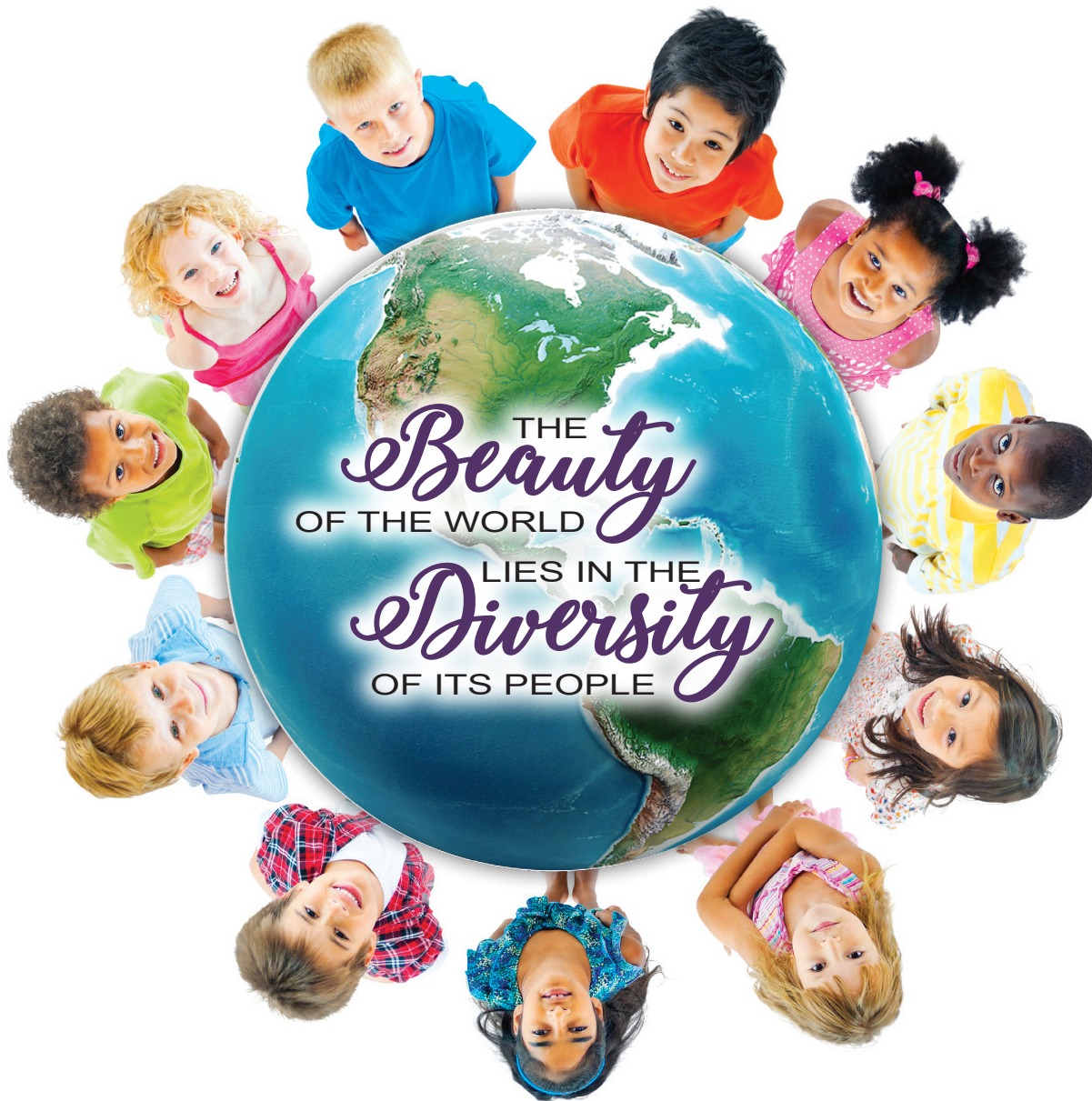




Annual Comprehensive Financial Report

For the Year Ended June 30, 2021



THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

VISION: To be a world-class school system

The School District of Lee County
Fort Myers, Florida

**ANNUAL
COMPREHENSIVE
FINANCIAL REPORT**

**FOR
FISCAL YEAR ENDED
JUNE 30, 2021**

Prepared by:
Financial Accounting Department

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR FISCAL YEAR ENDED JUNE 30, 2021**

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INTRODUCTORY SECTION



THE SCHOOL DISTRICT OF LEE COUNTY

December 16, 2021

District School Board of Lee County
2855 Colonial Boulevard
Fort Myers, FL 33966-1012

Dear Chairman, School Board Members, and Citizens of Lee County:

After the close of each fiscal year, State law requires that all local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) in the United States of America and audited by the Florida Auditor General, or a firm of licensed certified public accountants, in accordance with auditing standards generally accepted in the United States of America. Pursuant to this requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the School District of Lee County (the District) for the fiscal year ended June 30, 2021.

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, District management has established a system of internal controls designed 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 the benefits, the District's system 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 accounting firm MSL, P.A. conducted the audit for the fiscal year ended June 30, 2021. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021, 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 that there was a reasonable basis for rendering an unmodified opinion on the District's basic financial statements for the fiscal year ended June 30, 2021. The auditor's report is presented as the first component in the Financial Section of this report.

The independent audit of the District's financial statements included the 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 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 on the fair presentation of the financial statements and 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. Information related to this Single Audit, including the schedule of expenditures of federal awards, schedule of findings and questioned costs, summary schedule of prior audit findings, and the independent auditor's reports on internal control and on compliance with applicable requirements, are included in the Other Independent Auditor's Reports, Schedules and Other Information section of this report.

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 the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Auditor's Report.

Profile of the Government

The District and its governing board were created pursuant to Section 4, Article IX, of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered, and supervised by District officials in accordance with Chapter 1001.42, Florida Statutes. The District School Board of Lee County (the Board) consists of seven elected officials responsible for the adoption of policies that govern the operation of the District's public schools. The appointed Superintendent of Schools (the 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 rules, and School Board policies. State Board of Education, Rule 6A-1.001, Florida Administration Code, designates specific responsibility to the Superintendent for maintaining a uniform system of records and accounts.

The geographic boundaries of the District are the same as those of Lee County, (the County), which was founded in 1887 and named in honor of General Robert

E. Lee. The County is located on the Gulf Coast of Florida, encompasses approximately 811 square miles, including several small islands in the Gulf of Mexico, and is bordered by Charlotte County to the north, Hendry County to the east, and Collier County to the south. Lee County's estimated population in 2021 is 790,767 people.

The report includes all funds of the District, the Lee County School Board Leasing Corporation, the Foundation for Lee County Public Schools (the Foundation), and 18 charter schools, all of which comprise the reporting entity. The Lee County School Board Leasing Corporation was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. 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 Lee County. Charter schools are public schools operating under performance contracts with the Board. The Foundation and applicable charter schools are included as aggregate discretely presented component units.

The District provides a full range of educational programs. These include pre-kindergarten, kindergarten through 12th grade, basic and enrichment programs, and exceptional student education. The District also provides vocational and adult programs.

During the 2020-21 fiscal year, the District operated 94 schools and programs comprised of 49 elementary schools, 16 middle schools, 14 high schools, 15 specialized schools and programs, and reported student enrollment of 95,211. The District plans to open one new high school in the 2021-22 fiscal year. To better serve schools and students, the District is divided into three geographic learning communities. In addition, the District sponsored 18 charter schools that are component units of the District and does not plan to sponsor any new charter schools during the 2021-22 fiscal year. The charter schools are separate not-for-profit corporations organized and operated under Section 1002.33, Florida Statutes. The charter schools are funded by the state based on their weighted full-time equivalent student count and receive this funding through the District. The projected enrollment for fiscal year 2021-21 is 97,504. The District owns and maintains nearly 13.2 million square feet of buildings with an average age of 40.1 years.

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. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function 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 year-end and encumbrances outstanding are honored from the subsequent 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.

The District's vision is to be a world class district and its mission is to ensure each student achieves his/her highest personal potential.

Economic Condition and Outlook

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Lee County is part of the Fort Myers–Cape Coral Metropolitan Statistical Area with an annual growth rate of 2.6 percent. The County's population has increased from 625,310 in 2011 to 790,767 in 2021, an increase of 26.5 percent. This compares to a 16.6 percent increase for Florida overall and a 6.6 percent increase for the nation.

Growth is projected to continue at a slower rate for the next five years, increasing the population in the County to over 894,597 by 2030, and to more than 1,500,000 in the Southwest Florida area in general. Lee County has emerged in recent years as a dynamic destination for businesses. In 2014, Florida was voted the second best state for business by *Chief Executive Magazine*, and Cape Coral ranked as one of the Best Cities for Future Job Growth in 2014 by *Forbes*. Businesses have a ready workforce to draw from as 88.4% of the population over age 25 has at least a high school diploma with 28.2% having a bachelor's degree or higher.

Our county led the country in foreclosures during 2009, and unemployment was amongst the highest in the nation. The trend was changing as the unemployment rate was 3 percent in February, 2020. Due to COVID-19, the unemployment rate skyrocketed to its peak in April 2020 at 14.6 percent and is currently, as of June 2021, at 5.3 percent. However, our student population continues to grow as we estimate an almost additional 2,000 students in the next fiscal year, bringing our student population to over 97,000. This makes the District one of the most consistent and fastest growing District's in the state in terms of student growth, which keeps us in the top 10 largest districts in the state, and top 40 in the country. This growth is projected to increase the student population up to 1.6 percent each

year bringing the estimated student population to approximately 111,400, 114,400 and 124,700 over the next 5, 10 and 20 years, respectively. The mainstay of the County's economy are tourism and retirement, and their associated services, such as health, trade, and other service-oriented industries. The County also has real estate development, agribusiness, high-tech manufacturing, corporate and regional headquarters, warehousing and distribution, and financial services industries. Currently, over 85 percent of employment is concentrated in the services, wholesale and retail, and government sectors. Industries expected to gain the most new jobs in the near future include local government, health services, business services, food services, and special trade contractors.

While the District is heavily reliant upon state funding for the core of the educational programs within the District, and while the economic conditions of the nation and state interact with state funding adequacy and availability, the economic outlook for the District is consistent with the national situation. The State of Florida is heavily dependent upon sales tax collections and tourism. In addition, the community within the District is wholly supportive of the educational program, as evidenced by the contribution of money, time and effort. Any funding fluctuations will mean that new programs, innovative initiatives and educational enhancements may not be available within the desired time frames, but the positive improvements will continue to occur. In addition, the Board, Superintendent and staff are acutely aware of the perils of interrupted revenue receipts. Prudent business practices, accompanied by statutes mandating balanced budgets, result in a continual review of the financial condition of the District.

The District recognizes that the continued enhancement of the local economy is of mutual benefit to both the District and the County, and that an excellent system of public education is a significant factor in attracting new business and industry to the County. The District is the area's second largest employer, employing 13,435 full and part-time employees, including 5,724 instructional personnel.

Ranked in the top 10 in student population in the state and in the top 40 in the nation, the District is challenged not only by growth but also the 2002 State Constitutional Amendment legislating reductions in class size. These challenges require the construction of an additional 12 schools in the next 10 years. In order to meet this demand, the District will continue to seek additional revenue sources. There are 86 public schools in Lee County and providing adequate facilities to all students is fundamental to maintaining an effective education system. It speaks to a range of standards, including safety, class size and equity. An ambitious construction program that produced 40 new or additions to schools over the past 10 years is winding down. This program was supported in part by the issuance of several Certificates of Participation. The District will not be able to sustain this building program going forward. In recent years, the Florida Legislature has reduced school districts taxing authority for capital outlay from 2.000 mills to 1.500 mills. With the dramatic reduction in property values, the District's revenue stream for school construction is extremely limited. On November 6, 2018 the voters of

Lee County approved a ten-year half cent referendum. This sales tax surcharge will be used for the construction and renovation of school, safety initiatives, maintenance at schools and technology projects. In addition, with half of the school facilities more than 30 years old, a major construction and renovations program was initiated. Concurrently, the District adopted a 5 year plan to bring schools up to the newly adopted District standard in technology equipment and student accessibility. The District has also adopted a 20 year maintenance and replacement program to ensure school facilities are properly preserved.

Financial Information. A detailed explanation of the financial position and operating results of the District is provided in the Annual Comprehensive Financial Report. Presented below is a brief description of financial information, management of financial resources and obligations, and control techniques applicable to financial resources, obligations, and information.

The accounting policies of the District conform to GAAP applicable to governmental units. The statements and schedules included in the financial section of this report demonstrate the District's continued commitment to sound financial management.

Long-Term Financial Planning. The District continues to maintain adequate fund balances and top debt ratings by careful management of its financial resources. The District continues to implement budget saving initiatives to maintain fund balances without making cuts to the classrooms or necessitating layoffs of employees.

Major Initiatives

Capital Outlay Program

During the fiscal year 2022, the District is planning to start the construction of three elementary schools, and one middle school, start the remodel of two elementary schools, two middle schools, two high schools and two technical centers and to complete the construction of one middle school and one high school and to complete the remodel of one elementary school. For fiscal year 2023, the District is planning to start the construction of one middle school and one high school, start the remodel of two elementary schools, and to complete the construction of two new elementary schools and one middle school, and to complete the remodel of two technical centers and to continue the construction of one elementary school, one middle school and one high school and to continue the remodel of one elementary school, one middle school and one high school.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting, and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This was the nineteenth year the District has received these prestigious awards. In order to be awarded the GFOA's Certificate of Achievement for Excellence in Financial Reporting and ASBO's Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized ACFR. This report satisfied both generally accepted accounting principles (GAAP) and applicable legal requirements.

The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement and Certificate of Excellence program requirements and we are submitting it to the GFOA and ASBO to determine its eligibility for another certificate.

The preparation and completion of this report on a timely basis was made possible by the dedicated service of the entire staff of the District's Financial Accounting Department. Each member of the Financial Accounting Department has our sincere appreciation for the contributions made in the completion of this report.

