



# THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FL

## Continuing Disclosure Report

*For the Fiscal Year Ended June 30, 2023*

## Table of Contents

<b>GENERAL INFORMATION .....</b>	<b>2</b>
The School Board and District.....	2
General Statistical Data .....	2
Summary of General Fund Operations .....	3
Summary of Capital Projects Funds .....	4
Indebtedness .....	5
State and District Retirement Programs .....	6
Other Post Employment Benefit Programs .....	6
Millage Rates.....	7
Property Tax Levies and Collections .....	8
Estimated Actual and Taxable Value of Property.....	8
<b>DISTRICT REVENUES.....</b>	<b>9</b>
Local Revenue Sources .....	9
State Revenue Sources.....	10
Other Revenue Sources .....	11
<b>ADDITIONAL INFORMATION - SALES TAX REVENUE BONDS .....</b>	<b>12</b>
Sales Surtax.....	12

## GENERAL INFORMATION

### The School Board and District

The School Board is a public body corporate and politic existing under the laws of the State of Florida and is the governing body of the School District of Osceola County, Florida (the “District”). The School Board consists of five members elected from single-member districts for overlapping four-year terms. The District is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Part II, Florida Statutes, as amended. The District covers the same geographic area as Osceola County, Florida (the “County”). Management of the District is independent of the County government and the other local governments within the County.

### General Statistical Data

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

<b>Summary of Statistical Data Five-Year History</b>				
<b>School Year</b>	<b>Number of Schools</b>	<b>Number of Classroom Instructors*</b>	<b>FTE Enrollment</b>	<b>Average Expenditure per FTE Student</b>
2022/23	78	4,388	76,210	10,064
2021/22	79	3,812	75,158	8,617
2020/21	78	4,104	69,194	8,857
2019/20	78	4,206	69,378	8,924
2018/19	74	4,087	67,724	8,758

\* Does not include charter schools teachers.

Source: The School District of Osceola County, FL.

## Summary of General Fund Operations

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

	Audited			Budget
	FY 2021	FY 2022	FY 2023	FY 2024
<b>Revenues</b>				
Federal	\$ 2,935,898	\$ 3,119,732	\$ 2,279,248	\$ 2,250,000
State Sources	381,287,756	390,029,194	412,089,630	418,930,728
Local Sources	160,359,971	167,424,754	192,701,131	223,249,766
Total Revenues	\$ 544,583,625	\$ 560,573,680	\$ 607,070,009	\$ 644,430,494
<b>Expenditures</b>				
Current - Education:				
Instruction	\$ 363,185,511	\$ 369,730,040	\$ 394,019,538	\$ 469,000,621
Pupil Personnel Services	27,283,496	30,011,874	31,473,796	34,445,823
Instructional Media Services	4,686,037	5,339,280	5,270,954	5,637,191
Instruction & Curr. Dev. Svcs.	14,659,138	16,105,610	18,552,312	20,230,749
Instructional Staff Training	6,376,257	5,387,267	6,930,341	6,787,732
Instruction Related Technology	3,358,770	2,144,643	2,320,854	2,492,312
Board of Education	1,763,849	5,350,821	1,842,561	2,020,212
General Administration	1,766,801	1,957,871	2,219,662	2,338,743
School Administration	25,723,322	26,873,312	28,688,188	32,920,560
Facilities Services	13,182,403	14,342,417	14,488,451	13,197,519
Fiscal Services	2,401,309	2,241,128	2,431,775	2,754,560
Food Services	312,546	391,145	523,185	552,227
Central Services	8,177,353	7,932,256	9,281,407	8,716,474
Pupil Transportation Services	21,299,956	25,349,090	28,545,539	29,660,461
Operation of Plant	36,414,746	43,670,824	48,317,834	54,653,314
Maintenance of Plant	10,379,000	10,701,414	11,286,900	12,791,328
Administrative Tech. Services	4,693,861	4,636,976	5,010,457	5,939,088
Community Services	3,332,492	3,631,155	4,131,275	6,777,696
Fixed Capital Outlay:				
Facilities Acq. and Construction				
Other Capital Outlay	1,308,782	743,521	2,362,416	-
Debt Service	-	-	-	-
Total Expenditures	\$ 550,305,629	\$ 576,540,644	\$ 617,697,445	\$ 710,916,610
Excess (Deficiency) of				
Revenues over Expenditures	\$ (5,722,004)	\$ (15,966,964)	\$ (10,627,436)	\$ (66,486,116)
Other Financing Sources (Uses)	\$ 16,764,941	\$ 14,648,996	\$ 11,604,874	\$ 26,953,947
Excess (Deficiency) of Revenues				
and Other Sources Over				
Expenditures and Other Uses	\$ 11,042,937	\$ (1,317,968)	\$ 977,438	\$ (39,532,169)
Beginning Fund Balance	\$ 77,945,343	\$ 88,988,280	\$ 87,670,312	\$ 88,647,750
Ending Fund Balance	\$ 88,988,280	\$ 87,670,312	\$ 88,647,750	\$ 49,115,581

