<b>188,753,373</b>	<b>196,957,850</b>	<b>203,203,098</b>	<b>205,040,645</b>	<b>208,295,949</b>	<b>211,771,509</b>
<b>Local:</b>										
Property Taxes	117,723,841	114,647,668	111,322,083	114,755,292	116,594,753	113,045,603	112,912,900	114,491,413	118,114,147	120,459,334
Sales Taxes	19,643,663	20,135,054	20,944,666	21,856,254	23,376,775	24,164,744	24,900,899	26,693,489	28,220,187	28,259,025
Charges for Food Service	5,195,911	4,734,991	4,033,654	3,827,300	3,480,641	2,897,012	2,960,429	2,215,916	2,157,187	1,622,986
Interest Income	281,179	141,013	55,362	96,333	596,541	734,149	1,300,072	1,877,193	3,088,593	2,072,954
Other Local Sources	5,423,005	4,289,095	4,440,036	5,718,317	5,079,049	4,734,649	5,175,958	4,964,639	5,382,739	4,958,399
<b>Total Local</b>	<b>148,267,599</b>	<b>143,947,821</b>	<b>140,795,801</b>	<b>146,253,496</b>	<b>149,127,759</b>	<b>145,576,157</b>	<b>147,250,258</b>	<b>150,242,650</b>	<b>156,962,853</b>	<b>157,372,698</b>
<b>Total Revenues</b>	<b>397,158,209</b>	<b>356,516,463</b>	<b>361,159,642</b>	<b>383,464,796</b>	<b>391,314,136</b>	<b>394,893,924</b>	<b>401,172,003</b>	<b>408,320,562</b>	<b>419,619,955</b>	<b>424,461,579</b>
<b>Expenditures:</b>										
<b>Current - Education:</b>										
Instruction	199,014,371	189,523,811	188,948,850	192,462,254	205,019,212	199,992,057	200,712,053	207,636,368	204,389,588	208,206,253
Student Support Services	16,569,587	15,268,235	14,898,648	15,986,593	16,849,656	17,679,276	17,586,716	17,534,208	17,734,020	18,441,599
Instructional Media Services	4,594,243	4,142,086	4,039,942	4,210,339	4,557,548	4,625,002	4,619,046	4,580,366	4,409,923	4,619,428
Instruction and Curriculum Development Services	10,918,167	9,985,299	9,438,703	9,927,607	10,540,383	12,027,098	13,093,815	13,211,227	13,055,927	14,818,085
Instructional Staff Training Services	8,636,753	7,522,735	8,025,677	8,025,677	8,576,810	8,969,552	7,023,687	6,368,695	8,737,073	8,006,689
Instruction-Related Technology Board	3,742,020	3,551,024	3,855,314	4,035,137	3,893,039	4,210,077	4,249,202	4,474,730	4,301,424	4,358,453
	1,413,818	1,325,749	1,236,702	1,194,064	1,264,067	1,336,050	1,259,018	1,316,342	7,508,557	1,215,971