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

Respectfully submitted,



Dr. Kenneth A. Savage
Superintendent



Dr. Ami Desamours
Chief Financial Officer



Mr. Michael L. Gatewood
Director of Financial Accounting & Property Records

**SCHOOL DISTRICT OF LEE COUNTY
BOARD MEMBERS AND SUPERINTENDENT**



Debbie Jordan
Chairman, District 4



Betsy Vaughn
Vice Chairman, District 6



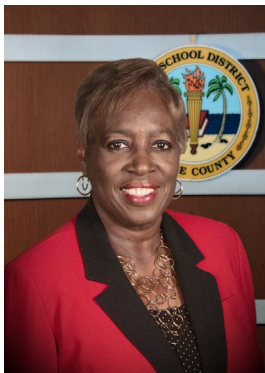
Mary Fischer
District 1



Melisa W. Giovannelli
District 2



Chris N. Patricca
District 3



Gwynetta S. Gittens
District 5



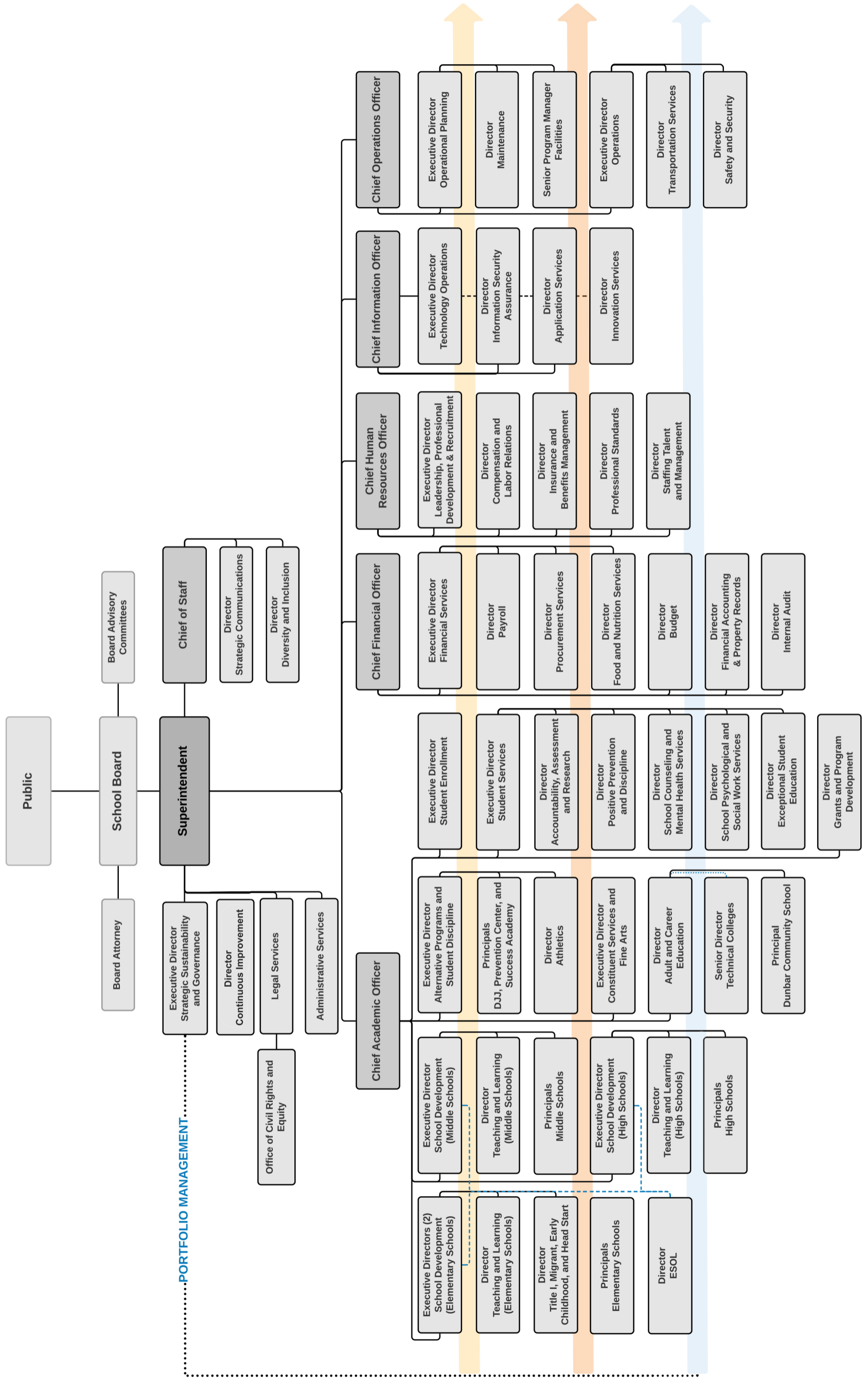
Cathleen O'Daniel
Morgan District 7



Kenneth A. Savage, Ed.D.
Superintendent

**THE DISTRICT SCHOOL BOARD OF LEE COUNTY, FLORIDA
SUPERINTENDENT AND PRINCIPAL DISTRICT OFFICIALS**

Dr. Kenneth A. Savage	Superintendent
Ms. Lauren Stillwell	Chief Engagement Officer
Dr. Denise Carlin	Chief of Staff
TBA	Chief Operating Officer
Dr. Ami Desamours	Chief Financial Officer
Dr. Jeffrey Spiro	Chief Academic Officer
Mr. Trey Davis	Chief Information Officer
Dr. Angela Pruitt	Chief Human Resources Officer
Ms. Soretta Ralph	Executive Director Student Enrollment
Ms. Leona Herrell	Executive Director Leadership, Professional Development and Recruitment
Mr. David Newlan	Executive Director Safety, Security and Emergency Management
Mr. Dwayne Alton	Executive Director Technology Operations
Ms. Susan Malay	Executive Director Financial Services
TBA	Director Internal Audit
Ms. Kelleen Letcher	Director Budget Services
Ms. Tracey Adams	Director Procurement Services
Ms. Kimberly Hutchins	Director Payroll
Mr. Michael Gatewood	Director Financial Accounting & Property Records





**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

**The Certificate of Excellence in Financial Reporting
is presented to**

School District of Lee County

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2020.**

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



A handwritten signature in black ink, reading 'W. Edward Chabal'.

**W. Edward Chabal
President**

A handwritten signature in black ink, reading 'David J. Lewis'.

**David J. Lewis
Executive Director**



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District of Lee County
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

School Board and Superintendent
School District of Lee County, Florida

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 School District of Lee County, Florida (the "District") as of and for the year ended June 30, 2021, 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 Charter Schools or The Foundation for Lee County Public Schools, Inc., which comprises 100 percent of the assets, net position, and revenues of the discretely presented component units of the District. Those financial statements were audited by other auditors, whose reports have been furnished to us and, our opinion, insofar as it relates to the amounts included for the discretely presented component units, is 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 of 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 District'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 District'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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the General fund and the Federal Education Stabilization fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in the year ended June 30, 2021, the District adopted the provisions of Government Accounting Standards Board Statement ("GASBS") number 84, *Fiduciary Activities*. As a result of the implementation of GASBS 84, the District reported a restatement for the change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, OPEB Schedule, and Pension Schedules, 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.

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 as a whole. The introductory section, combining and individual major and non-major fund financial statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual major and non-major fund financial statements and schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section and statistical section 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.

School Board and Superintendent
School District of Lee County, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
December 16, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the School District of Lee County's Annual Comprehensive Financial Report presents management's discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2021. Please read it in conjunction with the District's financial statements, which immediately follow this section.

Financial Highlights

- The District's assets plus deferred outflows of resources exceeded its liabilities plus deferred inflows of resources by \$899,177,534 at fiscal year ending June 30, 2021.
- Net position of the District increased by \$77,590,749 in comparison to the 2019-20 fiscal year.
- The District's Government-wide revenues totaled \$1,211,807,028 comprised of general revenues of \$1,135,258,532 or 93.7 percent of the total revenues. Program specific revenues from charges for services, operating grants and contributions, and capital grants and contributions, totaled \$76,548,496 or 6.3 percent of the total revenues.
- Expenses incurred by the District totaled \$1,134,216,279 for governmental related activities. Program specific revenues offset these expenses by \$75,548,496, and general revenues funded the difference.
- The District's governmental funds reported combined ending fund balances of \$513,246,694 or a decrease of \$6,073,624 or (1.2) percent in 2020-21 fiscal year in comparison with the 2019-20 fiscal year.
- The unassigned fund balance of the General Fund representing the net current financial resources available for general appropriation by the Board, totaled \$111,704,355, at June 30, 2021, or 14.0 percent of total General Fund expenditures.
- The General Fund total fund balance as of June 30, 2021, totaled \$164,322,195, a 16.8 percent increase in comparison to the 2019-20 fiscal year total of \$140,682,483. The increase in total fund balance of the General Fund is mainly attributed to the increase in property tax revenue and actual expenditures were less than projected due to conservative spending at the schools.

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Overview of the Financial Statements

The Financial Section of this Annual Comprehensive Financial Report consists of three parts: Management’s Discussion and Analysis, the Basic Financial Statements, and other supplementary section that presents combining statements for Nonmajor Governmental Funds, Internal Service Funds, and Component Units. The Basic Financial Statements include several statements that present different views of the District:

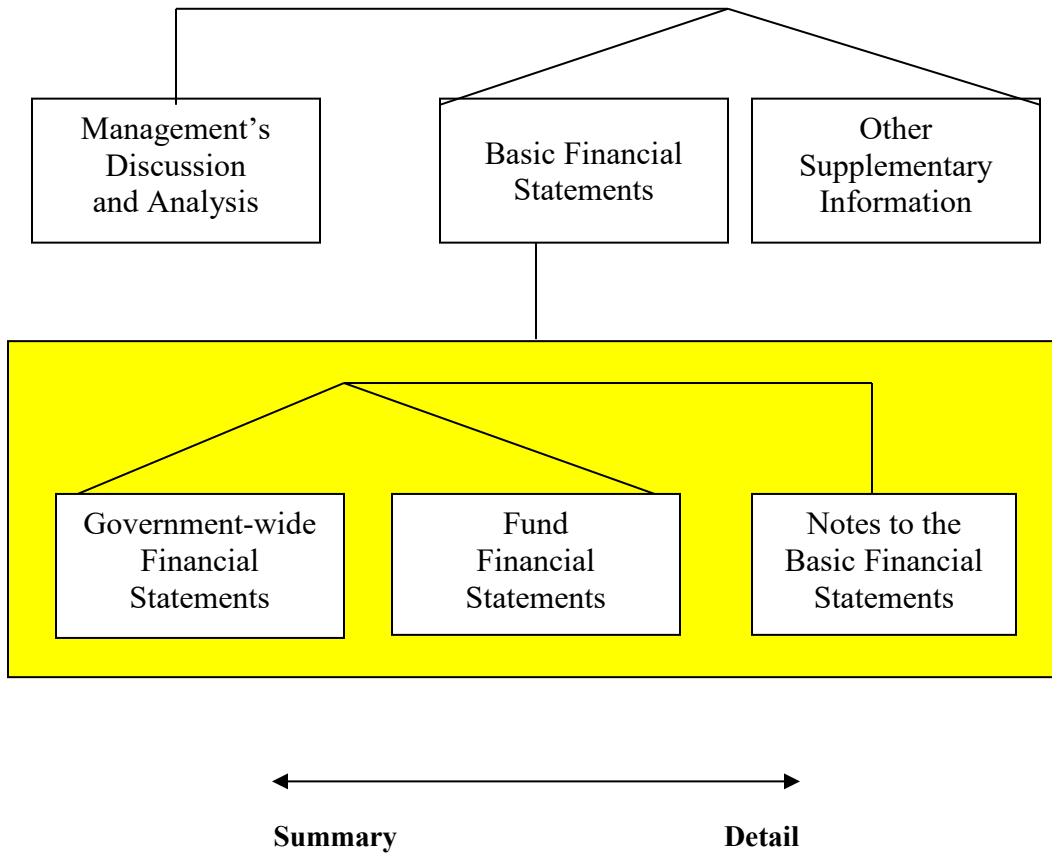
- The first two statements are *Government-wide Financial Statements* that provide both *short-term* and *long-term* information about the District’s *overall* financial status.
- The remaining statements are *Fund Financial Statements* that focus on *individual parts* of the District, reporting the District’s operations in *more detail* than the Government-wide statements.
- The *Governmental Funds Statements* tell how basic services, such as regular and special education, were financed in the *short-term* as well as what remains for future spending.
- The *General Fund’s Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual* is presented for the primary operating fund of the District.
- The *Proprietary Funds Statements* offer *short-term* and *long-term* financial information about the activities the District operates as Internal Service Funds, for self-insurance.

The Basic Financial Statements also include notes that explain information in the statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the Basic Financial Statements with combining and individual fund statements that provide details about the Nonmajor Governmental Funds. Combining statements for the District’s discretely presented component units are also included. Also, the other supplemental section includes schedules of budget to actual for each governmental fund. Figure A-1 on the following page shows how the various parts of this report are arranged and related to one another.

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Figure A-1

Organization of the District's Annual Comprehensive Financial Report



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Figure A-2 summarizes the major features of the District’s Basic Financial Statements, including the portion of the District’s activities they cover and the types of information they contain. The remainder of this overview section of Management’s Discussion and Analysis highlights the structure and contents of each of the statements.

Figure A-2

Major Features of the Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as delivery of student instruction and building maintenance.	Activities the District operates similar to private businesses.	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activity monies.
Required Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Position Statement of Revenues, Expenditures, and Changes in Net Position Statement of Cash Flows	Statement of Fiduciary Assets and Liabilities
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus.	Accrual accounting and economic resources focus.	Accrual accounting and economic resources focus.
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term.	Generally assets expected to be used and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both financial and capital, short-term and long-term; funds do not currently contain capital assets, although they can.
Type of in-flow/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

Government-wide Statements

The Government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's non-fiduciary assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the Statement of Activities, regardless of when cash is received or paid. The two Government-wide statements report the District's *net position* and *how they have changed*. Net position (the difference between the District's assets and deferred outflows less liabilities and deferred inflows) are one way to measure the District's financial health or *position*.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, additional nonfinancial factors, such as changes in the District's property tax base and the condition of the school buildings and other facilities, must be considered.

In the Government-wide statements, the District's activities are divided into two categories:

Governmental Activities: Most of the District's basic services are included here, such as student instruction, transportation, maintenance and operations, and administration. Property taxes and State aid finance most of these activities. The Lee County School Board Leasing Corporation (Leasing Corporation) although legally separate, was formed December 17, 2003, to facilitate financing for the acquisition of facilities and equipment. Due to a substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government. Separate financial statements for the Leasing Corporation are not published.

Component Units: The District includes 19 other entities in its report – The Foundation for Lee County Public Schools, Inc., Athenian Academy Charter School, Bonita Springs Charter School, City of Palms Charter High School, Inc., Coronado High School, DJB Technical Academy, Inc., Gateway Charter School, Gateway Intermediate Charter School, Gateway Charter High School, The Heights Charter School, Heritage Charter School, Inc., Island Park Charter High School, Inc., The Island School, Inc., Mid Cape Global Academy, Northern Palms Charter High School, North Nicholas High School, Oak Creek Charter School of Bonita Springs, Inc., Palm Acres Charter High School, Inc., and Six Mile Charter Academy. Although legally separate, these “component units” are important because the District is financially accountable.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or “major” funds – not the District as a whole. Funds are accounting devices used to track specific sources of funding and spending on particular programs.

- Some funds are required by State law and bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts), or to show that it is properly using certain revenues (such as Federal grants).

The District has two kinds of funds:

Governmental Funds

Most of the District's basic services, such as instruction and facilities services, are included in governmental funds. These funds generally focus on 1) how cash and other financial assets can readily be converted to cash flow in and out, and 2) the balances left at year-end that are available for spending. Consequently, the governmental funds statement provides a detailed, short-term view that assists the reader in determining whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation is provided for both the governmental fund balance

sheet and the statement of revenues, expenditures, and changes in fund balance which explains the relationships and/or differences between the funds.

Proprietary Funds

Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the Government-wide statements. The District uses two *Internal Service Funds* (a type of proprietary fund) to report activities that provide self-insurance services for its other programs and activities.

Financial Analysis of the District (Primary Government) as a Whole

Net Position. The District's *combined* net position was larger on June 30, 2021, than the previous fiscal year; increasing \$77.6 million to \$899.2 million (see Figure A-3) primarily due to the increase in property tax revenue of \$25.5 million. By far, the largest portion of the District's net position, \$907.4 million (100.9 percent) reflects its net investment in capital assets (e.g., land, construction in progress, buildings, improvements, equipment, motor vehicles, software and audio visual materials). The District uses these capital assets to house and educate the students of Lee County, Florida; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position, \$351.7 million (39.1 percent), represents resources that are subject to external restrictions on how they may be used. The unrestricted net position, a deficit amount of \$359.9 million (40.0 percent), was the result of accruing \$567.7 million in net pension liability.

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Figure A-3

Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities		Total Percentage Change
	2020	2021	
Current and Other Assets	\$ 703.8	\$ 718.4	2.1%
Capital Assets	1,269.4	1,327.3	4.6%
Total Assets	1,973.2	2,045.7	3.7%
Deferred Outflows of Resources	180.7	197.8	9.5%
Long-Term Liabilities	1,162.7	1,174.4	1.0%
Other Liabilities	115.7	132.1	14.2%
Total Liabilities	1,278.4	1,306.5	2.2%
Deferred Inflows of Resources	53.9	37.8	(29.9)%
Net Position			
Net Investment in Capital Assets	859.9	907.4	5.5%
Restricted	296.1	351.7	18.8%
Unrestricted (Deficit)	(334.4)	(359.9)	7.6%
Total Net Position	\$ 821.6	\$ 899.2	9.4%

The District’s improved financial position is the product of many factors, but the most significant factors are due to:

- Local half penny sales tax collection increased \$9.2 million as a result of increased sales during the COVID-19 pandemic.
- Florida Education Finance Program revenue increased \$11.1 million as a result of increased enrollment as well as an increase in the rate per student.
- Property Tax revenue increased \$25.5 million due to an increase in the tax roll.

Changes in Net Position. The District’s total revenue increased 3.1 percent to \$1,211.8 million (see Figure A-4). Property taxes, local sales tax, FEFP funding, and federal and state sources, accounted for most of the District’s revenue, contributing about 90 cents of every dollar raised (see Figure A-5). The remainder came from capital grants and contributions, operating grants and contributions, fees charged for services, investment earnings and other sources.

The total cost of all programs and services increased 0.7 percent to \$1,134.2 million. Approximately 90 percent of the District’s expenses are related to student instruction, student services, facilities services, transportation, operation of plant and maintenance of schools (see Figure A-6). The District’s administrative activities, including school administration, accounted for 10 percent of total costs. The \$3.4 million decrease in instruction costs was derived largely from conservative spending at the schools due to the COVID-19 pandemic.

Total revenues surpassed expenses, increasing net position \$77.6 million and contributing to the District’s improved financial condition.