Source: Audited financial statements for the fiscal year ended June 30, 2021 and 2023 prepared by MSL, P.A.; audited financial statements for fiscal year ended June 30, 2022 prepared by the State of Florida Auditor General's Office; Annual Budget for Fiscal Year Ending June 30, 2024 prepared by The School District of Osceola County, FL.

## Summary of Capital Projects Funds

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

	Audited			Budget
	FY 2021	FY 2022	FY 2023	FY 2024
<b>Revenues</b>				
Federal	\$ -	\$ -	\$ -	\$ -
State Sources	10,061,381	13,392,539	11,421,462	11,174,146
Local Sources	186,723,895	225,040,620	246,493,321	234,830,255
Total Revenues	\$ 196,785,276	\$ 238,433,159	\$ 257,914,783	\$ 246,004,401
<b>Expenditures</b>				
Current - Education:				
Facilities Services	82,226	11,209,716	472,127	
Fixed Capital Outlay:				
Facilities Acquisition and Construction	77,773,444	38,691,965	153,568,004	663,195,807
Charter School Local Capital Improvement				
Other Capital Outlay		1,947,649		
Debt Service	3,015	3,337	3,650	
Total Expenditures	\$ 77,858,685	\$ 51,852,667	\$ 154,043,781	\$ 663,195,807
Excess (Deficiency) of Revenues over Expenditures	\$ 118,926,591	\$ 186,580,492	\$ 103,871,002	\$ (417,191,406)
Other Financing Sources (Uses)	\$ 28,205,281	\$ (55,044,681)	\$ (50,630,874)	\$ (4,054,893)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 147,131,872	\$ 131,535,811	\$ 53,240,128	\$ (421,246,299)
Beginning Fund Balance	\$ 259,963,766	\$ 407,095,638	\$ 538,631,449	\$ 591,871,577
Ending Fund Balance	\$ 407,095,638	\$ 538,631,449	\$ 591,871,577	\$ 170,625,278

Source: Audited financial statements for the fiscal year ended June 30, 2021 and 2023 prepared by MSL, P.A.; audited financial statements for fiscal year ended June 30, 2022 prepared by the State of Florida Auditor General's Office; Annual Budget for Fiscal Year Ending June 30, 2024 prepared by The School District of Osceola County, FL.