(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)**

	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u>
General Administration	\$ 2,545,919	\$ 1,405,283	\$ 1,558,318	\$ 2,409,159	\$ 2,238,154	\$ 1,817,686	\$ 2,023,229	\$ 2,156,983	\$ 2,195,678	\$ 2,282,488
School Administration	13,998,296	13,553,109	13,659,134	14,743,900	15,569,808	15,909,843	16,321,299	16,092,768	16,773,968	17,550,519
Facilities Acquisition and Construction	12,200,265	14,446,528	9,776,555	13,324,504	17,898,083	14,961,023	16,566,965	17,130,892	28,010,865	23,699,137
Fiscal Services	2,226,105	2,125,880	2,331,986	2,159,270	2,415,832	2,361,350	2,258,102	2,364,027	2,290,353	2,419,029
Food Service	17,787,701	19,800,947	20,180,916	20,629,628	20,171,124	19,979,512	20,748,991	20,903,229	21,112,373	19,564,071
Central Services	3,791,850	4,508,051	4,763,206	4,959,376	5,106,813	5,251,482	5,744,152	6,024,459	6,610,306	6,599,714
Student Transportation Services	16,556,430	16,865,818	16,134,634	16,362,999	16,274,752	18,911,080	19,599,099	18,479,788	19,324,952	17,808,682
Operation of Plant	28,290,543	28,074,548	26,741,413	27,123,194	27,292,882	26,333,337	25,600,740	25,352,221	26,695,254	26,717,118
Maintenance of Plant	10,813,898	10,196,603	10,985,410	10,592,744	10,953,267	10,706,582	10,953,447	11,042,054	11,747,008	11,184,278
Administrative Technology Services	3,229,741	3,429,491	3,188,998	3,559,873	3,266,347	3,251,767	3,184,691	3,304,349	3,256,823	3,682,356
Community Services	1,081,523	1,251,320	1,446,291	1,379,526	1,123,431	1,093,821	1,052,813	1,083,138	1,281,861	1,674,496
<b>Fixed Capital Outlay:</b>										
Facilities Acquisition and Construction	33,036,849	11,405,823	7,643,361	23,947,575	27,810,019	16,045,856	32,812,375	55,351,540	11,715,788	16,967,616
Charter School Local Capital Improvement	-	-	-	-	-	-	-	271,558	-	-
Other Capital Outlay	2,949,474	1,723,958	2,191,130	1,381,185	1,622,740	1,458,065	3,735,249	8,964,459	6,981,585	7,035,730
<b>Debt Service:</b>										
Principal	4,221,187	4,213,595	4,498,680	4,697,828	4,768,768	4,316,613	6,391,723	7,645,309	8,014,000	8,373,000
Interest and Fiscal Charges	2,507,998	2,295,429	2,105,728	1,952,012	1,619,850	1,650,018	3,567,865	3,059,376	2,846,672	2,624,089
<b>Total Expenditures</b>	<b>400,126,738</b>	<b>366,615,322</b>	<b>357,649,596</b>	<b>386,172,854</b>	<b>408,832,585</b>	<b>392,887,147</b>	<b>419,104,277</b>	<b>454,348,086</b>	<b>428,993,998</b>	<b>427,848,801</b>
Excess (Deficiency) of Revenues Over Expenditures	(2,968,529)	(10,098,859)	3,510,046	(2,708,058)	(17,518,449)	2,006,777	(17,932,274)	(46,027,524)	(9,374,043)	(3,387,222)
<b>Other Financing Sources (Uses)</b>										
Bonds Issued	225,000	-	-	-	-	51,910,000	-	-	-	-
Refunding Bonds Issued	-	2,625,000	-	229,000	627,000	-	812,000	-	-	126,000
Refunding Certificates of Participation Issued	-	1,124,561	-	-	19,840,000	-	-	-	-	-
Payment to Refunding Escrow Agent	-	(3,986,280)	-	(186,007)	(23,126,288)	-	-	(945,961)	-	-
Sale of Capital Assets	-	1,669,973	924,408	1,113,573	1,877,010	1,369,143	-	165,893	3,281,282	511,377
Loss Recoveries	7,474,473	45,345	650,765	500,000	3,285,325	1,896,824	1,865,544	13,808	19,555	-
Premiums on Long-Term Debt Issued	19,346	255,174	-	36,560	2,548,722	8,641,751	123,846	-	-	24,818
Transfers In	11,369,796	16,156,101	16,449,253	12,691,682	13,632,905	76,884,490	19,047,008	19,511,380	24,431,929	17,689,527
Transfers Out	(11,792,293)	(16,549,100)	(15,748,991)	(12,691,323)	(13,585,935)	(76,884,490)	(19,047,008)	(19,511,380)	(24,431,929)	(17,689,527)
<b>Total Other Financing Sources (Uses)</b>	<b>7,296,322</b>	<b>1,340,774</b>	<b>2,275,435</b>	<b>1,693,485</b>	<b>5,098,739</b>	<b>63,817,718</b>	<b>2,801,390</b>	<b>(766,260)</b>	<b>3,300,837</b>	<b>662,195</b>
Net Change in Fund Balances	4,327,793	(8,758,085)	5,785,481	(1,014,573)	(12,419,710)	65,824,495	(15,130,884)	(46,793,784)	(6,073,206)	(2,725,027)
Fund Balances, Beginning	156,856,054	161,183,847	152,425,762	158,211,243	157,196,670	144,776,960	210,601,455	195,470,571	148,676,787	142,603,581
Fund Balances, Ending	<u>\$ 161,183,847</u>	<u>\$ 152,425,762</u>	<u>\$ 158,211,243</u>	<u>\$ 157,196,670</u>	<u>\$ 144,776,960</u>	<u>\$ 210,601,455</u>	<u>\$ 195,470,571</u>	<u>\$ 148,676,787</u>	<u>\$ 142,603,581</u>	<u>\$ 139,878,554</u>
Debt Service as a Percentage of Noncapital Expenditures	1.83%	1.83%	1.90%	1.84%	1.68%	1.59%	2.60%	2.74%	2.65%	2.72%

Source: District Records

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

<b>Fiscal Year Ending</b>	<b>Property Tax</b>		<b>Sales Tax</b>	<b>Total</b>
	<b>General Purposes</b>	<b>Capital Projects</b>		
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
June 30, 2013	89,803,524	21,518,559	20,944,666	132,266,749
June 30, 2012	92,658,245	21,989,423	20,135,054	134,782,722
June 30, 2011	99,288,288	18,435,553	19,643,663	137,367,504

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Source: Escambia County School District Comprehensive Annual 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				
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
2012-13	20,587,109	2,204,413	22,872	22,814,394	9,357,084	13,457,310	58.99%	7.758
2011-12	20,980,227	2,209,636	22,521	23,212,384	9,457,325	13,755,059	59.26%	7.821
2010-11	21,357,418	2,303,807	21,196	23,682,421	10,043,602	13,638,819	57.59%	7.860

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			
	2010-11	2011-12	2012-13	2013-14
<b>Direct Rates:</b>				
District School Board:				
Local Required Effort	5.631	5.573	5.510	5.309
Discretionary Local	0.748	0.748	0.748	0.748
Supplemental Discretionary	0.250	0.000	0.000	0.000
Capital Improvement	1.231	1.500	1.500	1.500
<b>Total District School Board</b>	<b>7.860</b>	<b>7.821</b>	<b>7.758</b>	<b>7.557</b>
<b>Overlapping Rates:</b>				
Escambia County	6.975	6.975	6.975	6.976
Escambia County Municipal Service Taxing Unit	0.685	0.685	0.685	0.685
City of Pensacola	4.540	4.289	4.289	4.290
City of Pensacola Downtown Improvement Board	2.000	2.000	2.000	2.000
Northwest Florida Water Management	0.045	0.040	0.040	0.040
Town of Century	0.905	0.905	0.905	0.901