Figure A-4

Changes in Net Position from Operating Results (in millions of dollars)

	Governmental Activities		Total Percentage Change
	2020	2021	
<i>Revenues</i>			
<i>Program Revenues</i>			
Charges for Services	\$ 12.2	\$ 9.6	(21.3)%
Operating Grants and Contributions	42.7	44.9	5.2%
Capital Grants and Contributions	20.9	22.0	5.3%
<i>General Revenues</i>			
Property Taxes	537.1	562.6	4.7%
Local Sales Tax	79.5	88.7	11.6%
Florida Education Finance Program	217.4	228.5	5.1%
Other Federal Sources	84.5	94.8	12.2%
Other State Sources	130.2	128.2	(1.5)%
Other Local Sources	39.7	30.5	(23.2)%
Investment Earnings	11.1	2.0	(82.0)%
Total Revenues	1,175.3	1,211.8	3.1%
<i>Expenses</i>			
Instruction	585.0	581.6	(0.6)%
Student Support Services	37.0	50.7	37.0%
Instructional Media Services	3.7	3.7	0.0%
Instruction & Curriculum Development Services	27.8	28.8	3.6%
Instructional Staff Training Services	11.1	12.8	15.3%
Instruction Related Technology	8.9	10.0	12.4%
Board	1.6	1.5	(6.3)%
General Administration	8.6	9.2	7.0%
School Administration	56.6	58.1	2.7%
Facilities Services	139.5	134.5	(3.6)%
Fiscal Services	4.7	4.6	(2.1)%
Food Services	49.9	51.7	3.6%
Central Services	13.3	14.2	6.8%
Student Transportation Services	55.3	52.5	(5.1)%
Operation of Plant	75.3	74.5	(1.1)%
Maintenance of Plant	18.6	18.3	(1.6)%
Administrative Technology Services	8.0	7.5	(6.3)%
Community Services	5.4	5.1	(5.6)%
Unallocated Interest on Long-Term Debt	16.2	14.9	(8.0)%
Total Expenses	1,126.5	1,134.2	0.7%
Increase (Decrease) in Net Position	48.8	77.6	59.0%
Net Position, Beginning	763.3	821.6	7.6%
Adjustments to Beginning Net Position 1	9.5	-	(100.0)%
Net Position, Beginning, Restated	772.8	821.6	6.3%
Net Position, Ending	\$ 821.6	\$ 899.2	9.4%

Note: (1) Adjustments to beginning net position due to the implementation of GASB Statement 84, which is a change in accounting principle that requires employers to establish criteria for identifying and reporting fiduciary activities. The District does not consider school internal funds to meet the criteria for reporting as fiduciary activities due to the District's administrative involvement.

Figure A-5

Sources of Revenues for Fiscal Year 2021

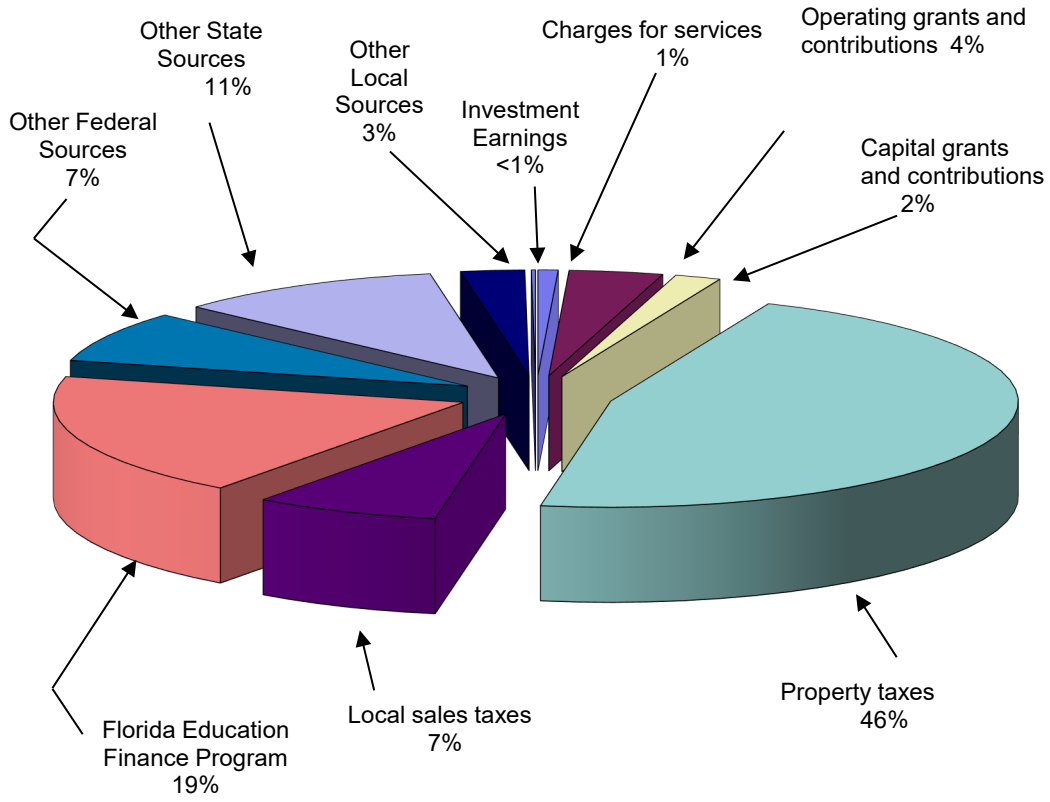
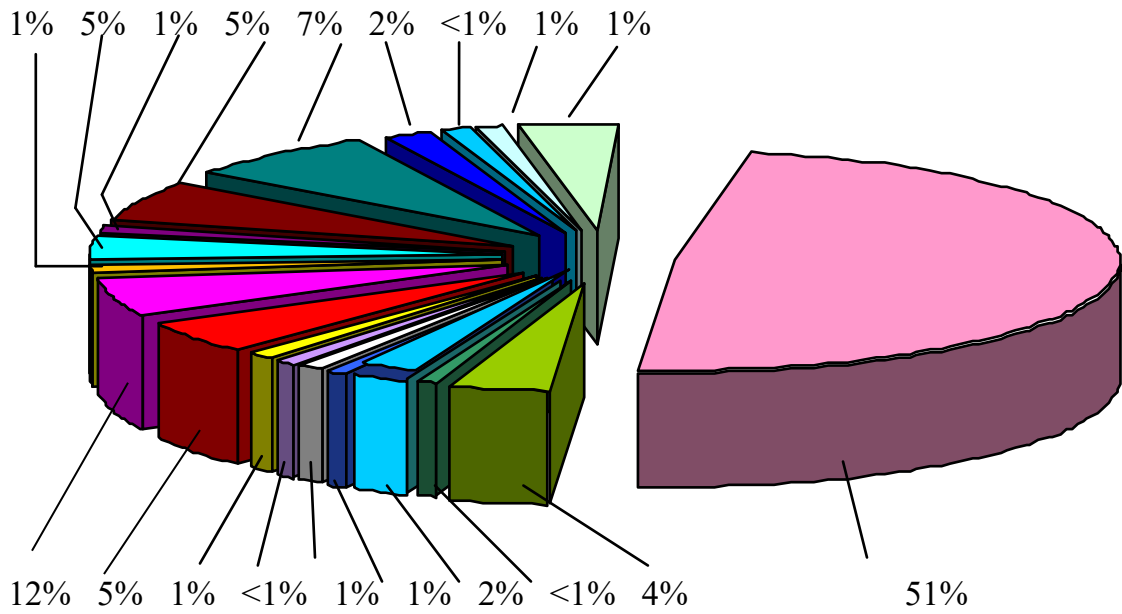


Figure A-6

Expenses for Fiscal Year 2021



- Instruction - 51%
- Student Support Services - 4%
- Instructional Media Services - <1%
- Instruction and Curriculum Development Services - 2%
- Instructional Staff Training Services - 1%
- Instruction Related Technology - 1%
- Board - <1%
- General Administration - 1%
- School Administration - 5%
- Facilities Services - 12%
- Fiscal Services - 1%
- Food Services - 5%
- Central Services - 1%
- Student Transportation Services - 5%
- Operation of Plant - 7%
- Maintenance of Plant - 2%
- Administrative Technology Services - <1%
- Community Services - 1%
- Unallocated Interest and Fiscal Charges on Long-Term Debt - 1%

Governmental Activities

Revenues for the District's governmental activities increased 3.1 percent, while expenses increased 0.7 percent. The increase in net position for governmental activities was \$77.6 million in 2021. The major impact to revenue was the increase collection of property taxes of \$25.5 million.

Figure A-7 presents the cost of the District's activities. The table also shows each activity's *net cost* (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the taxpayers by each of these functions.

Figure A-7

Net Cost of Governmental Activities, Primary Government (in millions of dollars)

	Total Cost of Services		Percentage	Net Cost of Services		Percentage
	2020	2021	Change	2020	2021	Change
Instruction	\$ 585.0	\$ 581.6	(0.6)%	\$ (574.9)	\$ (572.9)	(0.3)%
Student Support Services	37.0	50.7	37.0%	(37.0)	(50.7)	37.0%
Instructional Media Services	3.7	3.7	0.0%	(3.7)	(3.7)	0.0%
Instruction & Curriculum Development Services	27.8	28.8	3.6%	(27.8)	(28.8)	3.6%
Instructional Staff Training Services	11.1	12.8	15.3%	(11.1)	(12.8)	15.3%
Instruction Related Technology	8.9	10.0	12.4%	(8.9)	(10.0)	12.4%
Board	1.6	1.5	(6.3)%	(1.6)	(1.5)	(6.3)%
General Administration	8.6	9.2	7.0%	(8.6)	(9.2)	7.0%
School Administration	56.6	58.1	2.7%	(56.6)	(58.1)	2.7%
Facilities Services	139.5	134.5	(3.6)%	(119.0)	(112.8)	(5.2)%
Fiscal Services	4.7	4.6	(2.1)%	(4.7)	(4.6)	(2.1)%
Food Services	49.9	51.7	3.6%	(5.8)	(6.3)	8.6%
Central Services	13.3	14.2	6.8%	(13.3)	(14.2)	6.8%
Student Transportation Services	55.3	52.5	(5.1)%	(54.6)	(52.1)	(4.6)%
Operation of Plant	75.3	74.5	(1.1)%	(75.3)	(74.5)	(1.1)%
Maintenance of Plant	18.6	18.3	(1.6)%	(18.6)	(18.3)	(1.6)%
Administrative Technology Services	8.0	7.5	(6.3)%	(8.0)	(7.5)	(6.3)%
Community Services	5.4	5.1	(5.6)%	(5.4)	(5.1)	(5.6)%
Unallocated Interest and Fiscal Charges on Long-Term Debt	16.2	14.9	(8.0)%	(15.8)	(14.6)	(7.6)%
Total	\$ 1,126.5	\$ 1,134.	0.7%	\$ (1,050.7)	\$ (1,057.7)	0.7%

The cost of all governmental activities this year was \$1,134.2 million.

Part of the cost was financed by the users of the District's programs (\$9.6 million).

The Federal and State governments subsidized certain programs with grants and contributions (\$66.9 million).

However, most of the District's costs (\$1,050.7 million) were financed by District and State taxpayers. This portion of governmental activities was financed with \$562.6 million from property taxes, \$88.7 million of local sales tax and \$484.0 million of unrestricted Florida Education Finance Program funds based on the statewide education aid formula, and other federal, state, and local sources.

Financial Analysis of the District's Funds

The focus of the governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. As the District completed the fiscal year, its governmental funds reported combined fund balances of \$513.2 million, which is lower than last fiscal year's ending fund balances of \$519.3 million. Unassigned fund balance of \$111.7 million represents 21.8 percent of the ending fund balances and is available to meet the District's short-term spending needs. The remainder of fund balance is non-spendable, restricted or assigned to indicate that it is not available for new spending, because it is: 1) to liquidate inventory and prepaid items of \$8.1 million; 2) restricted by Federal law, State statute and local ordinance of \$388.0 million; and 3) assigned for State and Local programs of \$5.4 million.

Five of the nine Governmental Funds had more expenditures and other financing uses than revenues and other financing sources in 2021, thereby contributing to the decrease in total fund balance. Most significantly, \$82.0 million of the Capital Projects Fund Certificates of Participation/Impact Fees/State Grants fund balance decreased because capital outlays connected with construction remodeling and renovation of various schools were expended in the current year using prior year resources. Some funds reflected an increase (\$92.4 million) in fund balance. The Capital Projects Fund Local Capital Improvement Tax fund balance increased \$63.7 million because current year resources were not expended in the current year due to conservative spending.

The *General Fund* is the District's chief operating fund. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$111.7 million, while total fund balance reached \$164.3 million. During the current fiscal year, the fund balance of the General Fund increased by \$23.6 million. A key factor in this increase was the collection of \$11.1 million in Florida Education Finance Program funds as a result of increased enrollment as well as an increase in the rate per student.

The *Special Revenue Fund Federal Education Stabilization* is used to account for certain Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding provided as emergency relief to school districts to address the impact of the COVID-19 on elementary and secondary schools. Because grant revenues are not recognized until expenditures are incurred, this fund generally does not accumulate a fund balance.

The *Debt Service Fund Certificates of Participation* is used to account for the resources accumulated and payments made for principal, interest, and related costs on the long-term Certificates of Participation. The restricted fund balance at the end of fiscal year 2021 was \$0 million, a decrease of \$15.1 million from the prior fiscal year. The decrease is related to debt service payments the District made in early fiscal year 2021 with fiscal year 2020 resources.

The *Debt Service Fund ARRA Economic Stimulus* is used to account for the resources accumulated and payments made for principal, interest, and related costs on the long-term Qualified School Construction Bond (QSCB). The restricted fund balance at the end of fiscal year 2021 was \$19.5 million, an increase of \$1.7 million from the prior fiscal year due to the accumulated principal payments required to be deposited into a sinking fund until fiscal year 2026 when the debt will be paid.

The *Capital Projects Fund Local Capital Improvement Tax* is used to account for the resources generated by the local capital improvement tax to be used for educational capital outlay needs. At June 30, 2021, the total fund balance was \$164.7 million, an increase of \$63.7 million from the prior fiscal year due to conservative spending.

The *Capital Projects Fund Certificates of Participation/Impact Fees/State Grants* is used to account for the resources generated by various sources for educational capital outlay needs, including new construction and renovation and remodeling projects as specified in statute, ordinance, or contract. The total fund balance for this fund at the end of the current fiscal year was \$126.6 million, a decrease of \$82.0 million from the prior fiscal year. The primary reason for this change was because capital outlays connected with construction remodeling and renovation of various schools were expended in the current year using prior year resources.

General Fund Budgetary Highlights

Over the course of the fiscal year, the District revised the annual budget several times. These budget amendments generally fall into two categories:

Amendments Related to Changes in Revenue Estimates.

Throughout the school year, the District received revised calculations in the FEFP (Florida Education Finance Program – the funding formula for Florida school districts), based on changes in student counts, State revenue estimates, and local tax roll estimates. With each calculation, the budget is amended to reflect the current revenue estimates provided in the FEFP. The District will also amend revenues in the General Fund for new State grants and changes in local revenue sources, such as interest and indirect cost revenue. During the year, revenue decreased \$3.6 million from original to final budget related to Florida Education Finance Program due to state budget shortfall. The District budgets 96 percent of projected property tax revenues at the onset of each budget year, as required by law, and collections are generally higher. Revenue from property taxes was more than the final amended budget by \$0.7 million due to a large collection rate.

Amendments to Modify Appropriations.

Throughout the fiscal year, the District may increase appropriations for new grants and unanticipated expenditures, such as hurricane damage.

Each school and department is allowed to modify its existing budget to meet its operational needs throughout the school year. An example of this type of amendment would be to move appropriations from purchased supplies to textbooks in order to acquire new textbooks for the start of class.

Budgeted expenditures were increased \$1.0 million from the original budget to the final amended budget primarily due to the rise in instruction costs due to salary increases.

- Although the District's final budget for the General Fund anticipated that expenditures and other financing uses would exceed revenues and other financing sources by approximately \$139.2 million, the actual results for the fiscal year show that revenues and other financing sources exceeded expenditures and financing uses by \$0.4 million.
- The actual expenditures were \$141.8 million below budgeted levels. Actual expenditures for instruction were more than \$80.7 million below budgeted levels due to conservative spending at the schools.
- Actual expenditures for operation of plant were \$21.2 million below budgeted levels due to conservative spending.

Capital Assets and Debt Administration

Capital Assets

By the end of the 2020-21 fiscal year, the District had an investment of \$1,327.3 million, net of accumulated depreciation, in a broad range of assets, including land, construction in progress, improvements other than buildings, buildings, furniture, fixtures and equipment, motor vehicles, audio visual material and software (see Figure A-8). This amount represents a net increase of \$57.9 million, or 4.6 percent, from the 2019-20 fiscal year. Additions to land, construction in progress, improvements other than buildings, buildings, furniture, fixtures and equipment and motor vehicles, amounted to \$109.9 million for the fiscal year. Total depreciation expense for the year was \$49.1 million. (More detailed information about capital assets can be found in Note 5 to the Basic Financial Statements.)