## Indebtedness

**School District of Osceola County, Florida  
Summary of General Long-Term Debt  
As of June 30, 2023**

General Description	Outstanding Balance
<b>Self-Supporting State Bonds <sup>(1)</sup></b>	
Series 2014A	344,000
Series 2017A	419,000
Plus unamortized bond premium	94,241
<b>District Revenue Bonds: <sup>(2)</sup></b>	
Series 2015 Sales Tax Revenue Bonds	10,230,000
Series 2017 Sales Tax Revenue Bonds	2,920,000
Series 2017 Capital Outlay Sales Tax Revenue Bonds	61,315,000
Series 2020 Capital Outlay Sales Tax Revenue Bonds	61,055,000
<b>Certificates of Participation</b>	
Series 2010A	40,500,000
Series 2014	3,605,000
Series 2015	2,020,000
Series 2017	32,435,000
Series 2020	1,600,000
Series 2023	20,570,000
<b>Education Facilities Benefit District Agreement Payable</b>	7,312,978
<b>Impact Fee Credit Vouchers</b>	7,829,021
<b>Net Pension Liability</b>	321,234,636
<b>Liability for Other Postemployment Benefits</b>	14,259,998
<b>Liability for Compensated Absences</b>	45,764,428
<b>Total</b>	<u><u>633,508,302</u></u>

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

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

Source: The School District of Osceola County, FL.

## **State and District Retirement Programs**

All regular employees of the District are covered by the Florida Retirement System (the "FRS"). The FRS is administered by the State Board of Administration of Florida (SBA). The FRS includes a cost-sharing, multiple-employer, defined benefit pension plan (the "Pension Plan") with a Deferred Retirement Option Program (DROP) available for eligible employees, and a defined contribution program for which retirement benefits are provided to eligible employees who elect to participate (the "Investment Plan"). The Retiree Health Insurance Subsidy (the "HIS") is an additional benefit under both plans. The FRS provides retirement, disability coverage and survivor benefits.

Employees enrolled in the Pension Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled on or after July 1, 2011 must have at least eight years of service to vest. The defined benefit plan provides a lifetime monthly benefit to vested participants based on several factors including employee earnings, length of service and membership class. It also has a cost-of-living adjustment. The District's Plan recognized pension expense for the fiscal year ended June 30, 2023 totaled \$34,584,695. The District's contributions to the Plan totaled \$28,336,206 and the proportionate share of the net pension liability totaled \$230,151,929.

The DROP Program permits employees eligible for normal retirement under the Pension Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate, certain K-12 instructional personnel, may extend their participation for a maximum of 96 months. During the period of DROP participation, deferred monthly benefits are held and deposited in an interest-bearing account in the FRS Trust Fund.

FRS members may elect to participate in the Investment Plan, a defined contribution plan in which employer and employee contributions are defined by law, but benefits depend in part on the performance of the investment funds. The Investment Plan is funded with the same employer and employee contribution rates as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Vesting in the Investment Plan account occurs after 1 year of service, but employee contributions are immediately vested. The SBA is the Investment Plan sponsor and provides investment and trust services as well as educational resources. The District's Investment Plan expense totaled \$11,643,056 for the fiscal year ended June 30, 2023.

The HIS provides a monthly benefit to assist retirees pay a portion of their health insurance premiums. Eligible retirees and beneficiaries receive a monthly HIS payment of \$5.00 for each year of creditable service at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. The HIS Plan is funded by required employer contributions, based on the gross compensation of all active FRS members. For the fiscal year ending June 30, 2023, the District's contributions to the HIS Plan totaled \$5,635,810. The recognized pension expense totaled \$4,668,722, and the net pension liability totaled \$91,082,708 for its proportionate share of the HIS Plan's net pension liability.

Additional information regarding the retirement programs is included in Note 11 of the District's 2022-2023 Annual Comprehensive Financial Report.

## **Other Post Employment Benefit Programs**

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

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

In order to comply with GASB 75, the District retained Gabriel, Roeder, Smith & Company (the "Actuary"), to review the District's OPEB liability and provide the District with a valuation. The valuation indicated that the District's total OPEB liability was \$14,259,998 as of June 30, 2022, the measurement date.

Additional information regarding the District's OPEB liability is included in Note 12 to the District's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2023.

### Millage Rates

The following table contains historical millage rates for the School District for the fiscal years ended June 30, 2018 through June 30, 2023, and budgeted millage rates for the fiscal year ending June 30, 2024.