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Source: Escambia County Tax Collector

Fiscal Year						
2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	
5.237	4.999	4.666	4.383	4.200	3.944	
0.748	0.748	0.748	0.748	0.748	0.748	
0.000	0.000	0.000	0.000	0.000	0.000	
1.337	1.366	1.462	1.500	1.377	1.351	
<u>7.322</u>	<u>7.113</u>	<u>6.876</u>	<u>6.631</u>	<u>6.325</u>	<u>6.043</u>	
6.617	6.616	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	
0.039	0.038	0.037	0.035	0.034	0.033	
0.871	0.901	0.973	0.920	0.920	0.920	

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

Taxpayer	Fiscal Year					
	2019-20			2010-11		
	Rank	Assessed Value	Percentage of Total Assessed Value	Rank	Assessed Value	Percentage of Total Assessed Value
Gulf Power Company	1	\$ 709,213	3.47%	1	\$ 455,613	3.00%
International Paper Company	2	267,086	1.31%	2	374,457	2.47%
Ascend Performance/Solutia	3	128,613	0.63%	3	140,170	0.92%
West Florida Regional Medical Center	4	113,654	0.56%	4	91,542	0.60%
Navy Federal Credit Union	5	162,287	0.79%			
City of Pensacola	6	260,159	1.27%			
Simon Debartolo Group / Simon Property	7	70,448	0.34%	8	35,322	0.23%
Wal-Mart Stores, Inc.	8	75,565	0.37%	6	64,397	0.42%
Bellsouth Telecommunication	9	72,047	0.35%	5	71,747	0.47%
Hallmark Waters/Tanglewood/Hunters	10	43,557	0.21%			
Pensacola POB / Baptist Hospital				9	66,231	0.44%
CoxCom, Inc.				7	50,584	0.33%
Exxon Mobil Chemical				10	40,191	0.26%
<b>Totals</b>		<u>\$ 1,902,629</u>	<u>9.30%</u>		<u>\$ 1,390,254</u>	<u>9.14%</u>
 Total Estimated Assessed Value - County		<u>\$ 20,463,365</u>			<u>\$ 15,170,351</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	Fiscal Year Collections		Delinquent Collections	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
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%
2012-13	116,337,455	110,886,858	95.31%	435,225	111,322,083	95.69%
2011-12	119,882,566	114,257,815	95.31%	389,853	114,647,668	95.63%
2010-11	119,850,006	114,139,658	95.24%	3,584,183	117,723,841	98.23%

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.

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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	Capital Leases	Total Primary Government		
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	0.924%	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
2012-13	5,206,286	38,611,793	-	-	43,818,079	0.406%	146
2011-12	6,410,159	42,016,050	-	-	48,426,209	0.470%	162
2010-11	7,479,885	45,087,833	-	77,967	52,645,685	0.528%	176

Sources:

(A) Annual Financial Report, CAFR

(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, 2019**  
**(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	\$ 1,286,322	\$ 44,126,167	\$ 9,920,811	\$ 55,333,300	100%
Overlapping Debt:					
Escambia County (1)				<u>168,109,399</u>	100%
Total Direct and Overlapping Debt				<u>\$ 223,442,699</u>	

(1) County debt outstanding was not determined at June 30, 2020, as their fiscal year ends on September 30. Consequently, September 30, 2019 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.

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

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**PLEGGED REVENUE COVERAGE**  
**LOCAL SALES TAX\***  
**June 30, 2019**  
**(Unaudited)**

Fiscal Year	Sales Tax Revenue	Debt Service		Total Debt Service	Coverage
		Principal	Interest		
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

\*Series 2016 Sales Tax Revenue Bond was issued in January 2016. Therefore, data for a full 10-year presentation is not available. Service on the debt will end on September 1, 2027.

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Source: District Records; Escambia County CAFR

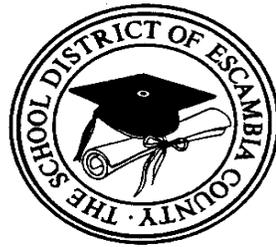
**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Assessed Value</b>	<b>Debt Limit</b>	<b>Total Net Debt Applicable to Limit</b>	<b>Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percent of Debt Limit</b>
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%
2012-13	14,995,805,026	n/a	-	-	0.00%
2011-12	15,328,183,064	n/a	-	-	0.00%
2010-11	15,248,094,138	n/a	-	-	0.00%

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

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Source: District Records



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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)**

<u>Fiscal Year</u>	<u>Taxable Assessed Value (A)</u>	<u>Annual Lease Payment</u>	<u>Millage Levy to Provide 1.00x Coverage (B)</u>
2019-20	\$ 20,439,337	\$ 4,270,000	.22 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
2012-13	14,995,805	5,136,131	.36 Mills
2011-12	15,328,183	4,941,173	.34 Mills
2010-11	15,248,094	4,945,453	.34 Mills

Notes: (A) Final assessed value is in thousands.

(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.

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Source: District Records

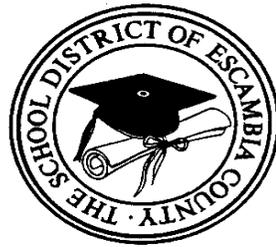
**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

<b>Fiscal Year</b>	<b>Population (A)</b>	<b>Personal Income</b>	<b>Per Capita Personal Income (A)</b>	<b>Median Age (A)</b>
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
2012-13	301,120	10,788,828,480	35,829	38.30
2011-12	299,511	10,301,381,334	34,394	37.40
2010-11	299,114	9,977,545,698	33,357	37.00

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.