Figure A-8

Capital Assets (net of depreciation, in millions of dollars)

	Governmental Activities		Total Percentage Change
	<u>2020</u>	<u>2021</u>	
Land	\$ 183.7	\$ 188.7	2.7%
Construction in Progress	54.6	125.0	128.9%
Improvements Other Than Buildings	26.7	27.0	1.1%
Buildings	933.7	907.5	(2.8)%
Furniture, Fixtures and Equipment	25.1	35.6	41.8%
Motor Vehicles	35.4	34.3	(3.1)%
Audio Visual Materials and Software	10.2	9.2	(9.8)%
Total	<u>\$ 1,269.4</u>	<u>\$ 1,327.3</u>	4.6%

The District's approved five-year Capital Outlay Plan includes the construction of one new technical center, three new high schools, two new middle schools, two new elementary schools and the remodel of two technical centers, three high schools, three middle school and three elementary schools over the next five years. The District's student enrollment has grown over the last several years, 2.7 percent since 2017 for a present enrollment of 95,211 students.

The District's capital projects budget shows spending another \$424.3 million in the 2021-22 fiscal year for capital projects, principally in four areas:

- 1) \$11.9 million to purchase new school buses.
- 2) \$60.9 million to continue the upgrade of technology equipment.
- 3) \$86.4 million to continue the maintenance of existing schools.
- 4) \$140.3 million to remodel three elementary schools, two middle schools, two high schools, 2 technical centers, and begin the construction of one new middle school and three new elementary schools and to complete the construction of one new middle school and one new high school.

Long-Term Debt

At fiscal year-end, the District had \$458.7 million in SBE bonds, Certificates of Participation and Notes outstanding, an increase of 31.9 percent from last fiscal year, as shown in Figure A-9. (More detailed information about the District's long-term liabilities is presented in Note 8 to the Basic Financial Statements.)

Figure A-9

Outstanding Long-Term Debt (in millions of dollars)

	Total School District		Total Percentage Change
	<u>2020</u>	<u>2021</u>	
Certificates of Participation and Note Payables (financed with property taxes)	\$ 526.8	\$ 458.0	(13.1)%
State School Bonds (financed with specific taxes & fee revenues)	<u>0.9</u>	<u>0.7</u>	(22.2)%
Total	<u>\$ 527.7</u>	<u>\$ 458.7</u>	(13.1)%

The District continues to retire its outstanding debt as it becomes due, retiring \$65.2 million of outstanding Certificates of Participation, notes, and bonds during the 2020-21 fiscal year.

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Factors Bearing on the District's Future

At the time these financial statements were prepared, the District was aware of four existing circumstances that could significantly affect its financial health in the future:

- The impact of the COVID-19 pandemic on daily operations, the budget, and the economy cannot be understated. Since March 2020, our school district has been fully engaged in evolving everything we do in response to this national emergency. Formulating new methods of instructional delivery, creating new operational procedures to provide for student and staff safety, assessing need for personnel based on student instructional delivery method, and formulating the budget to provide reserves for possible future budget cuts has been a consuming process for months. We will need to maintain agility over this next year in order to respond to the inevitable adjustments that will be needed as we complete our second school year of instruction in the pandemic.
- The state enacted a new law last year that mandates a minimum salary of \$47,500 for beginning teachers. While the state provided the funds to increase beginning teacher salaries to this level, there were no funds provided for a commensurate increase for existing staff. The negotiation of salary schedules that will be palatable for all employees will be a challenge, as the availability of funding is limited, unknown budget demands due to the COVID-19 pandemic are likely, and employee expectations may be high.
- The FEFP, which includes State and Local funding, is our main source of funding in the general fund, comprising over 90 percent of new revenue. The District is highly dependent on this funding mechanism, and any fluctuation in this funding formula has substantial impacts on operations. We strive to plan responsibly by maintaining appropriate reserves that will assist us in mitigating changes to the formula that negatively impact our funding.
- The District is currently engaged in a nationwide search for a new superintendent. Any time there is a leadership change, it has a significant impact on the organization. The timeline the Board has communicated thus far has the district with a new superintendent by the end of this fiscal year.
- Shortage of labor has been a significant concern for us this year, and may continue in the future. Education is a labor-intensive profession, and qualified people to carry out all the aspects of our business are absolutely essential for success. The availability of many positions, such as teachers, bus drivers, food service workers, and support personnel will make it necessary for us to evolve our practices and processes in order to adapt to a new workforce reality.

Contacting the District's Financial Management

This Annual Comprehensive Financial Report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Financial Accounting, the School District of Lee County, 2855 Colonial Blvd., Fort Myers, Florida 33966-1012.

BASIC FINANCIAL STATEMENTS

THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF NET POSITION
June 30, 2021

	Primary Government Governmental Activities	Component Units
ASSETS		
Cash	\$ 49,887,563	\$ 19,592,218
Investments	604,136,268	1,603,411
Accounts Receivable	915,723	2,604,475
Taxes Receivable	6,928,400	-
Deposits Receivable	-	104,823
Due from Other Agencies	40,162,257	603,582
Inventory	4,907,064	32,150
Prepaid Expenses	3,233,350	2,191,038
Capital Credits Receivable	7,817,846	-
Restricted assets:		
Cash with Fiscal Agent	375,790	-
Capital assets:		
Non-depreciable	313,700,324	-
Depreciable, net	1,013,632,454	89,013,164
Total Assets	2,045,697,039	115,744,861
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	1,913,806	608,455
Deferred amount on OPEB	6,128,400	-
Deferred amount on pension	189,746,069	-
Total Deferred Outflow of Resources	197,788,275	608,455
LIABILITIES		
Salaries and Wages Payable	27,139,928	2,710,371
Payroll Deductions and Withholdings	5,698,097	-
Accounts Payable	8,143,584	9,586,345
Construction Contracts Payable	2,950,622	-
Construction Contracts Payable - Retainage	5,311,084	-
Matured Principal and Interest Payable	55,661,209	-
Accrued Interest Payable	57,858	-
Deposits Payable	8,311	-
Unearned Revenue	14,842,259	21,662
Due to Other Agencies	12,326,695	298,717
Noncurrent liabilities:		
Portion due within one year:		
Notes Payable	4,323,584	763,429
Bonds Payable	256,000	310,000
Obligations under Capital Lease	-	2,789,607
Liability for Compensated Absences	5,461,347	136,292
Certificates of Participation Payable	48,353,000	-
Estimated Early Retirement Payable	17,400	-
Estimated Insurance Claims Payable	13,994,911	-
Net Pension Liability	1,779,018	-
Portion due after one year:		
Notes Payable	42,074	531,808
Bonds Payable	397,499	36,610,256
Obligations under Capital Lease	-	60,853,921
Liability for Compensated Absences	64,305,931	45,429
Certificates of Participation Payable	405,234,676	-
Estimated Early Retirement Payable	1,174,600	-
Estimated Insurance Claims Payable	11,244,490	-
Postemployment Benefits Payable	51,818,919	-
Net Pension Liability	565,937,127	-
Total Liabilities	1,306,480,223	114,657,837
DEFERRED INFLOWS OF RESOURCES		
Deferred amount on refunding	4,545,980	-
Deferred amount on OPEB	3,847,601	-
Deferred amount on pension	29,433,976	-
Total Deferred Inflow of Resources	37,827,557	-
NET POSITION		
Net Investment in Capital Assets	907,393,716	(1,890,022)
Restricted for:		
State Required Carryover Programs	25,280,136	-
Debt Service	19,509,680	1,418,216
Capital Projects	263,482,796	1,534,445
Food Service: Expendable	14,765,671	-
Food Service: Nonexpendable	965,546	-
Other Purposes	27,633,946	5,415,805
Unrestricted	(359,853,957)	(4,782,965)
Total Net Position	\$ 899,177,534	\$ 1,695,479

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

THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

FUNCTIONS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Governmental Activities	Component Units
Primary Government:						
Governmental Activities:						
Instruction	\$ 581,545,886	\$ 8,706,328	\$ -	\$ -	\$ (572,839,558)	\$ -
Student Support Services	50,701,384	-	-	-	(50,701,384)	-
Instructional Media Services	3,657,111	-	-	-	(3,657,111)	-
Instruction and Curriculum Development Services	28,849,823	-	-	-	(28,849,823)	-
Instructional Staff Training Services	12,795,464	-	-	-	(12,795,464)	-
Instruction Related Technology	10,041,643	-	-	-	(10,041,643)	-
Board	1,506,602	-	-	-	(1,506,602)	-
General Administration	9,244,112	-	-	-	(9,244,112)	-
School Administration	58,130,724	-	-	-	(58,130,724)	-
Facilities Services	134,520,224	-	-	21,749,622	(112,770,602)	-
Fiscal Services	4,594,121	-	-	-	(4,594,121)	-
Food Services	51,748,761	524,627	44,886,913	-	(6,337,221)	-
Central Services	14,193,236	-	-	-	(14,193,236)	-
Student Transportation Services	52,482,755	392,716	-	-	(52,090,039)	-
Operation of Plant	74,539,882	-	-	-	(74,539,882)	-
Maintenance of Plant	18,262,533	-	-	-	(18,262,533)	-
Administrative Technology Services	7,483,458	-	-	-	(7,483,458)	-
Community Services	5,049,051	-	-	-	(5,049,051)	-
Unallocated Interest and Fiscal Charges on Long-term Debt	14,869,509	-	-	288,290	(14,581,219)	-
Total Governmental Activities	1,134,216,279	9,623,671	44,886,913	22,037,912	(1,057,667,783)	
Total Primary Government	\$ 1,134,216,279	\$ 9,623,671	\$ 44,886,913	\$ 22,037,912	(1,057,667,783)	
Component Units:						
Charter Schools/Foundation	\$ 71,798,749	\$ 938,175	\$ 7,574,507	\$ 4,047,301		(59,238,766)
General Revenues:						
Taxes:						
Property Taxes, Levied for Operational Purposes				423,316,395		-
Property Taxes, Levied for Capital Projects				139,309,916		-
Local Sales Taxes				88,730,152		-
Florida Education Finance Program				228,543,024		-
Other Federal Sources Not Restricted to Specific Programs				94,773,302		14,623
Other State Sources Not Restricted to Specific Programs				128,201,266		56,616,803
Other Miscellaneous Sources Not Restricted to Specific Programs				30,426,950		5,154,973
Unrestricted Investment Earnings				1,957,527		116,441
Total General Revenues				1,135,258,532		61,902,840
Change in Net Position				77,590,749		2,664,074
Net Position - July 1, 2020				811,525,954		(1,162,820)
Adjustment to Beginning Net Position				10,060,831		194,225
Net Position - July 1, 2020, Restated				821,586,785		(968,595)
Net Position - June 30, 2021				\$ 899,177,534		\$ 1,695,479

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

**THE SCHOOL DISTRICT OF LEE COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2021**

	General Fund	Special Revenue Fund Federal Education Stabilization	Debt Service Fund Certificates of Participation	Debt Service Fund ARRA Economic Stimulus	Capital Projects Fund Local Capital Improvement Tax	Capital Projects Fund Certificates of Participation/Impact Fees/State Grants	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash	\$ 5,122,695	\$ -	\$ -	\$ -	\$ 2,324,680	\$ 37,077,506	\$ 5,274,601	\$ 49,799,482
Investments	195,708,395	-	55,661,236	19,497,626	159,225,408	84,978,713	26,497,543	541,568,921
Accounts Receivable	381,654	-	-	-	-	-	534,069	915,723
Taxes Receivable	5,212,883	-	-	-	1,715,517	-	-	6,928,400
Due from Other Funds	19,221,357	316,718	-	-	2,643,325	249,338	101,833	22,532,571
Due from Other Agencies	2,363,481	8,124,556	-	-	-	13,809,876	15,864,344	40,162,257
Restricted Cash with Fiscal Agent	75,790	-	-	-	-	-	-	75,790
Inventory	3,727,443	-	-	-	-	-	1,179,621	4,907,064
Prepaid Items	-	-	-	-	-	3,233,350	-	3,233,350
Total Assets	\$ 231,813,698	\$ 8,441,274	\$ 55,661,236	19,497,626	\$ 165,908,930	\$ 139,348,783	\$ 49,452,011	\$ 670,123,558
LIABILITIES AND FUND BALANCES								
Liabilities								
Salaries and Wages Payable	\$ 27,139,928	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,139,928
Payroll Deductions and Withholdings	5,698,097	-	-	-	-	-	-	5,698,097
Accounts Payable	3,926,333	96,249	-	1,750	707,168	2,256,332	721,657	7,709,489
Matured Principal Payable	-	-	46,350,000	-	-	-	-	46,350,000
Matured Interest Payable	-	-	9,311,209	-	-	-	-	9,311,209
Construction Contracts Payable	-	-	-	-	405,400	2,545,222	-	2,950,622
Construction Contracts Payable - Retainage	-	-	-	-	118,545	5,192,539	-	5,311,084
Deposits Payable	8,311	-	-	-	-	-	-	8,311
Due to Other Agencies	12,326,695	-	-	-	-	-	-	12,326,695
Due to Other Funds	17,532,545	8,345,025	-	-	-	2,765,496	10,568,769	39,211,835
Unearned Revenue	859,594	-	-	-	-	-	-	859,594
Total Liabilities	67,491,503	8,441,274	55,661,209	1,750	1,231,113	12,759,589	11,290,426	156,876,864
Fund Balance								
Nonspendable								
Inventory	3,727,443	-	-	-	-	-	1,179,621	4,907,064
Prepaid Items	-	-	-	-	-	3,233,350	-	3,233,350
Restricted for:								
State Required Carryover Programs	25,280,136	-	-	-	-	-	-	25,280,136
Other Purposes	18,224,426	-	-	-	-	-	-	18,224,426
Debt Service	-	-	27	19,495,876	-	-	13,777	19,509,680
Capital Projects	-	-	-	-	164,677,817	123,355,844	13,307,071	301,340,732
Food Service	-	-	-	-	-	-	23,661,116	23,661,116
Assigned to:								
Purchase Order Obligations for	-	-	-	-	-	-	-	-
School Operations	5,385,855	-	-	-	-	-	-	5,385,855
Unassigned	111,704,335	-	-	-	-	-	-	111,704,335
Total Fund Balances	164,322,195	-	27	19,495,876	164,677,817	126,589,194	38,161,585	513,246,694
Total Liabilities and Fund Balances	\$ 231,813,698	\$ 8,441,274	\$ 55,661,236	\$ 19,497,626	\$ 165,908,930	\$ 139,348,783	\$ 49,452,011	\$ 670,123,558

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

**THE SCHOOL DISTRICT OF LEE COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
June 30, 2021**

Total Fund Balance - Governmental Funds \$ 513,246,694

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.