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

	2018	2019	2020	2021	2022	2023	<u>Budgeted</u> 2024
State - Required Local Effort	4.501	4.161	3.984	3.761	3.639	3.262	3.244
Prior Period Adjustment	0.000	0.002	0.008	0.017	0.010	0.006	0.012
Local - Discretionary	0.748	0.748	0.748	0.748	0.748	0.748	0.748
Supplemental Discretionary	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Subtotal Operating Millage	<u>5.249</u>	<u>4.911</u>	<u>4.740</u>	<u>4.526</u>	<u>4.397</u>	<u>4.016</u>	<u>4.004</u>
Capital Outlay	1.500	1.500	1.500	1.500	1.500	1.500	1.500
Debt Service	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Total	<u><u>6.749</u></u>	<u><u>6.411</u></u>	<u><u>6.240</u></u>	<u><u>6.026</u></u>	<u><u>5.897</u></u>	<u><u>5.516</u></u>	<u><u>5.504</u></u>

Source: The School District of Osceola County, FL.



## Property Tax Levies and Collections

The following table contains historical property tax levies and collections for the School District for the fiscal year ended June 30, 2014 through June 30, 2023.

Fiscal Year	Taxes Levied for the Fiscal Year	Collected with the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	137,619,241	131,876,045	95.83%	550,115	132,426,160	96.23%
2015	144,752,427	139,488,248	96.36%	206,607	139,694,855	96.51%
2016	153,424,444	147,442,560	96.10%	164,884	147,607,444	96.21%
2017	155,326,218	149,783,923	96.43%	121,820	149,905,743	96.51%
2018	166,007,030	159,897,312	96.32%	237,430	160,134,742	96.46%
2019	175,782,158	170,009,659	96.72%	74,249	170,083,908	96.76%
2020	192,931,890	185,073,447	95.93%	67,973	185,141,420	95.96%
2021	204,181,105	196,441,845	96.21%	50,058	196,441,845	96.21%
2022	215,248,061	206,730,733	96.04%	40,397	206,730,733	96.04%
2023	244,157,685	234,137,666	95.90%	-	234,137,666	95.90%

Source: The School District of Osceola County, FL.

## Estimated Actual and Assessed Value of Property

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

Tax Year	Fiscal Year	Estimated Actual Value "EAV"	Total Assessed Value "AV"	Percentage of AV to EAV
2012	2013	17,439,420	16,462,812	94.4%
2013	2014	18,238,706	17,071,429	93.6%
2014	2015	20,474,563	19,512,258	95.3%
2015	2016	23,076,947	21,000,022	91.0%
2016	2017	24,764,631	22,956,813	92.7%
2017	2018	27,484,434	25,368,133	92.3%
2018	2019	30,151,465	28,402,680	94.2%
2019	2020	33,148,526	31,391,654	94.7%
2020	2021	50,588,912	34,102,442	67.4%
2021	2022	60,097,945	39,735,930	66.1%

Source: Osceola County Annual Comprehensive Financial Report 9/30/2022

## **DISTRICT REVENUES**

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

### **Local Revenue Sources**

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

For operational purposes, the Florida Legislature annually places requirements on each school district to levy a millage rate that is defined by law to be the “district required local effort” for those school districts desiring to participate in the allocation of State funds available to school districts. In 2022-23 the District’s required local effort was 3.262 mills. School boards are also authorized to levy an additional “discretionary millage” for operations, not to exceed an amount established annually by the Legislature. In 2022-23, the discretionary operating millage for all school districts was .748 mills.

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

Ad valorem tax receipts increased from \$206.8 million during the 2021-22 fiscal year to \$234 million during the 2022-23 fiscal year. The District has budgeted approximately \$281.7 million of ad valorem tax receipts for the 2023-24 fiscal year.