<b>Unemployment Rate (B)</b>	<b>Student Enrollment (C)</b>	<b>Government-wide Governmental Activities Expenses</b>	<b>Cost per Student</b>
9.2%	39,629.22	\$ 428,066,733	\$ 10,802
3.5%	39,584.86	430,991,864	10,888
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
6.7%	40,340.18	364,960,386	9,047
8.7%	40,119.02	363,994,261	9,073
10.2%	39,657.75	379,810,056	9,577



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

<b>Employer</b>	<b>Fiscal Year</b>					
	<b>2019-20 (1)</b>			<b>2010-11 (1)</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Labor Force</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Labor Force</b>
Local Government	15,500	1	8.32%	15,790	1	8.81%
Navy Federal Credit Union	8,375	2	4.50%			
State of Florida	7,400	3	3.97%	5,970	3	3.33%
Baptist Health Care	7,347	4	3.94%	3,163	5	1.77%
Federal Government	6,800	5	3.65%	7,403	2	4.13%
Sacred Heart Health Systems	4,820	6	2.59%	5,000	4	2.79%
Gulf Power Company	1,774	7	0.95%	1,400	7 (T)	0.78%
Solutia, Inc. / Ascend Perf. Materials	1,288	8	0.69%	1,400	7 (T)	0.78%
West Florida Health Care	1,200	9	0.64%	1,300	9	0.73%
Innisfree Hotels	750	10	0.40%			
University of West Florida				1,231	10	0.69%
Lakeview Center				2,000	6	1.12%
<b>Total</b>	<b>55,254</b>		<b>29.65%</b>	<b>44,657</b>		<b>24.93%</b>
Total Civilian Labor Force (2)	186,258			179,169		

Sources:

(1) Escambia County Florida Comprehensive Annual Financial Report (CAFR) - Fiscal Year Ending June 30, 2019