Original cost of capital assets	\$ 2,166,756,975	
Accumulated depreciation	(839,424,196)	
		1,327,332,779

Deferred outflow of resources are reported as a result of changes in fair value of deferred amounts on pensions, postemployment health benefits, and refundings in the statement of net position. 197,788,275

Capital credits to be received in future years are not available to liquidate liabilities in governmental funds, but are accrued in the government-wide financial statements. 7,817,846

Long-term liabilities are reported in the statement of net position but not in the governmental funds because they are not due and payable in the current period. Balances at June 30, were:

Accrued interest payable	(57,858)	
Bonds payable	(653,499)	
Certificates of participation payable	(453,587,676)	
Notes payable	(4,365,659)	
Estimated early retirement payable	(1,192,000)	
Net pension liability	(567,716,145)	
Estimated insurance claims payable	(25,239,401)	
Postemployment benefits payable	(51,818,919)	
Liability for compensated absences	(69,767,278)	
Subtotal, long-term liabilities		(1,174,398,435)

Deferred inflow of resources are reported as a result of changes in fair value of deferred amounts on pensions, postemployment health benefits and refundings in the statement of net position. (37,827,557)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds of the District. The assets and liabilities of the internal service funds, which are reported in the proprietary funds rather than the governmental funds, are included in governmental activities in the statement of net position. The internal service funds net position is \$39,944,222. This includes \$2,805 in capital assets, \$37,112 in compensated absences and \$25,239,401 in estimated unpaid claims included above. The net amount is as follows:

65,217,932

Total net position - governmental activities \$ 899,177,534

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

**THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES- GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021**

	General Fund	Special Revenue Fund Federal Education Stabilization	Debt Service Fund Certificates of Participation	Debt Service Fund ARRA Economic Stimulus	Capital Projects Fund Local Capital Improvement Tax	Capital Projects Fund Certificates of Participation/Impact Fees/State Grants	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Federal Direct Sources	\$ 2,586,605	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,443,667	\$ 15,030,272
Federal Through State Sources	1,095,580	19,980,014	-	-	-	-	102,871,201	123,946,795
State Sources	349,121,140	-	-	-	-	7,900,546	4,298,678	361,320,364
Local Sources								
Taxes	423,316,395	-	-	-	139,309,916	-	-	562,626,311
Local Sales Taxes	-	-	-	-	-	88,730,152	-	88,730,152
Food Service Sales	-	-	-	-	-	-	524,627	524,627
Impact Fees	-	-	-	-	-	18,144,986	-	18,144,986
Miscellaneous	20,741,934	-	20,274	37,914	284,776	614,925	15,389,106	37,088,929
Total Revenues	796,861,654	19,980,014	20,274	37,914	139,594,692	115,390,609	135,527,279	1,207,412,436
EXPENDITURES								
Current								
Instruction	498,295,188	6,440,462	-	-	-	-	49,596,960	554,332,610
Student Support Services	31,880,859	9,540,856	-	-	-	-	6,959,909	48,381,624
Instructional Media Services	3,388,963	2,919	-	-	-	-	52,814	3,444,696
Instruction and Curriculum Development Services	9,836,779	1,998,691	-	-	-	-	15,196,216	27,031,686
Instructional Staff Training Services	7,777,628	150,659	-	-	-	-	4,515,009	12,443,296
Instruction Related Technology	9,271,630	-	-	-	-	-	87,983	9,359,613
Board	1,371,528	-	-	-	-	-	-	1,371,528
General Administration	5,278,433	682,695	-	-	-	-	2,910,850	8,871,978
School Administration	52,687,673	36,403	-	-	-	-	1,210,212	53,934,288
Facilities Services	8,932,278	-	-	-	23,500,350	65,671,111	470,329	98,574,068
Fiscal Services	4,244,846	-	-	-	-	-	1,059	4,245,905
Food Service	-	-	-	-	-	-	49,374,137	49,374,137
Central Services	13,252,632	24,006	-	-	-	-	245,220	13,521,858
Student Transportation Services	49,278,867	57,957	-	-	-	-	452,506	49,789,330
Operation of Plant	71,735,372	871,015	-	-	-	-	290,690	72,897,077
Maintenance of Plant	17,047,577	5,488	-	-	-	-	-	17,053,065
Administrative Technology Services	6,948,075	10,875	-	-	-	-	-	6,958,950
Community Services	4,293,830	-	-	-	-	-	404,515	4,698,345
Capital Outlay								
Facilities Acquisition and Construction	243,061	-	-	-	2,258,207	76,024,133	288,970	78,814,371
Other Capital Outlay	626,701	157,988	-	-	5,201,966	7,719,321	1,249,764	14,955,740
Debt Service								
Principal	-	-	64,975,877	-	-	-	255,000	65,230,877
Interest and Fiscal Charges	103,314	-	19,005,070	203,756	-	-	44,124	19,356,264
Total Expenditures	796,495,234	19,980,014	83,980,947	203,756	30,960,523	149,414,565	133,606,267	1,214,641,306
Excess (Deficiency) of Revenues Over (Under) Expenditures	366,420	-	(83,960,673)	(165,842)	108,634,169	(34,023,956)	1,921,012	(7,228,870)
OTHER FINANCING SOURCES (USES)								
Loss Recoveries	1,154,796	-	-	-	-	-	-	1,154,796
Sale of Capital Assets	450	-	-	-	-	-	-	450
Transfer In	22,118,046	-	68,916,552	1,902,889	-	-	-	92,937,487
Transfer Out	-	-	(20,741)	-	(44,969,900)	(47,946,846)	-	(92,937,487)
Total Other Financing Sources (Uses)	23,273,292	-	68,895,811	1,902,889	(44,969,900)	(47,946,846)	-	1,155,246
Net Change in Fund Balance	23,639,712	-	(15,064,862)	1,737,047	63,664,269	(81,970,802)	1,921,012	(6,073,624)
Fund Balance, Beginning	140,682,483	-	15,064,889	17,758,829	101,013,548	208,559,996	26,188,677	509,268,422
Prior Period Adjustment	-	-	-	-	-	-	10,051,896	10,051,896
Fund Balance, Beginning, Restated	140,682,483	-	15,064,889	17,758,829	101,013,548	208,559,996	36,240,573	519,320,318
Fund Balance, Ending	\$ 164,322,195	\$ -	\$ 27	\$ 19,495,876	\$ 164,677,817	\$ 126,589,194	\$ 38,161,585	\$ 513,246,694

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

**THE SCHOOL DISTRICT OF LEE COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021**

Net change in fund balances- governmental funds \$ (6,073,624)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their useful lives as annual depreciation expense in the statement of activities. This is the amount by which depreciation exceeds capital outlays expense, net of noncapitalized outlays, and other additions in the current period.

Capital outlays	\$107,341,559	
Depreciation expense	<u>(49,133,473)</u>	58,208,086

In the governmental funds, the cost of capital assets was recognized as an expenditure in the year purchased. Thus, the change in net position differs from the change in fund balance by the undepreciated cost of the disposed assets. (289,591)

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not effect the statement of net position. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization-net	510,508	
Amortization-net	3,899,351	
Repayments	<u>65,230,877</u>	69,640,736

The District has recorded vested utility interest revenue in the government-wide statements that does not meet the earned criterion for recognition in the fund financial statements. 163,773

Revenues that are unavailable or unearned in the governmental funds but are recognized as revenue in the governmental-wide financial statement. (29,619)

The net change in the early retirement benefit program liability is reported in the government-wide statements, but not in the governmental fund statements. (4,000)

In the governmental funds, interest on long-term debt is recorded as an expenditure when due and payable. In the statement of activities, interest is recorded as it accrues. This is the decrease in accrued interest payable. 76,897

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period. (295,285)

The net change in the liability for postemployment health benefits is reported in the government-wide statements, but not in the governmental fund statements.

OPEB contribution	(166,649)	
OPEB expense	<u>(683,637)</u>	(850,286)

Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.

FRS Pension contribution	38,075,907	
HIS Pension contribution	8,189,178	
FRS Pension expense	(80,718,662)	-
HIS Pension expense	<u>(14,128,849)</u>	(48,582,426)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds of the District. The change in net position of the internal service funds, of \$5,628,985 is reported with governmental activities. This includes \$801 in depreciation, and \$3,700 in compensated absences included above. The net amount is as follows: 5,626,088

Change in net position of governmental activities \$ 77,590,749

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

**THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	General Fund			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct Sources	\$ 1,830,000	\$ 1,830,000	\$ 2,586,605	\$ (756,605)
Federal Through State Sources	2,000,000	2,015,960	1,095,580	920,380
State Sources	353,511,291	349,394,693	349,121,140	273,553
Local Sources				
Taxes	422,634,255	422,634,255	423,316,395	(682,140)
Miscellaneous	21,119,760	23,018,517	20,741,934	2,276,583
Total Revenues	<u>801,095,306</u>	<u>798,893,425</u>	<u>796,861,654</u>	<u>2,031,771</u>
EXPENDITURES				
Current				
Instruction	582,616,724	578,010,001	498,295,188	79,714,813
Student Support Services	33,539,971	34,610,067	31,880,859	2,729,208
Instructional Media Services	4,027,991	4,039,229	3,388,963	650,266
Instruction and Curriculum Development Services	10,192,287	10,550,300	9,836,779	713,521
Instructional Staff Training Services	9,195,593	9,940,311	7,777,628	2,162,683
Instruction Related Technology	9,428,275	9,435,206	9,271,630	163,576
Board	1,692,696	1,873,162	1,371,528	501,634
General Administration	5,547,043	5,508,231	5,278,433	229,798
School Administration	56,791,831	57,017,945	52,687,673	4,330,272
Facilities Services	11,706,918	10,060,156	8,932,278	1,127,878
Fiscal Services	4,751,353	4,659,013	4,244,846	414,167
Central Services	14,195,194	15,372,400	13,252,632	2,119,768
Student Transportation Services	60,951,410	60,745,730	49,278,867	11,466,863
Operation of Plant	91,770,135	92,910,523	71,735,372	21,175,151
Maintenance of Plant	19,406,219	20,107,551	17,047,577	3,059,974
Administrative Technology Services	7,265,532	7,518,211	6,948,075	570,136
Community Services	14,176,755	7,232,293	4,293,830	2,938,463
Capital Outlay				
Facilities Acquisition and Construction	-	783,190	243,061	540,129
Other Capital Outlay	-	7,263,997	626,701	6,637,296
Debt Service				
Interest and Fiscal Charges	-	107,842	103,314	4,528
Total Expenditures	<u>937,255,927</u>	<u>937,745,358</u>	<u>796,495,234</u>	<u>141,250,124</u>
Excess (Deficiency) of Revenues Under Expenditures	<u>(136,160,621)</u>	<u>(138,851,933)</u>	<u>366,420</u>	<u>(139,218,353)</u>
OTHER FINANCING SOURCES				
Loss Recoveries	8,796	113,936	1,154,796	(1,040,860)
Sale of Capital Assets	-	450	450	-
Transfer In	22,958,433	23,113,006	22,118,046	994,960
Total Other Financing Sources	<u>22,967,229</u>	<u>23,227,392</u>	<u>23,273,292</u>	<u>(45,900)</u>
Net Change in Fund Balance	<u>(113,193,392)</u>	<u>(115,624,541)</u>	<u>23,639,712</u>	<u>(139,264,253)</u>
Fund Balance, Beginning	<u>140,761,543</u>	<u>140,682,483</u>	<u>140,682,483</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 27,568,151</u>	<u>\$ 25,057,942</u>	<u>\$ 164,322,195</u>	<u>\$(139,264,253)</u>

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

**THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - FEDERAL EDUCATION STABILIZATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Federal Education Stabilization			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State Sources:				
Other Federal Through State Grants	\$ 21,837,924	\$ 26,830,232	\$ 19,980,014	\$ 6,850,218
Total Federal Through State Sources	<u>21,837,924</u>	<u>26,830,232</u>	<u>19,980,014</u>	<u>6,850,218</u>
 Total Revenues	 <u>21,837,924</u>	 <u>26,830,232</u>	 <u>19,980,014</u>	 <u>6,850,218</u>
EXPENDITURES				
Current				
Instruction	11,179,124	8,360,550	6,440,462	1,920,088
Student Support Services	3,921,292	9,540,856	9,540,856	-
Instructional Media Services	-	2,919	2,919	-
Instruction and Curriculum Development Services	4,620,212	4,486,512	1,998,691	2,487,821
Instructional Staff Training Services	400,796	611,405	150,659	460,746
General Administration	676,500	774,719	682,695	92,024
School Administration		196,966	36,403	160,563
Central Services		29,644	24,006	5,638
Student Transportation Services	140,000	628,009	57,957	570,052
Operation of Plant	900,000	1,784,966	871,015	913,951
Maintenance of Plant		14,043	5,488	8,555
Administrative Technology Services		10,875	10,875	-
Capital Outlay				
Other Capital Outlay		388,768	157,988	230,780
 Total Expenditures	 <u>21,837,924</u>	 <u>26,830,232</u>	 <u>19,980,014</u>	 <u>6,850,218</u>
 Excess of Revenues Over Expenditures	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Net Change in Fund Balance			 <u>-</u>	 <u>-</u>
Fund Balance, Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2021

	Governmental Activities- Internal Service Funds
ASSETS	
Current Assets	
Cash	\$ 88,081
Investments	62,567,347
Due from Governmental Funds	16,679,264
Total Current Assets	79,334,692
Noncurrent Assets	
Restricted Cash with Fiscal Agent	300,000
Furniture, Fixtures and Equipment	7,999
Less Accumulated Depreciation	(5,194)
Total Noncurrent Assets	302,805
Total Assets	79,637,497
LIABILITIES	
Current Liabilities	
Unearned Revenue	13,982,665
Estimated Insurance Claims Payable	13,994,911
Liability for Compensated Absences	37,112
Total Current Liabilities	28,448,785
Noncurrent Liabilities	
Estimated Insurance Claims Payable	11,244,490
Total Liabilities	39,693,275
NET POSITION	
Invested in Capital Assets	2,805
Restricted for Claims	300,000
Unrestricted	39,641,417
Total Net Position	\$ 39,944,222

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

**THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021**

	Governmental Activities- Internal Service Funds
OPERATING REVENUES	
Premium Revenue	\$ 113,707,146
Other Operating Revenues	43,092
	113,750,238
OPERATING EXPENSE	
Salaries	298,586
Employee Benefits	98,436
Purchased Services	15,460,702
Materials and Supplies	34
Insurance Claims	92,323,804
Depreciation	801
	108,182,363
Operating Income	5,567,875
NONOPERATING REVENUES	
Interest Income	61,110
	61,110
Changes in Net Position	5,628,985
Net Position - July 1, 2020	34,315,237
	\$ 39,944,222

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

**THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021**

		Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers, Users and Participants	\$	116,561,248
Cash Payments to Suppliers for Goods and Services		(15,026,641)
Cash Payments to Employees for Services		(400,721)
Cash Payments for Insurance Claims		(93,885,668)
		7,248,218
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Pooled Investments		(11,859,526)
Interest on Investments		61,110
		(11,798,416)
Net Cash used by Investing Activities		(11,798,416)
Net Decrease in Cash		(4,550,198)
Cash, Beginning		4,938,279
Cash, Ending	\$	388,081
 Reconciliation of Operating Income to Net Cash provided by Operating Activities		
Operating Income	\$	5,567,875
Adjustments to Reconcile Operating Income to Net Cash provided by Operating Activities:		
Depreciation		801
Change in Assets and Liabilities:		
Decrease in Due from Governmental Funds		1,565,008
Increase in Accounts Payable		434,097
Increase in Unearned Revenue		1,246,001
Decrease in Estimated Insurance Claims Payable		(1,561,864)
Decrease in Liability for Compensated Absences		(3,700)
Total Adjustments		1,680,343
Net Cash provided by Operating Activities	\$	7,248,218

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

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING PRACTICES

Reporting Entity

The District School Board of Lee County (Board) has direct responsibility for operation, control, and supervision of the School District of Lee County (District) and is considered a primary government for financial reporting. The District is part of the Florida system of public education under the general direction of the State Board of Education. The governing body of the District is the Board, which is composed of seven elected members. The appointed Superintendent of Schools (Superintendent) is the executive officer of the District. The general operating authority of the Board and the Superintendent is contained in Chapters 1000-1013, Florida Statutes. Geographic boundaries of the District correspond with those of Lee County, Florida.

Pursuant to Section 1010.51, Florida Statutes, the Superintendent is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education.

For financial reporting purposes, the accompanying financial statements include all of the operations over which the District is financially accountable. The District is financially accountable for organizations that make up its legal entity, as well as legally separate organizations that meet certain criteria. In accordance with GASB 14, "The Financial Reporting Entity," as amended by GASB 39, "Determining Whether Certain Organizations Are Component Units" and GASB 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements Nos. 14 and No. 34", the criteria for inclusion in the reporting entity involve those cases where the District or its officials appoint a voting majority of an organization's governing body and is either able to impose its will on the organization and there is a potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the District or the nature and significance of the relationship between the District and the organization is such that exclusion would cause the District's financial statements to be incomplete. Based on the application of these criteria, District management has determined that the following five charter schools are not component units: Florida Southwestern Collegiate High School, Oasis Elementary School South, Oasis Middle School, Oasis Elementary School North, and Oasis High School. Each of these charter schools are operated and reported as a component unit by a government entity other than the District.

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

Blended Component Unit – Leasing Corporation

The Lee County School Board Leasing Corporation (Leasing Corporation) was formed on December 17, 2003, to facilitate financing for the acquisition of facilities and equipment. Additionally, the Corporation is legally separate from the District and the governing board of the Leasing Corporation is the District School Board. Therefore, the financial activities of the Leasing Corporation have been blended (reported as if it were part of the District) with those of the District. Separate financial statements for the Leasing Corporation are not published.

Discretely Presented Component Unit – Foundation

The Foundation for Lee County Public Schools, Inc., (Foundation) was formed for the purpose of improving the quality of education by increasing community involvement with and support for Lee County schools. Although the District does not control the timing or amount of receipts from the Foundation, the majority of resources (or

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

incomes thereon) that the Foundation holds and invests are restricted to the activities of the District by the donors. Because these restricted resources held by the Foundation can only be used for the benefit of the District, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements. An annual audit of the Foundation's financial statements is conducted by an independent certified public accountant and is filed in the District's administrative office.