Commencing in calendar year 2000, the District began receiving a portion of a one cent infrastructure sales surtax (the “Sales Surtax”) that is levied by the County on all taxable sales of tangible personal property sold at retail and certain services within the County. Pursuant to an interlocal agreement with the County, the District’s allocation of the Sales Surtax was 10% for calendar years 2000 through 2005 and 25% for calendar years 2006 through 2025. An extension until 2045 was approved by Osceola County voters approved by referendum in November 2022. The District issued \$42,325,000 of its Sales Tax Revenue Bonds, Series 2001 (the “2001 Sales Tax Bonds”) in May 2001, and pledged proceeds of the Sales Surtax as security thereof. The District issued its Sales Tax Revenue Bonds, Series 2007A (the “2007A Sales Tax Bonds”) and Sales Tax Revenue Refunding Bonds, Series 2007B (the “2007B Sales Tax Bonds”) in the aggregate principal amount of \$79,835,000 (collectively, the “2007 Sales Tax Bonds”) in April 12, 2007. The proceeds of the 2007B Sales Tax Bonds, were used to refund a portion of the 2001 Sales Tax Bonds. During fiscal year 2015-16, the District issued its Sales Tax Revenue Bonds, Series 2015 (the “2015 Sales Tax Bonds”), in an aggregate principal amount of \$30,087,000, to refund a portion of the 2007A Sales Tax Bonds. The District issued its Sales Tax Revenue Bonds, Series 2017 (the “2017 Sales Tax Bonds”) in the aggregate principal amount of \$19,420,000, to refund a portion of the 2007B Sales Tax Bonds in June, 2017. The 2015 Sales Tax Bonds and the 2017 Sales Tax Bonds outstanding balance as of June 30, 2023 is \$13,150,000.

In November 2016, Osceola County voters approved by referendum the imposition of a one-half cent discretionary capital outlay sales surtax (CO Sales Surtax), effective beginning January 1, 2017, and ending December 31, 2036. The District issued Capital Outlay Sales Tax Bonds (the “2017 CO Sales Tax Bonds”) in the amount of \$86,250,000 in May 2017. In addition, the District issued Capital Outlay Sales Tax Bonds (the “2020 CO Sales

Tax Bonds”) in September 2020 in the amount of \$75,150,000. The bonds are being issued to finance fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses, land acquisition, land improvement, design and engineering costs, retrofitting and providing for technology implementation, including hardware and software, for the various sites within the District. The Capital Outlay Sales Tax Bonds principal and interest are payable from the proceeds of the one-half cent discretionary sales surtax collected within Osceola County. The 2017 CO Sales Tax Bonds and 2020 CO Sales Tax Bonds outstanding principal balance as of June 30, 2023 is \$122,370,000.

Sales Surtax and CO Sales Surtax combined revenues for Fiscal Year 2022-23 were \$71 million and are budgeted to be \$66 million for fiscal year 2023-24.

The District also receives educational system facilities impact fees that are collected from new residential construction in the County. The District received \$98 million in fiscal year 2022-23, and budgeted \$85 million for fiscal year 2023-24. Effective March 6, 2023, Osceola County educational system impact fees per dwelling unit are:

<u>Residential Category</u>	<u>Countywide</u>	<u>Short-Term</u>
		<u>Rentals</u>
Single Family Detached	\$ 12,923	\$ 6,034
Townhouse	8,262	4,620
Multi-Family	12,165	7,534
Condominium	4,702	2,473
Mobile Home	8,740	N/A

## State Revenue Sources

Capital Outlay. State capital revenues represented \$11.4 million or approximately 4.4% of the District’s total capital outlay revenues for fiscal year 2022-23. Budgeted state capital outlay revenues available to the District are expected to be \$11 million or approximately 4.6% of the District’s budgeted total capital outlay revenues in the adopted budget for fiscal year 2022-23.