(2) Florida Legislature Office of Economic and Demographic Research

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

	Placed in Service <sup>(1)</sup>	Square Footage <sup>(2)</sup>	Portables	Full-Time Equivalent Enrollment Data									
				2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Elementary Schools/K-8</b>													
Allen Elementary	1956	86,479	-	652.44	628.36	632.13	563.93	577.49	616.68	613.47	599.61	635.25	579.75
Belview Elementary	1950	98,997	1	672.10	698.00	746.50	696.10	720.25	750.09	761.17	727.06	628.19	612.48
Beulah Elementary	1980	111,503	18	844.84	887.80	896.00	920.11	967.64	963.52	991.32	978.19	919.81	904.68
Bibbs Elementary	1962	57,871	-	242.86	-	-	-	-	-	-	-	-	-
Blue Angels Elementary	1999	127,545	2	871.90	884.76	989.10	849.17	913.43	943.19	881.70	871.85	813.85	829.60
Bratt Elementary	1980	75,727	5	422.30	436.02	438.91	414.96	401.14	418.33	425.33	476.12	476.74	477.22
Brentwood Elementary	1937	63,682	2	535.68	542.87	555.39	616.97	585.98	578.77	557.12	523.07	470.95	390.64
Caro Elementary	1989	116,550	8	912.02	943.06	908.97	952.20	954.91	895.03	837.11	830.39	806.95	759.88
Cook Elementary	1997	119,719	-	658.59	628.50	635.72	622.13	579.89	587.39	593.80	599.12	566.98	558.45
Cordova Park Elementary	1962	91,297	7	659.22	713.52	677.22	707.88	680.48	682.43	704.79	659.61	618.55	598.64
Ensley Elementary	1959	71,449	10	406.52	442.93	427.16	457.85	474.93	493.22	474.93	439.76	380.61	396.12
Ferry Pass Elementary	1957	85,515	9	706.56	708.42	622.66	688.46	724.37	679.90	591.64	603.91	617.30	587.48
Global Learning Academy	2011	130,802	-	-	780.06	753.14	757.43	757.96	726.80	739.26	649.06	579.33	535.91
Hallmark Elementary	1928	36,993	3	210.84	-	-	-	-	-	-	-	-	-
Holm Elementary	1999	110,777	1	491.35	471.58	430.67	440.04	470.40	499.21	489.95	449.53	449.29	485.26
Kingsfield Elementary	2018	118,310	-	-	-	-	-	-	-	-	-	624.23	777.91
Lincoln Park Elementary	1961	64,540	1	225.60	261.56	276.44	140.02	147.40	179.88	172.38	229.30	286.42	274.08
Lipscomb Elementary	1991	125,142	10	945.39	903.03	911.39	926.99	931.84	921.90	879.04	869.40	844.02	806.78
Longleaf Elementary	1975	91,612	3	717.83	730.88	690.67	784.36	772.13	770.94	722.20	659.80	565.56	563.67
McArthur Elementary	1975	107,456	11	704.10	686.64	693.60	740.55	762.06	770.49	752.01	744.94	702.98	660.34
Molino Park Elementary	2002	129,069	-	387.18	397.26	387.26	381.35	415.13	410.79	422.45	440.86	457.82	465.40
Montclair Elementary	1960	69,993	2	332.80	373.04	363.04	341.33	308.66	356.06	314.68	303.90	366.53	404.13
Myrtle Grove Elementary	1936	82,080	6	661.41	662.82	677.72	703.69	606.89	657.60	611.09	517.70	560.86	557.78
Navy Point Elementary	1954	79,369	-	435.80	481.62	483.58	508.65	449.89	495.59	571.33	488.85	512.00	468.53
Oakcrest Elementary	1956	85,505	17	448.61	470.03	518.35	602.87	663.55	568.83	518.23	521.00	519.43	507.50
Pine Meadow Elementary	1960	87,754	4	844.88	856.67	909.03	942.99	905.42	920.55	906.51	940.59	629.67	669.87
Pleasant Grove Elementary	1948	70,718	6	666.57	675.09	680.62	631.70	729.36	670.16	626.56	676.74	594.42	525.58
Scenic Heights Elementary	1960	110,679	11	782.45	780.00	841.67	872.57	762.30	815.99	801.85	910.43	819.15	836.27
Semmes Elementary	1955	72,751	2	263.26	335.69	366.24	405.43	397.86	377.29	429.06	451.36	398.66	420.48
Sherwood Elementary	1958	85,082	1	532.50	509.20	526.66	589.50	605.46	615.82	598.21	573.88	513.82	478.70
Suter Elementary	2015	110,295	-	400.23	367.58	434.72	423.62	437.37	538.94	586.77	576.76	565.11	564.65
Warrington Elementary	1947	74,225	10	516.25	508.12	483.24	485.95	425.29	429.36	379.78	374.40	319.84	296.83
Weis Elementary	1990	111,549	-	464.15	487.68	492.60	573.90	545.03	494.12	444.33	473.59	467.77	482.69
West Pensacola Elementary	1955	82,099	8	499.98	497.94	472.12	404.83	425.20	439.63	506.95	502.91	526.40	548.56
Yniestra Elementary	1938	39,600	1	256.63	-	-	-	-	-	-	-	-	-
<b>Total Elementary Schools</b>			<b>159</b>	<b>18,372.84</b>	<b>18,750.73</b>	<b>18,922.52</b>	<b>19,147.53</b>	<b>19,099.71</b>	<b>19,268.50</b>	<b>18,905.02</b>	<b>18,663.69</b>	<b>18,238.49</b>	<b>18,025.86</b>
<b>Middle Schools</b>													
Bailey Middle School	1993	201,368	12	1,479.60	1,406.93	1,400.90	1,481.31	1,389.71	1,345.55	1,355.79	1,372.55	1,392.34	1,305.45
Belview Middle School	1961	158,235	8	1,107.60	1,071.40	1,110.69	980.69	1,019.59	1,009.27	972.73	1,004.94	991.08	1,003.62
Beulah Middle School	2018	175,680	-	-	-	-	-	-	-	-	-	824.53	1,040.86
Brown Barge Middle School <sup>(3)</sup>	1955	113,127	-	617.50	610.70	620.99	594.23	576.87	536.36	549.83	570.57	557.78	512.69
Ferry Pass Middle School	1961	153,755	3	946.00	889.82	980.71	1,011.74	987.37	1,023.05	1,049.24	1,052.39	1,206.63	1,106.84
Ransom Middle School	1987	190,378	11	1,312.30	1,356.40	1,360.09	1,429.64	1,392.08	1,331.97	1,388.04	1,449.59	1,271.80	1,309.69
Ward Middle School	2015	121,676	-	480.00	465.58	461.33	458.58	453.79	459.52	432.56	486.20	485.84	484.91
Warrington Middle School	1953	137,998	4	731.11	727.70	705.79	649.87	672.76	666.21	680.24	678.15	809.89	790.69
Woodham Middle School	1964	236,668	1	912.63	853.80	805.80	699.61	687.07	821.14	769.52	745.89	-	-
Workman Middle School	1962	156,155	2	936.43	921.42	1,008.49	979.62	941.48	852.49	779.94	775.98	972.82	920.37
<b>Total Middle Schools</b>			<b>41</b>	<b>8,523.17</b>	<b>8,303.75</b>	<b>8,454.79</b>	<b>8,285.29</b>	<b>8,120.72</b>	<b>8,045.56</b>	<b>7,977.89</b>	<b>8,136.26</b>	<b>8,512.71</b>	<b>8,475.12</b>

(continued)