Discretely Presented Component Units – Charter Schools

At fiscal year-end there were eighteen charter schools operating within the District that met the criteria for presentation as a discretely presented component unit. All charter schools are separate, not-for-profit corporations organized and operated as charter schools under Section 1002.33, Florida Statutes, to enhance the education of the Lee County students attending these schools. Charter Schools do not have the constitutional authority to levy taxes, making charter schools fiscally dependent on the District. Pursuant to Florida Statutes section 1002.33(17) students enrolled in a charter school shall be funded the same as students enrolled in other public schools in the District. The charter schools' full-time equivalent (FTE) student enrollment is the basis for the District to provide funding to the charter schools. The financing of charter schools imposes a financial burden on the District. Because charter schools are fiscally dependent and create a financial burden on the District, charter schools are considered component units of the District. Audits were performed for each Charter School for the year ended, by independent certified public accountants and are on file at the District's administrative office.

The eighteen component unit charter schools in operation at fiscal year-end are listed below:

Athenian Academy Charter School - The school's charter was granted January 9, 2018, for a grade K-8 school. As of June 30, 2021, the school was a grade K-8 school. The school is located in Fort Myers, Florida.

Bonita Springs Charter School – The school's charter was granted December 18, 2001, for a grade K-8 school. As of June 30, 2021, the school was a grade K-8 school. The school is located in Bonita Springs, Florida.

City of Palms Charter High School, Inc. – The school's charter was granted October 25, 2005, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Fort Myers, Florida.

Coronado High School – The school's charter was granted October 23, 2007, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Fort Myers, Florida.

DJB Technical Academy, Inc. - The school's charter was granted March 12, 2013, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Fort Myers, Florida.

Gateway Charter School – The school's charter was granted August 20, 2002, for a grade K-8 school. As of June 30, 2021, the school was a grade K-4 school. The school is located in Fort Myers, Florida.

Gateway Intermediate Charter School – The school's charter was granted August 20, 2002, for a grade K-8 school. As of June 30, 2021, the school was a grade 5-8 school. The school is located in Fort Myers, Florida.

Gateway Charter High School – The school's charter was granted October 21, 2003, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Fort Myers, Florida.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The Heights Charter School – The school’s charter was granted December 08, 2015, for a grade K-3 school. As of June 30, 2021, the school was a grade K-3 school. The school is located in Fort Myers, Florida.

Heritage Charter School, Inc. – The school’s charter was granted May 3, 2011, for a grade K-8 school. As of June 30, 2021, the school was a grade K-8 school. The school is located in Cape Coral, Florida.

Island Park Charter High School, Inc. – The school’s charter was granted April 01, 2014, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Fort Myers, Florida.

The Island School, Inc. - The school’s charter was granted May 2, 2000, for a grade K-8 school. As of June 30, 2021, the school was a grade K-5 school. The school is located in Boca Grande, Florida.

Mid Cape Global Academy – The school’s charter was granted August 20, 2002, for a grade K-8 school. As of June 30, 2021, the school was a grade K-8 school. The school is located in Cape Coral, Florida.

Northern Palms Charter High School - The school’s charter was granted April 28, 2015, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in North Fort Myers, Florida.

North Nicholas High School - The school’s charter was granted October 23, 2007, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Cape Coral, Florida.

Oak Creek Charter School of Bonita Springs, Inc. – The school’s charter was granted September 23, 2008, for a grade K-8 school. As of June 30, 2021, the school was a grade K-8 school. The school is located in Bonita Springs, Florida.

Palm Acres Charter High School, Inc. – The school’s charter was granted March 11, 2014, for a grade 9-12 school. As of June 30, 2021, the school was a grade 9-12 school. The school is located in Lehigh Acres, Florida.

Six Mile Charter Academy – The school’s charter was granted August 10, 2004, for a grade K-8 school. As of June 30, 2021, the school was a grade K-8 school. The school is located in Fort Myers, Florida.

Change in Reporting Entity

The Component Unit Beginning Net Position has been adjusted due to accounting changes for the following schools: Bonita Springs Charter School, DJB Technical Academy, Inc., Gateway Charter School, Gateway Intermediate Charter School, Gateway Charter High School, Mid Cape Global Academy and Six Mile Charter School. As a result of these changes in reporting, the net position of the component units as a whole has been adjusted as follows:

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

Net Position, Beginning of year, as previously reported:	\$	(1,162,820)
Adjustment for Effect of Change in Reporting Entity		
Bonita Springs Charter School		18,037
DJB Technical Academy, Inc.		(40,000)
Gateway Charter School		48,707
Gateway Intermediate Charter School		14,939
Gateway Charter High School		70,635
Mid Cape Global Academy		67,482
Six Mile Charter Academy		14,425
Net Position, Beginning of year, adjusted	<u>\$</u>	<u>(968,595)</u>

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities* that rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the District is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function (i.e., food service fees, student fees, print fees, and transportation fees), and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function (e.g., Federal food service, transportation, and Public Education Capital Outlay [PECO] grants). Taxes and other items not properly included among program revenues are reported instead as *general revenue*.

The effects of interfund activities have been eliminated from the government-wide financial statements except for interfund services provided and used. Interfund transactions include transactions involving the internal service funds. These transactions were eliminated by allocating the change in net position of internal services funds in direct proportion as they were charged as expenses to the various functions/programs.

Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, reconciliation is presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

- *General Fund* is the District’s primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

- *Special Revenue Fund – Federal Education Stabilization* accounts for certain Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding provided as emergency relief to school districts to address the impact of the COVID-19 on elementary and secondary schools.
- *Debt Service Fund – Certificates of Participation* accounts for the resources accumulated and payments made for principal, interest, and related costs on the long-term Certificates of Participation.
- *Debt Service Fund – ARRA Economic Stimulus* accounts for the accumulation of resources for the payment of debt principal, interest and related costs on the Qualified School Construction Bonds.
- *Capital Projects Fund – Local Capital Improvement Tax* accounts for the resources used for the acquisition or construction of major capital facilities financed through tax levies pursuant to Section 1011.71(2), Florida Statutes.
- *Capital Projects Fund – Certificates of Participation/Impact Fees/State Grants* accounts for the resources used for the acquisition or construction of major capital facilities financed through certificates of participation, impact fees, and state capital grant proceeds.

Additionally, the District reports the following fund type:

- *Internal Service Funds* account for the self-insurance programs.

Separate financial statements are provided for governmental funds, and proprietary funds.

Measurement Focus, Basis of Accounting, and Financial Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility or expenditure requirements imposed by the provider have been met.

Governmental fund financial statements, which include the General, Special Revenue, Debt Service, and Capital Projects funds, are prepared using the *current financial resource measurement focus* and the *modified accrual basis of accounting*. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this general rule are: (a) principal and interest on general long-term debt is recognized as expenditures when due; and (b) claims and judgments and compensated absences are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Revenues can be classified into two kinds of transactions: (a) exchange and exchange-like transactions, in which each party receives and gives up essentially equal value and (b) nonexchange transactions, in which a government gives (or receives) value without directly receiving (or giving) equal value in exchange.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place. Revenues resulting from nonexchange transactions are further classified into (a) derived tax revenues, (b) imposed nonexchange revenues, (c) government-mandated nonexchange transactions, and (d) voluntary nonexchange transactions. Derived tax revenues (i.e., sales tax) are recorded when the exchange transaction occurs. The District currently does not have any derived tax revenues. Imposed nonexchange transactions (i.e., property taxes) are recorded when use of the resource is required or first permitted by time requirement (for example, for property taxes, the period for which they are levied). Government-mandated and voluntary nonexchange transactions (i.e., Federal mandates, grants, and donations) are recorded when all eligibility requirements have been met.

When applying the susceptible to accrual concept under the modified accrual basis, resources also should be available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. The District considers property taxes to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for employee health insurance premiums. Operating expenses for internal service funds include insurance claims and excess coverage premiums, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Each of the charter schools, included as discretely presented component units, are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

The Foundation for Lee County Public Schools, Inc., shown as a discretely presented component unit, is accounted for using the accrual basis of accounting, whereby revenues are recognized when earned and expenditures are recognized when incurred.

Budgetary Basis Accounting

The following procedures, established by State Statutes and State Board of Education rules, are used by the Board in setting up final budget balances reported on the financial statements:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the function level (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the Annual Financial Report. This function level is the legal level of budgetary control.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

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 year-end and encumbrances outstanding are honored from the subsequent year's appropriations. During the fiscal year ended June 30, 2021, budgets for all governmental fund types were amended to reflect adjustments to appropriations due to changes in student counts, the addition of new education programs, and other events.

Cash

Banks qualified as public depositories under Florida law hold cash deposits. All deposits are insured by Federal depository insurance, up to specified limits, and/or collateralized with securities held in Florida's multiple financial institution collateral pool required by Chapter 280, Florida Statutes. The Statement of Cash Flows considers cash as those accounts used as demand deposit accounts.

Cash balances from all funds are combined and invested to the extent available. Earnings are allocated monthly to each fund based on a rolling monthly average balance of cash and investments.

Restricted Cash with Fiscal Agent

Self-insurance funds are required to establish and maintain prescribed amounts of resources (consisting of cash) that can be used only to pay insurance claims.

Investments

Investments are stated at fair value, based on quoted market prices or recognized pricing sources. The investment earnings are allocated to each fund based on a rolling monthly average investment balance in that fund. Investments consist of direct obligations of the United States Treasury, corporate notes, money market funds, municipal obligations, amounts placed with the State Board of Administration (SBA) debt service accounts for investment of debt service moneys, and amounts placed for participation in the Florida PRIME, Florida Cooperative Liquid Asset Security System (FLCLASS), Florida Public Assets for Liquidity Management (FLPALM) and Florida Fixed Income Trust (FL-FIT) investment pools created by Sections 218.405 and 218.417, Florida Statutes. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME and FLPALM which are Securities and Exchange Commission Rule 2a7-like external investment pools, as of June 30, 2021, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

Fair Value Measurement

The district categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021

the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, Level 3 inputs are significant unobservable inputs.

Inventory

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are stated at cost using the average cost method for the central stores, maintenance, transportation, and food service inventories and at last invoice price, which approximates the first-in, first-out basis, for the print shop and media/textbook inventories. United States Department of Agriculture donated foods are recorded at the value established by the Bureau of Food Distribution, Florida Department of Agriculture and Consumer Services using the average cost method. The costs of inventories are recorded as expenditures when used (the consumption method) rather than purchased. The inventories at year-end are reported as non-spendable fund balance.

Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental funds that financed the acquisition or construction. The capital assets so acquired are reported at cost in the governmental activities column on the government-wide financial statements but are not reported in the governmental fund financial statement. The District defines capital assets as assets with an initial individual cost of \$1,000 or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated assets are recorded at estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Interest costs incurred during 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>Assets</u>	<u>Years</u>
Improvements Other than Buildings	10-40
Buildings and Fixed Equipment	10-50
Motor Vehicles	5-10
Furniture Fixtures and Equipment	3-15
Audio-Visual Materials	3-5
Computer Software	5

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

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 liabilities, 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. Investments are reported at fair value.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

The District's retirement plans and related amounts are described in a subsequent note.

Noncurrent Liabilities and Compensated Absences

In the government-wide financial statements and proprietary fund types in the fund financial statements, noncurrent obligations are reported as liabilities in the applicable governmental activities, or proprietary fund type Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable and Certificates of Participation are reported net of the applicable premiums or discounts.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances and payments to refunded bond escrow agents are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated vacation and sick leave, including applicable salary-related amounts for Social Security, Medicare, and retirement contributions. The liability has been calculated using the vesting method, in which leave amounts for employees who currently are eligible to receive termination payment and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements.

Changes in noncurrent liabilities for the current year are reported in a subsequent note.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will *not* be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting in this category. The first is the deferred amount on refunding. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred amount on pension. A deferred amount on pension results from the difference in the expected and actual amounts of experience, earnings and contributions. This amount is deferred and amortized over the service life of all employees that are provided with pensions through the pension plan except earnings which are amortized over 5 years. The third is the deferred amount on other postemployment benefit (OPEB). A deferred amount on OPEB results from the difference in the expected and actual amounts of experience, earnings and contributions. This amount is deferred and amortized over the service life of all employees that are provided with benefits through the OPEB plan except earnings which are amortized over 10 years.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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JUNE 30, 2021

that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting in this category. The first is the deferred amount on refunding. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred amount on pension. A deferred amount on pension results from the difference in the expected and actual amounts of experience, earnings, and contributions. This amount is deferred and amortized over the service life of all employees that are provided with pensions through the pension plan except earnings which are amortized over 5 years. The third is the deferred amount on other postemployment benefit (OPEB). A deferred amount on OPEB results from the difference in the expected and actual amounts of experience, earnings and contributions. This amount is deferred and amortized over the service life of all employees that are provided with benefits through the OPEB plan except earnings which are amortized over 10 years.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted sources (the total of restricted, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s procedure to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, assigned fund balance is depleted first followed by unassigned fund balance.

Fund Balance/Net Position

In the fund financial statements, governmental funds report constraints on the use of fund balance for amounts that are not spendable, are legally restricted by outside parties for use for a specific purpose, or have self-imposed constraints for use for a specific purpose.

Net position in the government-wide financial statements is classified as net investment in capital assets, restricted and unrestricted. Restricted net position represent constraints on resources that are either externally imposed by creditors, grantors, contributors, law and regulations of other governments, or imposed by law through State statute.

Estimates

The preparation of the financial statement in conformity with generally accepted accounting principles requires the District to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Reclassifications

Certain amounts in the discretely presented component units financial statements have been reclassified in order to be consistent with the District's presentation.

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 students and related data and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a specified time following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE students and related data. Normally, such adjustments are treated as reductions or additions to revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. State Board of Education rules require that revenue earmarked for these 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 year to be expended for the same educational programs. The Department generally requires that educational program revenues be accounted for in the General Fund. For selected programs, funds received that are not expended at the fiscal year-end are carried forward into the following year to be expended for the same educational programs. A portion of the fund balance of the General Fund is restricted for the balance of these educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department. Accordingly, the District recognizes the allocation of Public Education Capital Outlay funds as advanced revenue until such time as an encumbrance authorization is received. The District also received a Charter School Capital Outlay appropriation.

A schedule of revenues from State sources for the current year is presented in a subsequent note.

Property Taxes – Revenue Recognition

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. The Lee County Property Appraiser determines property values and the Lee County Tax Collector's office collects the property taxes.

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The Board adopted the 2020 tax levy on September 08, 2020. Taxes become an enforceable lien on property as of January 1. Tax bills are mailed in October, and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to four percent for early payment.

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

Property tax revenues are recognized in the government-wide financial statements in the fiscal year for which the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when the taxes are received by the District, except that revenue is accrued for taxes collected by the Lee County Tax Collector at fiscal year end which have not yet been remitted to the District. Because any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued.

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

Capital Outlay Surtax

In November 2018, the voters of Lee County approved a one-half cent school capital outlay surtax on sales in the County for 10 years, effective January 1, 2019, to pay for the construction and renovation of school facilities, safety initiatives, maintenance at schools and technology projects in accordance with Section 212.055(6), Florida Statutes.

Educational Impact Fees

The District receives educational impact fees based on an ordinance adopted by the Board of County Commissioners of Lee County (County) on November 27, 2001. The fee is collected by the County for new residential construction, and can only be used to provide for the acquisition of capital assets or additions to capital assets and expenditures for site acquisition, construction design, site development, necessary off-site improvements, and equipment. Educational impact fee revenues are recognized in the government-wide and governmental fund financial statements when the fees are collected by the County.

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.

Accounting Change

The District implemented GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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fiduciary relationship exists. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The District does not consider the school internal funds to meet the criteria for reporting as fiduciary activities due to the District's administrative involvement with those funds. As such, the beginning net position of the other governmental funds was increased by \$ 10,051,896.

NOTE 2: CASH AND INVESTMENTS

2-A. Cash Deposits

Florida Statutes authorize the deposit of District funds in demand deposits or time deposits of financial institutions approved by the State Treasurer and are defined as public deposits. All District public deposits are held in qualified public depositories pursuant to Chapter 280, Florida Statutes, the "Florida Security for Public Deposits Act." Under the act, all qualified public depositories are required to pledge eligible collateral having a fair value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 50 percent to 125 percent depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories if the same type as the depository in default. All bank balances of the District are fully insured or collateralized. As of June 30, 2021, the carrying amount of the District's bank deposits was \$50,263,353 and the respective bank balances totaled \$66,242,322.