The District receives motor vehicle license revenues, also known as capital outlay and debt service (“CO&DS”) funds. The annual allocation of CO&DS funds is determined by the number of instruction units for each school district. CO&DS funds may be used for capital outlay projects included on a school district’s Project Priority List approved by the State Board of Education. CO&DS funds can be used to make the lease purchase payments of facilities included in the project priority list. None of the facilities currently subject to the Master Lease Agreement are on the project priority list. In fiscal year 2022-23, the District received approximately \$2,423,076 in State bond proceeds with respect to such CO&DS funds. The District is budgeted to receive \$1,000,000 in CO&DS funds in fiscal year 2023-24.

The Public Education Capital Outlay Program (“PECO”) program provides the District with funds for remodeling, renovation, maintenance, repairs and site improvements of educational facilities. Allocation of PECO funds are determined as provided by State law, based upon a statutory formula that considers building age and value. PECO funds are to be used for projects that will expand or upgrade current educational plants to prolong the useful life of the plant. At least one-tenth of the annual allocation is to be spent to correct unsafe, unhealthy or unsanitary conditions in educational facilities. The State also established, as part of the PECO program, a separate account known as “Special Facility Construction Account” to provide funds to districts for urgent construction needs. The Commissioner of Education administers the PECO program. The District did not receive any PECO funding for fiscal year 2022-23 and does not expect to receive any PECO funds for fiscal year 2023-24.

Operating Revenue. The primary source of educational funding from the State is the Florida Education Finance Program (“FEFP”), enacted by the Florida Legislature in 1973. FEFP funds are provided on a weighted full-time equivalent student (“FTE”) basis using a formula that considers varying local property tax bases, education program costs and varying costs for equivalent educational programs due to sparsity and dispersion of the student population. The program cost factors which are used to determine the level of each school district’s FEFP funding are determined by the Florida Legislature. The amount of FEFP funds disbursed by the State is adjusted four times during each year to reflect changes in FTE and in variables comprising the weighing formula. In addition, the level of State funding is adjusted during each year to compensate for increases or decreases in ad valorem tax revenue resulting from adjustments to the valuation of non-exempt property in the County. General Fund receipts from FEFP were \$293.9 million for the 2020-21 fiscal year, \$306.8 million for 2021-22 and \$324.2 million for 2022-23. Based on declining enrollment as compared to FTE projections, the district has budgeted approximately \$323.3 million of FEFP General Fund receipts for the 2023-24 fiscal year.

Included in the General Fund receipts from FEFP are categorical program receipts that are lump sum appropriations from the State intended to supplement local school district revenues to enhance the delivery of educational and support services by each district. For the 2023-24 fiscal year, the State legislature revised the FEFP formula, decreasing the number of categorical allocations and adding the equivalent funding to the base FEFP funding, providing more flexibility over the use of funds. Among the larger categorical programs that still remain as separate components within the FEFP funding formula are the programs for class size reduction, educational enrichment allocation (formerly supplemental academic instruction), student transportation, mental health assistance and safe schools. Allocations for these categorical appropriations are based on specific funding formulas. The majority of the funds available require actual appropriation by the Board for the purposes for which they were provided. Total State categorical aid was \$123 million for fiscal year 2020-21, \$125 million for fiscal year 2021-22 and \$131 million for fiscal year 2022-23. Based on the changes to the FEFP formula, the district budgeted \$117.2 million for the 2023-24 fiscal year.

## **Other Revenue**

The District also receives local, state and federal funds, substantially all of which is restricted for specific programs. Programs funded with these special revenue sources include school food service operations, special education, Title I programs and COVID-19 relief efforts, among others.

## ADDITIONAL INFORMATION - SALES TAX REVENUE

### Sales Surtax

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

#### Sales Surtax Distributions

Fiscal Year Ending June 30	Sales Tax Revenues Distributions to All Agencies <sup>(1,3)</sup>	Sales Tax Revenues Distributions to Issuer <sup>(2,3,4)</sup>
2019	95,132,032	47,849,163
2020	91,697,693	44,396,967
2021	87,180,282	45,489,330
2022	125,588,698	66,335,040
2023	128,050,480	70,994,530

Source: State of Florida, Department of Revenue

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