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

	Placed in Service <sup>(1)</sup>	Square Footage <sup>(2)</sup>	Portables	Full-Time Equivalent Enrollment Data									
				2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
<b>High Schools</b>													
Escambia High School	1958	283,880	6	1,811.94	1,786.06	1,646.34	1,678.82	1,707.46	1,656.07	1,683.17	1,750.59	1,689.15	1,720.18
West Florida High School of Advanced Technology	1967	338,380	12	1,279.41	1,249.58	1,245.51	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 <sup>(6)</sup>	1964	236,668	1	-	-	-	-	-	-	-	-	-	1,228.38
Northview High School	1993	148,273	1	541.38	540.27	535.95	495.89	481.26	487.65	476.77	458.70	467.14	496.74
Pensacola High School	1949	288,045	5	1,607.20	1,611.19	1,571.52	1,463.15	1,419.10	1,403.39	1,360.71	1,401.57	1,374.45	1,343.70
Pine Forest High School	1974	246,196	14	1,744.28	1,702.56	1,729.23	1,646.97	1,674.06	1,628.62	1,582.40	1,558.14	1,590.58	1,589.18
Tate Senior High School	1950	318,045	1	1,928.49	1,884.06	1,969.99	1,928.67	2,073.34	2,144.00	2,095.49	2,096.45	2,100.79	2,027.70
Washington High School	1976	275,971	7	1,591.01	1,609.95	1,623.54	1,626.17	1,711.79	1,720.77	1,730.68	1,736.67	1,717.27	1,750.61
<b>Total High Schools</b>			<b>47</b>	<b>10,503.71</b>	<b>10,383.67</b>	<b>10,322.08</b>	<b>10,094.06</b>	<b>10,324.07</b>	<b>10,300.71</b>	<b>10,236.27</b>	<b>10,297.91</b>	<b>10,214.58</b>	<b>10,156.49</b>
<b>Special Centers</b>													
Judy Andrews Second Chance Center <sup>(4)</sup>	1954	45,495	-	52.00	40.51	38.76	40.72	42.99	57.09	100.11	121.18	130.32	-
Success Academy (formerly known as Judy Andrews Second Chance Center) <sup>(7)</sup>	1967	338,380	12	-	-	-	-	-	-	-	-	-	191.80
McMillian Learning Center	1961	44,979	5	84.30	68.15	49.14	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
George Stone Technical Center <sup>(5)</sup>	1967	219,913	5	-	-	-	-	-	0.31	-	-	-	-
Escambia Westgate Center	1979	104,473	4	232.00	246.00	238.50	242.49	228.83	228.47	231.49	208.55	195.27	187.97
<b>Total Special Centers</b>			<b>26</b>	<b>368.30</b>	<b>354.66</b>	<b>326.40</b>	<b>322.16</b>	<b>297.33</b>	<b>315.16</b>	<b>377.44</b>	<b>373.55</b>	<b>379.17</b>	<b>399.33</b>
<b>Other Programs</b>													
Camelot	n/a	n/a	n/a	182.50	154.00	160.00	177.75	181.05	177.80	153.30	170.13	224.02	230.63
District Administered Programs	n/a	n/a	n/a	108.46	102.20	90.44	92.98	100.45	82.83	70.09	85.61	84.60	87.70
Escambia County Jail	n/a	n/a	n/a	2.90	9.00	17.00	15.13	17.30	28.14	21.46	9.95	10.01	11.04
Escambia Juvenile Justice Center	n/a	n/a	n/a	44.50	58.22	49.53	48.09	52.05	36.42	60.49	83.53	70.05	61.16
Hospital & Homebound	n/a	n/a	n/a	9.99	12.28	9.33	9.85	14.76	6.08	9.03	8.90	5.93	5.61
Drug and Alcohol Residential Treatment Center (DAART)	n/a	n/a	n/a	16.00	18.50	16.00	16.41	12.45	12.68	13.61	11.28	2.89	-
Lakeview Center	n/a	n/a	n/a	29.00	29.50	28.50	26.63	24.90	43.48	46.66	38.69	41.60	39.00
Escambia Boys Base	n/a	n/a	n/a	24.50	27.66	19.17	28.38	30.34	34.39	33.02	30.47	29.60	27.66
Escambia Bay Marine	n/a	n/a	n/a	54.00	74.55	59.12	31.69	-	-	-	-	-	-
PACE Center for Girls	n/a	n/a	n/a	50.50	66.80	63.43	62.61	72.62	69.10	73.48	65.32	71.86	72.53
McKay Scholarships	n/a	n/a	n/a	235.00	235.00	248.50	316.71	328.86	311.35	386.00	391.00	405.00	395.50
Family Empowerment Scholarships	n/a	n/a	n/a	-	-	-	-	-	-	-	-	-	396.00
<b>Total Other Programs</b>				<b>757.35</b>	<b>787.71</b>	<b>761.02</b>	<b>826.23</b>	<b>834.78</b>	<b>802.27</b>	<b>867.14</b>	<b>894.88</b>	<b>945.56</b>	<b>1,326.83</b>
<b>Charter Schools</b>													
A. A. Dixon Charter School of Excellence	n/a	n/a	n/a	220.30	156.50	160.00	-	-	-	-	-	-	-
Beulah Academy of Science, Inc.	n/a	n/a	n/a	261.30	282.90	282.60	288.04	286.55	289.88	286.68	286.02	290.04	293.30
Byrnesville Elementary School, Inc.	n/a	n/a	n/a	161.40	157.10	158.80	174.10	191.63	206.72	206.50	214.49	192.57	181.54
Capstone Academy Pensacola	n/a	n/a	n/a	25.93	21.51	25.50	26.00	23.42	24.93	32.86	28.53	31.10	27.56
Escambia Charter School, Inc.	n/a	n/a	n/a	107.50	126.50	114.00	120.03	115.26	103.73	90.62	99.07	-	-
Jacqueline Harris Preparatory Academy	n/a	n/a	n/a	214.50	188.00	174.50	197.63	179.94	209.75	203.64	232.08	233.27	218.95
Five Flags Academy	n/a	n/a	n/a	-	-	-	-	89.44	-	-	-	-	-
Newpoint Academy Middle School	n/a	n/a	n/a	-	189.10	166.80	158.33	172.87	-	-	-	-	-
Newpoint Pensacola High School	n/a	n/a	n/a	-	81.50	91.03	113.23	109.43	-	-	-	-	-
Pensacola Beach Elementary School, Inc.	n/a	n/a	n/a	141.45	135.45	138.26	135.34	138.00	139.10	150.09	136.57	143.70	140.81
<b>Total Charter Schools</b>				<b>1,132.38</b>	<b>1,338.56</b>	<b>1,311.49</b>	<b>1,212.70</b>	<b>1,306.54</b>	<b>974.11</b>	<b>970.39</b>	<b>996.76</b>	<b>890.68</b>	<b>862.16</b>
<b>Virtual Instruction Programs</b>													
	n/a	n/a	n/a	-	199.94	241.88	282.75	172.54	403.48	524.92	444.04	438.68	397.69
<b>Total District</b>				<b>39,657.75</b>	<b>40,119.02</b>	<b>40,340.18</b>	<b>40,170.72</b>	<b>40,155.69</b>	<b>40,109.79</b>	<b>39,859.07</b>	<b>39,807.09</b>	<b>39,619.87</b>	<b>39,643.48</b>