2-B. Investments

The District's investment policy permits investments in the Florida PRIME, FL CLASS, FLPALM, FL-FIT, securities of the United States Government, U.S. Government Agencies, Federal instrumentalities, interest bearing time deposit or savings accounts, repurchase agreements, commercial paper, corporate notes, bankers' acceptances, state and/or local government debt, and money market mutual funds. The District's investment advisor used the effective duration method to calculate effective duration measures for the securities held by the District. Besides measuring the sensitivity of the securities fair value to changes in interest rates, the effective duration method accounts for any call (early redemption) features which a security may have.

FL PALM and Florida PRIME are external investment pools that are not registered with the Securities Exchange Commission (SEC), but do operate in a manner consistent with the SEC's Rule 2a7 off the Investment Company Act of 1940. Rule 2a7 allows funds to use amortized cost to maintain a constant net asset value (NAV) of \$1.00 per share. Accordingly, the District's investments in both FLPALM and Florida PRIME are reported at the account balance which is amortized cost. There are no restrictions or fees to withdrawal from either of these pools.

All of the District's recurring fair value measurements as of June 30, 2021, are valued using a matrix pricing model (Level 2 inputs).

As of June 30, 2021, the District had the following investments:

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
External Investment Pool:				
Florida Fixed Income Trust	\$ 108,848,545	\$ -	\$ 108,848,545	\$ -
Florida Cooperative Liquid Assets Security System	138,972,366	-	138,972,366	-
United States Treasury Securities	92,743,351	-	92,743,351	-
Obligations of United States Government				
Agencies and Instrumentalities	3,280,392	-	3,280,392	-
Bonds and Notes	15,314,291	-	15,314,291	-
Total investments by fair value level	<u>\$ 359,158,945</u>	<u>\$ -</u>	<u>\$ 359,158,945</u>	<u>\$ -</u>
Investments measured at amortized cost				
External Investment Pool:				
Florida PRIME ¹	\$ 134,378,486			
Florida Public Assets for Liquidity Management	54,026,067			
Money Market Funds	<u>56,572,770</u>			
Total investments measured at amortized cost	<u>244,977,323</u>			
Total District Investments, Governmental Activities	<u>\$ 604,136,268</u>			

Note (1) At June 30, 2021, investments totaling \$116,250,148 were held under trust agreements in connection with Certificates of Participation, Series 2011A-QSCB, 2012B/C, 2013A, 2014A/B, 2016A, 2017A/B, 2019A and 2020A financing agreements. (See Note 8).

Section 218.415, Florida Statutes, limits the types of investments that a District can invest in unless specifically authorized in District policy.

2-C. Investments – Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To limit exposure to fair value losses resulting from increases in interest rates, the District's Investment Policy limits operating funds to maturities of one year or less. Investments of reserves, project funds, debt proceeds and other non-operating funds (core funds) shall have a term appropriate to the need for funds and in accordance with debt covenants, but in no event shall exceed five (5) years and the average duration of the funds as a whole may not exceed three (3) years.

The maturity of Florida PRIME, FLCLASS, FLPALM, and FL-FIT investment pools are based on the weighted average days to maturity (WAM). A portfolio's WAM reflects the average maturity in days based on final

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes. As of June 30, 2021, the WAM for Florida PRIME is 50 days, FLCLASS is 73 days, FLPALM is 56 days, FL-FIT Cash Pool is 118 days, and FL-FIT Enhanced Cash is 299 days.

2-D. Investments – Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to the Florida PRIME Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency; investments in interest-bearing time deposits to qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. Investments authorized by District policy are:

- a. Florida Local Government Surplus Funds Trust Funds. As of June 30, 2021, the District had investments totaling \$134,378,486 in Florida PRIME which had an AAAM rating by Standard and Poor's and are reported at amortized cost; \$138,972,366 in FLCLASS which had an AAAM rating by Standard and Poor's and are reported at fair value; \$54,026,067 in FLPALM which had an AAAM rating by Standard and Poor's and are reported at amortized cost; and \$108,848,545 in FL-FIT which had an AA Af rating by Standard and Poor's and are reported at fair value.
- b. Direct Obligations of U.S. Treasury which are unconditionally guaranteed by the United States Government. The maximum length to maturity for direct obligations of US Treasuries shall be five (5) years from the date of purchase. As of June 30, 2021, the District held \$92,743,351 of US Treasuries.
- c. Corporate notes purchased for investment must be issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term rating, at the time of purchase, at a minimum single A category by any two nationally recognized rating agencies. The maximum length to maturity for corporate notes shall be five (5) years from the date of purchase. As of June 30, 2021, the District held \$15,314,291 of corporate notes of which had an S&P rating between A- and AA+.
- d. Municipal Obligations purchased for investment is a general obligation or revenue obligation of any state of the United States, the District of Columbia, or any territorial possession of the United States or of any political subdivision, institution, department, agency, instrumentality, or authority of any such governmental entities, that have a long term rating, at the time of purchase, at a minimum single A category by any two nationally recognized rating agencies. The maximum length to maturity for municipal obligations shall be five (5) years from the date of purchase. As of June 30, 2021, the District held \$3,280,392 of municipal obligations of which had an S&P rating between AA- and AA+.
- e. Commercial Paper purchased for investment must be rated, at the time of purchase, in the highest 308 tier (A-1, P-1 or F-1 or higher) by a minimum of two nationally recognized rating agencies. The maximum length to maturity for corporate notes shall be two hundred seventy (270) days from the date of purchase. As of June 30, 2021, the District held \$0 of commercial paper.
- f. U.S. Federal Government Agency Securities and U.S. Government - Sponsored Agencies/Federal Instrumentalities.
- g. Repurchase Agreements fully collateralized at 102 percent of fair value by U.S. Treasuries, U.S. Government Agencies, U.S. Government - Sponsored Agencies/Federal Instrumentalities.
- h. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency. As of June 30, 2021, the District had investments

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in US Bank First American Government Obligation Class Y Money Market Funds with a fair value of \$56,202,304, which were rated AAAM by Standard and Poor's; and Fidelity Institutional Government Class I Money Market Fund with a fair value of \$370,466, which were rated AAAM by Standard and Poor's.

- i. Certificates of Deposit, collateralized at 102 percent of fair value, by U.S. Treasuries, U.S. Government Agencies, U. S. Government - Sponsored Agencies/Federal Instrumentalities.
- j. Passbook savings accounts and interest bearing time deposits with banks organized under the laws of the State of Florida or in banks doing business in the State of Florida.

2-E. Investments – 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. The District's investment policy requires that all securities, with the exception of certificates of deposit, 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. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in § 658.12, F.S., 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 the State of Florida. Certificates of deposit will be placed in the provider's safekeeping department for the term of the deposit. Security transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities are made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. As of June 30, 2021, the District's investment portfolio was held with a third-party custodian.

Funds held by US Bank First American Government Obligation Class Y Money Market Fund are held pursuant to a trust agreement in connection with the issuance of various Certificates of Participation.

2-F. Investments – Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's Investment Policy specifies the maximum percentage allocation to any single investment type as well as the maximum percentage holding per issuer. Up to 100 percent of the portfolio may be invested in U.S. Government securities, 75 percent may be invested in Federal Instrumentalities (US government sponsored agencies) with no more than 25 percent with a single issuer and 50 percent may be invested in US government agencies with no more than 10 percent with a single issuer. Corporate Notes are limited to 20 percent of the portfolio with no more than 5 percent with a single issuer. Commercial Paper is limited to 25 percent of the portfolio with no more than 5 percent with a single issuer.

As of June 30, 2021, all District investments were in compliance with the District's Investment Policy and did not exceed portfolio allocation or issuer maximums.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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NOTE 3: DUE FROM OTHER AGENCIES

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered to be fully collectable. As such, no allowance for uncollectible accounts receivable is recorded. At June 30, 2021, the District has recorded due from other agencies as follows:

	Capital Projects Fund				Total
	General Fund	Certificates of Participation/ Impact Fees/ State Grants	Special Revenue- Federal Education Stabilization Fund	Nonmajor Governmental Funds	
Federal and State Sources					
FEMA	\$ 22,749	\$ -	\$ -	\$ -	\$ 22,749
FRS	291,566	-	-	-	291,566
Fuel Tax	-	67,966	-	-	67,966
Grants and Entitlements	375,536	-	8,124,556	10,163,815	18,663,907
E-Rate	526,932	-	-	-	526,932
Public Education Capital Outlay	-	1,741,866	-	-	1,741,866
ROTC	148,612	-	-	-	148,612
State License Tax	98,485	-	-	-	98,485
Meal Claims	-	-	-	5,700,529	5,700,529
Local Sources					
Sales Tax	-	7,441,647	-	-	7,441,647
Impact fees	-	4,558,397	-	-	4,558,397
Other	899,601	-	-	-	899,601
Total	<u>\$ 2,363,481</u>	<u>\$ 13,809,876</u>	<u>\$ 8,124,556</u>	<u>\$ 15,864,344</u>	<u>\$ 40,162,257</u>

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021

NOTE 4: CONSTRUCTION AND OTHER CONTRACT COMMITMENTS

Construction Commitments

The following is a summary of major construction commitments as of June 30, 2021.

PROJECTS	Original Contract	Completed to date 6/30/2021	Balance Committed 6/30/2021
New HS MMM #7046			
Contractor	\$ 67,323,412	\$ 63,029,146	\$ 4,294,266
Other	16,599,988	16,350,782	249,206
New K-8 #7067			
Other	4,341,938	2,453,709	1,888,229
New Middle MM #7254			
Contractor	34,451,812	29,870,625	4,581,187
Other	11,980,212	11,168,132	812,080
Land Purchases	1,022,872	1,022,872	-
Walkway Canopies	311,642	288,681	22,961
Sidewalks	213,698	1,000	212,698
Fences	4,940	2,093	2,847
Security Cameras	788,938	601,589	187,349
Access Control Panels	286,333	169,320	117,013
Total	\$ 137,325,785	\$ 124,957,949	\$ 12,367,836

Encumbrances

Appropriations in governmental fund types are encumbered upon issuance of purchase orders for goods and/or services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered. The District uses encumbrance accounting for recording purchase order commitments for goods and services. At June 30, 2021, the District has recorded encumbrances as follows:

Funds	Encumbrances
Major Funds:	
General	\$ 5,699,371
Capital Projects:	
Local Capital Improvement Tax	19,473,338
Certificates of Participation/Impact	35,440,997
Fees/State Grants	254,570
Non-major Governmental Funds	254,570
Total	\$ 60,868,276

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5: CAPITAL ASSETS

Capital asset balances and activities for the fiscal year ended June 30, 2021, were as follows:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
Governmental activities:				
<i>Capital Assets not being depreciated</i>				
Land	\$ 183,739,905	\$ 5,002,470	\$ -	\$ 188,742,375
Construction in Progress	54,591,293	73,267,238	(2,900,582)	124,957,949
Total Capital Assets not being depreciated	<u>238,331,198</u>	<u>78,269,708</u>	<u>(2,900,582)</u>	<u>313,700,324</u>
<i>Capital Assets being depreciated</i>				
Improvements other than Buildings	52,067,024	1,846,044	-	53,913,068
Buildings	1,561,580,516	5,634,287	-	1,567,214,803
Furniture, Fixtures and Equipment	80,126,031	19,040,635	(5,561,834)	93,604,832
Motor Vehicles	108,923,545	5,169,061	(4,007,722)	110,084,884
Audio Visual Materials	90,978	-	-	90,978
Software	28,082,774	282,406	(217,095)	28,148,085
Total Capital Assets being depreciated	<u>1,830,870,868</u>	<u>31,972,433</u>	<u>(9,786,651)</u>	<u>1,853,056,650</u>
<i>Less accumulated depreciation for:</i>				
Improvements other than Buildings	25,363,922	1,547,485	-	26,911,407
Buildings	627,897,075	31,846,618	-	659,743,693
Furniture, Fixtures and Equipment	55,018,012	8,285,286	(5,272,243)	58,031,055
Motor Vehicles	73,492,466	6,249,852	(4,007,722)	75,734,596
Audio Visual Materials	89,335	373	-	89,708
Software	17,926,973	1,203,859	(217,095)	18,913,737
Total accumulated depreciation	<u>799,787,783</u>	<u>49,133,473</u>	<u>(9,497,060)</u>	<u>839,424,196</u>
Capital Assets being depreciated, Net	<u>1,031,083,085</u>	<u>(17,161,040)</u>	<u>(289,591)</u>	<u>1,013,632,454</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,269,414,283</u>	<u>\$ 61,108,668</u>	<u>\$ (3,190,173)</u>	<u>\$ 1,327,332,778</u>

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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Depreciation expense was charged to governmental functions as follows:

Governmental Function	Amount
Instruction	\$ 989,768
Student Support Services	75,279
Instructional Media Services	11,037
Instruction and Curriculum Development Services	8,833
Instructional Staff Training Services	2,555
Instruction Related Technology	12,545
General Administration	1,673
School Administration	53,737
Facilities Services	46,172,638
Fiscal Services	3,437
Food Services	1,099,121
Central Services	63,247
Student Transportation Services	165,936
Operation of Plant	40,087
Maintenance of Plant	313,662
Administrative Technology Services	78,469
Community Services	41,449
Total Depreciation Expense- Governmental Functions	\$ 49,133,473

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

<u>Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds		
General	\$ 19,221,357	\$ 17,532,545
Special Revenue:		
Federal Education Stabilization	316,718	8,345,025
Capital Projects:		
Local Capital Improvement Tax	2,643,325	-
Certificates of Participation/Impact		
Fees/State Grants	249,338	2,765,496
Non-major Governmental Funds	101,833	10,568,769
Proprietary Funds	16,679,264	-
	<u> </u>	<u> </u>
Total	<u>\$ 39,211,835</u>	<u>\$ 39,211,835</u>

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

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

<u>Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds		
General	\$ 22,118,046	\$ -
Debt Service Fund:		
Certificates of Participation	68,916,552	20,741
ARRA Economic Stimulus	1,902,889	-
Capital Projects:		
Local Capital Improvement Tax	-	44,969,900
Certificates of Participation/Impact		
Fees/State Grants	-	47,946,846
	<u> </u>	<u> </u>
Total	<u>\$ 92,937,487</u>	<u>\$ 92,937,487</u>

The majority of the transfers out of the Capital Projects funds were to provide debt service principal and interest payments and to assist in funding maintenance operations of the District. The remaining transfers between funds were operational in nature.

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NOTE 7: SHORT-TERM DEBT

Tax Anticipation Notes

On October 23, 2020, the District issued Tax Anticipation Notes (“TANS”), Series 2020 for \$40,000,000. Note proceeds were used to pay fiscal year 2021 District operating expenditures prior to the receipt of ad-valorem taxes. The notes were repaid in March 2021.

Short-term debt activity for the year ended June 30, 2021 was as follows:

	Beginning Balance July 1, 2020	Issued	Redeemed	Ending Balance June 30, 2021
Tax anticipation notes	\$ -	\$ 40,000,000	\$ (40,000,000)	\$ -
Total short-term debt	\$ -	\$ 40,000,000	\$ (40,000,000)	\$ -

NOTE 8: NONCURRENT LIABILITIES

8-A. Certificates of Participation Payable

The District entered into several financing arrangements, characterized as lease-purchase agreements, with the Florida School Boards Association, Inc. and the Lee County School Board Leasing Corporation (lessors) whereby the District secured financing of various educational facilities. The financing was accomplished through the issuance and refunding of several series of Certificates of Participation. Issues with remaining outstanding balances include 2011A-QSCB (original issue: \$27,009,000); Series 2012B (original issue: \$149,015,000); Series 2012C (original issue: \$16,240,000); Series 2013A (original issue: \$25,287,000); Series 2014A (original issue: \$72,340,000); Series 2014B (original issue: \$60,220,000); Series 2016A (original issue: \$61,080,000); Series 2017A (original issue: \$60,177,000); Series 2017B (original issue: \$46,155,000); Series 2019A (original issue: \$90,375,000); and Series 2020A (original issue: \$45,760,000) be repaid from the proceeds of rents paid by the District.

The American Recovery and Reinvestment Act (ARRA) of 2009, signed into law on February 17, 2009, created two new categories of direct subsidy debt for school districts. The Qualified School Construction Bonds (QSCBs) and the Build America Bonds (BABs). Neither the QSCBs or the BABs represent incremental Federal Funding, both must be repaid by the District. In June 2011, the Corporation issued Certificate Series 2011A-QSCB in the amount of \$27,009,000. The Series 2011A-QSCB was issued to finance the cost of construction, installation and equipping educational facilities. The Series 2011A-QSCB Certificates are structured as taxable bonds and the District will receive a direct rebate/subsidy payment from the U.S. Treasury to offset a portion of the interest expense. The interest rate bondholders will receive is 5.48 percent and the federal subsidy is 5.02 percent, therefore the net interest cost to the District is 0.46 percent. Interest earnings on the proceeds will further offset this expense.