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

<sup>(2)</sup> Square footage includes portables and modulars in addition to permanent buildings.

<sup>(3)</sup> Brown-Barge moved to the former Brentwood Middle facility in 2007-08.

<sup>(4)</sup> Formerly known as Dixon Educational Center until the 2006-07 fiscal year.

<sup>(5)</sup> George Stone Center houses adult programs that do not typically generate Full Time Enrollment (FTE) except for dual enrollment during 2015-16 school year.

<sup>(6)</sup> Moved to former Woodham Middle School campus.

<sup>(7)</sup> Moved to former West Florida High School of Advanced Technology campus.

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

<b>Fiscal Year</b>	<b>(A) Instructional</b>	<b>(B) Administrative</b>	<b>(C) Support Services</b>	<b>Total</b>	<b>Ratio of Students (FTE) to Instructional Personnel</b>	<b>Ratio of Instructional Personnel to Administrators</b>
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
2012-13	3,083	160	1,938	5,181	13.08	19.27
2011-12	3,087	160	2,042	5,289	13.00	19.29
2010-11	3,203	160	1,912	5,275	12.38	20.02

(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.

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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
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
2012-13	33,482 - 37,082	53,026 - 56,626	42,619
2011-12	32,825 - 36,425	51,986 - 55,586	41,989
2010-11	32,825 - 36,425	51,986 - 55,586	41,560

(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 (\$2,500); out-of-field masters (\$1,700); in-field specialist (\$3,100); out-of-field specialist (\$2,600); in-field doctorate (\$3,600); out-of-field doctorate (\$3,300). Employees may also receive additional compensation for working 11 or 12 months.

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

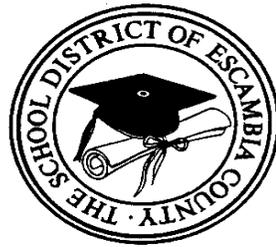
**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**FOOD SERVICE OPERATING DATA**  
**LAST TEN FISCAL YEARS**  
(Unaudited)

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2011</b>	<b>June 30, 2012</b>	<b>June 30, 2013</b>	<b>June 30, 2014</b>
Days Meals were Served	180	180	177	175
Average Number of Free and Reduced Meals Served Daily	30,082	31,288	30,980	30,792
Number of Free and Reduced Meals Served	5,414,671	5,631,896	5,483,459	5,388,581
Average Daily Subsidy Received	\$ 79,942	\$ 83,309	\$ 88,638	\$ 90,802
Total Subsidy Received	\$ 14,389,546	\$ 14,995,628	\$ 15,688,854	\$ 15,890,352
Average Number of Meals Served Daily	35,774	36,613	36,473	35,870
Number of Meals Served	6,439,395	6,590,289	6,455,792	6,277,235
Average Daily Revenues	\$ 108,906	\$ 109,692	\$ 111,500	\$ 112,721
Total Revenues	\$ 19,603,137	\$ 19,744,479	\$ 19,735,430	\$ 19,726,102
Average Daily Costs	\$ 99,434	\$ 111,823	\$ 118,833	\$ 118,158
Total Costs	\$ 17,898,106	\$ 20,128,069	\$ 21,033,403	\$ 20,677,648

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Source: District Records

<b>Fiscal Year Ending</b>					
<b>June 30, 2015</b>	<b>June 30, 2016</b>	<b>June 30, 2017</b>	<b>June 30, 2018</b>	<b>June 30, 2019</b>	<b>June 30, 2020</b>
180	180	179	175	176	141
30,809	32,567	31,442	35,153	33,956	31,412
5,545,625	5,862,052	5,628,083	6,151,817	5,976,306	4,429,119
\$ 1,580	\$ 90,295	\$ 89,222	\$ 101,975	\$ 101,304	\$ 97,309
\$ 284,424	\$ 16,253,037	\$ 15,970,789	\$ 17,845,684	\$ 17,829,460	\$ 13,720,503
35,751	35,875	34,462	36,814	35,737	33,824
6,435,127	6,457,472	6,168,739	6,442,413	6,289,726	4,769,214
\$ 110,961	\$ 116,613	\$ 113,276	\$ 126,738	\$ 123,659	\$ 133,313
\$ 19,973,056	\$ 20,990,375	\$ 20,276,400	\$ 22,179,211	\$ 21,763,939	\$ 18,797,160
\$ 112,483	\$ 111,525	\$ 117,249	\$ 120,478	\$ 120,837	\$ 139,061
\$ 20,246,983	\$ 20,074,488	\$ 20,987,576	\$ 21,083,616	\$ 21,267,297	\$ 19,607,647



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# SINGLE AUDIT

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Fiscal Year Ended June 30, 2020*

<b>Federal Grantor /Pass-Through Grantor/Program Title</b>	<b>Catalog of Federal Domestic Assistance Number</b>	<b>Pass-Through Grantor Number</b>	<b>Amount of Expenditures (1)</b>
<b>United States Department of Agriculture:</b>			
Indirect:			
Child Nutrition Cluster:			
Florida Department of Agriculture and Consumer Services:			
School Breakfast Program	10.553	20002	\$ 3,441,053
National School Lunch Program	10.555	20001	12,043,460
Summer Food Service Program for Children	10.559	20006	<u>1,261,350</u>
<b>Total Child Nutrition Cluster</b>			<u>16,745,863</u>
Child and Adult Care Food Program	10.558	5033	<u>21,688</u>
<b>Total United States Department of Agriculture</b>			<u>16,767,551</u>
<b>United States Department of Defense:</b>			
Direct:			
Army Junior Reserve Officers Training Corps	12.UNK	N/A	76,759
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	60,386
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	369,020
Competitive Grants: Promoting K-12 Student Achievement at Military- Connected Schools	12.556	N/A	<u>641,574</u>
<b>Total United States Department of Defense</b>			<u>1,147,739</u>
<b>United States Department of Labor:</b>			
Indirect:			
WIOA Cluster:			
Workforce Escarosa, Inc.:			
WIOA Youth Activities	17.259	2019-2020-03	<u>231,858</u>
<b>Total United States Department of Labor</b>			<u>231,858</u>
<b>United States Department of Education:</b>			
Direct:			
Student Financial Assistance Cluster:			
Federal Pell Grant Program	84.063	N/A	<u>996,188</u>
Impact Aid	84.041	N/A	416,889
Higher Education Emergency Relief Fund	84.425 E	N/A	<u>223,467</u>
<b>Total Direct</b>			<u>1,636,544</u>
Indirect:			
Special Education Cluster:			
Florida Department of Education:			
Special Education - Grants to States	84.027	262, 263	11,389,986
Special Education - Preschool Grants	84.173	266, 267	<u>220,691</u>
<b>Total Special Education Cluster</b>			<u>11,610,677</u>

**DISTRICT SCHOOL BOARD OF ESCAMBIA COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the Fiscal Year Ended June 30, 2020*

<b>Federal Grantor /Pass-Through Grantor/Program Title</b>	<b>Catalog of Federal Domestic Assistance Number</b>	<b>Pass-Through Grantor Number</b>	<b>Amount of Expenditures (1)</b>
Florida Department of Education:			
Adult Education - Basic Grants to States	84.002	191	113,350
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	16,495,428
Migrant Education - State Grant Program	84.011	217	209,769
Student Support and Academic Enrichment Grant	84.424	241	797,154
Career and Technical Education - Basic Grants to States	84.048	161	571,424
Education for Homeless Children and Youth	84.196	127	80,129
English Language Acquisition Grants	84.365	102	69,646
Supporting Effective Instruction State Grants	84.367	224	1,347,091
Education Stabilization Fund - Coronavirus Aid, Relief, and Economic Security Act (CARES Act):			
Governor's Emergency Education Relief Fund	84.425 C	123	31,757
Elementary and Secondary Emergency Relief Fund	84.425 D	124	294,222
<b>Total Florida Department of Education</b>			<b>20,009,970</b>
<b>Total Indirect</b>			<b>31,620,647</b>
<b>Total United States Department of Education</b>			<b>33,257,191</b>
<b>United States Department of Health and Human Services:</b>			
Indirect:			
Community Action Community - Head Start:			
Head Start	93.600	None	667,043
<b>Total United States Department of Health and Human Services</b>			<b>667,043</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 52,071,382</b>

Notes:

(1) Basis of Presentation

The accompanying Schedule 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, 2020. 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 \$1,785,699 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-2019-0001 (\$41,530), 19-FL-2020-0001 (\$375,359).



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  
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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, 2020, 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 14, 2020, 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.

### **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 may exist that have not been identified.

### **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 14, 2020  
Audit Report No. 2021-079



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
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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 THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

### Report on Compliance for the Major Federal Program

We have audited the Escambia County District School Board's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major Federal program for the fiscal year ended June 30, 2020. The District's major Federal program is identified in **SECTION I – SUMMARY OF AUDITOR'S RESULTS** of the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**.

### *Management's Responsibility*

Management is responsible for compliance with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for the District's major Federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major Federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on the Major Federal Program***

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal program for the fiscal year ended June 30, 2020.

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

District management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on 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 14, 2020  
Audit Report No. 2021-079

# **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 the major Federal program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for the major Federal program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of the major Federal program:	
CFDA Numbers: 10.553, 10.555, and 10.559	Name of Federal Program or Cluster: Child Nutrition Cluster
Dollar threshold used to distinguish between type A and type B programs:	\$1,562,141
Auditee qualified as low risk auditee?	Yes

## **SECTION II – FINANCIAL STATEMENT FINDINGS**

No matters are reported.

## **SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No matters are reported.

## ***PRIOR AUDIT FOLLOW-UP***

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There were no prior financial statement or Federal award findings requiring follow-up.

## ***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS***

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