As a condition of the financing arrangement, the District has given a ground lease on District property to the lessors with a rental fee of \$1 per year. 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

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renew the lease 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 for a period of time specified by the arrangement which may be up to 2036.

The District properties included in the ground leases under these arrangements include:

Series 2011A-QSCB

One Elementary School
One Middle School

Series 2012B

Five Elementary Schools
Three Middle Schools
Two High Schools
One Specialty School
Two Transportation Facilities
Two Building Conversions
New Administration Building
Vocational School Addition

Series 2012C

Three Elementary Schools
One Middle School
Two High Schools
Two Building Conversions
New Administration Building
Vocational School Addition

Series 2013A

Four Elementary Schools
One Middle School
Two High Schools
One Specialty School
Two Building Conversions
New Administration Building
Vocational School Addition
Seven Additions to Existing Schools

Series 2014A

One Elementary School
One Middle School
One High School
New Administration Building

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Series 2014B

Two Elementary Schools
Seven Additions to Existing Schools

Series 2016A

One High School

Series 2017A

Six Elementary Schools
One Middle School
One High School

Series 2017B

Five Elementary Schools
Three Middle Schools
Three High Schools
One Specialty School
Two Transportation Facilities
Two Building Conversions
New Administration Building
Vocational School Addition

Series 2019A

One High School
One School Addition

Series 2020A

One Middle School

The lease payments are payable by the District semi-annually on December 31 and June 30 except for the Series 2012C which is payable on December 1 and June 1, at interest rates ranging from 1.91 to 5.00 percent. The following is a schedule by years of future minimum lease payments under the lease agreement together with the present value of minimum lease payments as of June 30:

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Fiscal Year Ending June 30	Total	Certificates of Participation		Certificates of Participation from Direct Borrowings of Debt	
		Principal	Interest	Principal	Interest
2022	\$ 65,192,450	\$ 45,200,000	\$ 14,077,550	\$ 3,153,000	\$ 2,761,900
2023	63,478,748	30,605,000	12,120,350	18,064,000	2,689,398
2024	62,623,658	25,455,000	10,640,913	24,278,000	2,249,745
2025	63,029,532	26,880,000	9,394,262	25,132,000	1,623,270
2026	90,003,496	31,615,000	8,089,063	49,325,000	974,433
2027-2031	132,028,954	107,085,000	17,060,200	7,705,000	178,754
2032-2036	35,091,000	30,975,000	4,116,000	-	-
Total Minimum Lease Payments	511,447,838	297,815,000	75,498,338	127,657,000	10,477,500
Add: Unamortized Premium/Discount, net	28,115,676	28,115,676		-	
Total Certificates of Participation Payable	<u>\$ 539,563,514</u>	<u>\$ 325,930,676</u>	<u>\$ 75,498,338</u>	<u>\$ 127,657,000</u>	<u>\$ 10,477,500</u>

The District does not have any outstanding or unused lines of credit. The District's certificates of participation from direct borrowings contain a provision that in an event of default or upon the termination of the lease agreement prior to the payment of all scheduled lease payments, the District shall immediately surrender and deliver possession of all facilities financed under the Master Lease. All Certificates of Participation issued are subject to arbitrage rebate. At June 30, 2021, there was no arbitrage rebate liability.

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8-B. Notes Payable

Notes payable are comprised of the following:

Notes Payable from direct borrowings

Balance at 6/30/21

Bank of America Bank Loan

\$1,447,460 borrowed 9-27-12, under provisions of Section 1013.23, Florida statutes. Interest rate of 1.64%. Proceeds used to complete energy efficiency measures at various school sites. The Board repaid \$163,876 during the 2020-21 fiscal year.

\$ 208,658

Bank of America Bank Loan

\$20,000,000 borrowed 9-30-16, under provisions of Section 1011.14, Florida statutes. Interest rate of 1.33%. Proceeds used to purchase 190 school buses. The Board repaid \$4,082,000 during the 2020-21 fiscal year.

4,157,000

Total Notes Payable

\$ 4,365,658

The District's notes payable from direct borrowings contain a provision that in an event of default or upon the termination of the note agreement prior to the payment of all scheduled note payments, the District shall immediately surrender and deliver possession of all equipment financed under the agreement.

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Amounts needed for the planned extended repayment of the bank loans as of June 30, 2021 are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
Notes Payable			
2022	\$ 4,381,033	\$ 4,323,584	\$ 57,448
2023	42,188	42,074	115
 Total Notes Payable	 <u>\$ 4,423,221</u>	 <u>\$ 4,365,658</u>	 <u>\$ 57,563</u>

8-C. Bonds Payable

The following is a description of bonded debt issues:

State School Bonds: The SBE issued these bonds 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 State’s full faith and credit is pledged for all of these SBE Bonds. The original amount of SBE bonds issued was \$2,103,000. The State Board of Education and the SBA administer principal and interest payments, investment of debt service fund resources, and compliance with reserve requirements.

Bonds payable at June 30, 2021, are as follows:

Bond Type	Amount Outstanding	Interest Rate (Percent)	Annual Maturity to
State School Bonds			
Series 2011A	\$ 215,000	3.00-5.00	2023
Series 2014A	385,000	5.00	2024
Series 2020A	<u>34,000</u>	5.00	2022
Sub-total	634,000		
Add: Unamortized Premium/Discount, net	<u>19,499</u>		
Total Bonds Payable	<u>\$ 653,499</u>		

State school bonds are not considered direct borrowings or direct placements of debt.

The annual requirements to amortize all bonded debt outstanding as of June 30, 2021, including interest payments, are as follows:

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds			
2022	\$ 283,400	\$ 256,000	\$ 27,400
2023	255,700	239,000	16,700
2024	145,950	139,000	6,950
Sub-total Bonds Payable	685,050	634,000	51,050
Add: Unamortized Premium/Discount, net	19,499	19,499	-
Total Bonds Payable	<u>\$ 704,549</u>	<u>\$ 653,499</u>	<u>\$ 51,050</u>

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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Changes in NonCurrent Liabilities

Noncurrent liability balances and activity for the year ended June 30, 2021, were as follows:

	Balance 6/30/2020	Additions	Deductions	Balance 6/30/2021 *	Amounts Due Within One Year
Governmental Activities					
<i>Long-Term Debt</i>					
Bonds Payable	\$ 889,000	\$ -	\$ 255,000	\$ 634,000	\$ 256,000
Bond Premium	34,563	-	15,064	19,499	-
Bond Discount	-	-	-	-	-
Certificates of Participation Payable	486,202,000	-	60,730,000	425,472,000	48,353,000
Certificates of Participation Premium	32,214,453	-	4,044,416	28,170,037	-
Certificates of Participation Discount	(214,490)	-	(160,129)	(54,361)	-
Notes Payable	8,611,535	-	4,245,877	4,365,658	4,323,584
Total Long-Term Debt	527,737,061	-	69,130,228	458,606,833	52,932,584
<i>Other Noncurrent Liabilities</i>					
Estimated Early Retirement Payable	1,188,000	4,000	-	1,192,000	17,400
Net Pension Liability	486,916,124	269,887,383	189,087,362	567,716,145	1,779,018
Estimated Insurance Claims Payable	26,801,265	92,323,803	93,885,667	25,239,401	13,994,911
Postemployment Benefits Payable	50,552,528	3,984,181	2,717,790	51,818,919	-
Liability for Compensated Absences	69,471,993	28,077,162	27,781,877	69,767,278	5,461,347
Total Other Liabilities	634,929,910	394,276,529	313,472,696	715,733,743	21,252,676
Total Noncurrent Liabilities	\$ 1,162,666,971	\$ 394,276,529	\$ 382,602,924	\$ 1,174,340,576	\$ 74,185,260

* Payments on the bonds and notes payable are made by the debt service fund. Payments on the estimated insurance claims payable are made by the Internal Service Fund. The early retirement payable, net pension liability and compensated absences liabilities are generally liquidated with the resources of the General and Special Revenue funds. Other postemployment benefits payable represents an implicit subsidy under GASB Statement No. 75 and will be included in future health insurance premiums charged to the General and Special Revenue funds.

Internal service funds predominantly serve the governmental funds. Accordingly, noncurrent liabilities are included as part of the above totals for governmental activities. At fiscal year-end, a \$37,112 liability for compensated absences in the Internal Service Fund is included in the above amounts.

NOTE 9: DEFEASED DEBT

In prior years, the District defeased a portion of the Certificates of Participation, Series 2012B by creating a separate irrevocable trust fund. New debt was issued and the proceeds were used to purchase U.S. Government securities that were placed in the trust fund. The investments and fixed earnings from the investments are sufficient to service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and, therefore, removed as a liability from the District's long-term debt. As of June 30, 2021, the amount of defeased debt outstanding is \$29,030,000.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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NOTE 10: NET POSITIOIN-NET INVESTMENT IN CAPITAL ASSETS

In the government-wide statement of net position, the difference between total assets and total liabilities is net position. Generally accepted accounting principles require that net position be subdivided into the following three components: Net investment in capital assets, restricted net position, and unrestricted net position. The composition of net investment in capital assets as of June 30, 2021, is shown in the table below:

Description		
Total Capital Assets, Net of Accumulated Depreciation		\$ 1,327,332,778
Less Related Debt, Net of Unspent Proceeds:		
Certificates of Participation Payable	\$ 453,587,676	
Bonds Payable	653,499	
Notes Payable-Buses	4,157,000	
Deferred Amount on Refunding	(2,632,174)	
Unspent Proceeds	41,091,287	
Total Related Debt, Net of Unspent Proceeds		<u>(419,939,062)</u>
Net Investment in Capital Assets		<u>\$ 907,393,716</u>

NOTE 11: FUND BALANCE REPORTING

The District has adopted GASB Statement No. 54 as part of its fiscal year reporting. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the District’s financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District has inventories and prepaid items that are considered nonspendable. The District does not have any nonspendable funds related to endowments.

In addition to the nonspendable fund balance, GASB Statement No. 54 has provided a hierarchy of fund balances, based on a hierarchy of spending constraints.

- **Restricted:** Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** Fund balances that contain self imposed constraints of the government from its highest level of decision making authority.
- **Assigned:** Fund balances that contain self imposed constraints of the government to be used for a particular purpose. Florida Statute 1001.51, Duties and Responsibilities of District School Superintendent, delegates certain financial authority to the Superintendent.
- **Unassigned:** Fund balance of the General Fund that is not constrained for any particular purpose.

The District has classified its fund balances with the following hierarchy:

Nonspendable: The District has inventories and prepaid expenses totaling \$8,140,414 that are classified as nonspendable.

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The District has classified the remaining fund balances as *Restricted*, *Assigned*, and *Unassigned* and considers each to have been spent when expenditures are incurred. The District does not have a policy regarding the commitment or assignment of fund balances. As such, the District does not report any committed fund balance. However, certain actions taken by the District qualify as an assignment of fund balance in accordance with GASB Statement No. 54. Included in assigned fund balance is an amount for purchase order obligations outstanding that have not been already included as restricted fund balance.

• **Restricted for State Required Carryover Programs, Other Purposes, Food Services, Debt Service, and Capital Projects:**

Federal laws, Florida Statutes, and local ordinances require that certain revenues be specifically designated for the purposes of State required carryover programs, food service, debt service, and capital projects. These funds have been included in the *Restricted* category of fund balance. The restricted fund balances totaled \$388,016,090 and represented \$25,280,136 in State required carryover programs, \$18,224,426 in other externally restricted grants and donations, \$8,895,445 in school restricted donations, \$14,765,671 in food service, \$19,509,680 in debt service and \$30,134,073 in capital projects.

• **Assigned for State and Local Programs:**

The assigned fund balances total \$5,385,855. In accordance with GASB Statement No. 54, the District reports outstanding encumbrances, of \$5,385,855, that have not been previously reported as restricted or assigned. Encumbrances are supported by outstanding purchase orders issued through the established Board approved budget process.

• **Unassigned:**

The unassigned fund balance in the General Fund is \$111,704,335.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 12: SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District’s State revenue for the 2020-21 fiscal year:

Source	Amount
Florida Education Finance Program	\$ 228,543,024
Categorical Educational Programs:	
Class Size Reduction	106,848,891
Voluntary Prekindergaarten Program	1,575,705
Workforce Development Program	10,517,091
Charter School Capital Outlay Funding	5,943,691
Motor Vehicle License Tax (Capital Outlay and Debt Service)	3,669,676
Food Service Supplement	683,148
State License Tax	509,013
Sales Tax Distribution	223,250
Miscellaneous	<u>2,806,875</u>
 Total	 <u>\$ 361,320,364</u>

NOTE 13: PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2020 tax roll in fiscal year 2020-2021:

	Mills	Amount
<u>General Fund:</u>		
Nonvoted School Tax		
Required Local Effort	3.810	\$ 367,996,863
Basic Discretionary Local Effort	0.748	72,247,153
 <u>Capital Projects Funds:</u>		
Nonvoted School Tax		
Local Improvements	1.500	<u>144,880,655</u>
 Total	 6.058	 <u>\$ 585,124,671</u>

NOTE 14: RETIREMENT PLANS – DEFINED BENEFIT PENSION PLANS

The District follows GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, for reporting the employers’ proportionate share of the net pension liabilities for the FRS and HIS defined benefit pension plans.

General Information about the FRS

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (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

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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 Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The District's FRS and HIS pension expense totaled \$94,847,508 for the fiscal year ended June 30, 2021.

FRS Defined Benefit 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:

- *Regular* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers* – Members who hold specified elective offices in local government.
- *Senior Management Service*– Members in senior management level positions.

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. Employees enrolled in 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 an FRS participating 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

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compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<i>Regular Class members initially enrolled before July 1, 2011</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<i>Elected County Officers</i>	3.00
<i>Senior Management Service Class</i>	2.00

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 2020-21 fiscal year were as follows:

Class	Employee Contribution (Percent of Gross Salary)	Employer Contribution (Percent of Gross Salary)
FRS, Regular	3.00	10.00
FRS, Elected County Officers	3.00	49.18
FRS, Senior Management Service	3.00	27.29
Deferred Retirement Option Program (Applicable to member from all of the above classes)	0.00	16.98
FRS, Re-employed Retiree	(A)	(A)

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

Note: Employer rates include the post-employment health insurance subsidy of 1.66 percent. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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The District's contributions to the Plan totaled \$38,075,907 for the fiscal year ended June 30, 2021. This excludes the HIS defined benefit pension plan contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a net pension liability of \$397,067,370 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The District's proportionate share of the net pension liability was based on the District's 2019-20 fiscal year contributions relative to the total 2019-20 fiscal year contributions of all participating members. At June 30, 2020, the District's proportion was 0.916137214 percent, which was a decrease of 0.033613365 from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized the Plan pension expense of \$80,718,659. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,196,576	\$ -
Change of assumptions	71,881,827	-
Net difference between projected and actual earnings on pension plan investments	23,641,773	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,700,561	13,913,481
District contributions subsequent to the measurement date	38,075,907	-
Total	\$ 152,496,644	\$ 13,913,481

The deferred outflows of resources related to pensions, resulting from District contributions subsequent to the measurement date, totaling \$38,075,907, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2022	\$ 19,988,468
2023	33,510,648
2024	28,716,369
2025	15,927,332
2026	2,364,439
Thereafter	-
Total	\$ 100,507,256

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Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	6.80 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details in valuation report.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018. As a result of the 2018 actuarial experience study, the inflation rate assumption decreased from 2.60 percent to 2.40 percent, and the overall payroll growth rate assumption was unchanged at 3.25 percent. The long-term expected rate of return decreased from 6.90 percent to 6.80 percent.

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:

<u>Asset Class</u>	<u>Target Allocation¹</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.2%	2.2%	1.2%
Fixed Income	19.0%	3.0%	2.9%	3.5%
Global Equity	54.2%	8.0%	6.7%	17.1%
Real estate (Property)	10.3%	6.4%	5.8%	11.7%
Private Equity	11.1%	10.8%	8.1%	25.7%
Strategic Investments	4.4%	5.5%	5.3%	6.9%
Total	100%			
Assumed inflation - Mean			2.4%	1.7%

¹ As outlined in the Plan's investment policy

Discount Rate. The discount rate used to measure the total pension liability was 6.80 percent, a decrease from the prior year of 6.90 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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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 6.80 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
District's proportionate share of the net pension liability	\$ 634,049,860	\$ 397,067,370	\$ 199,138,563

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$6,776,238 for the outstanding amount of contributions to the pension plan required for the fiscal year ended June 30, 2021.

HIS Defined Benefit 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 system in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2021, 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 Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2021, 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 three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$8,189,178 for the fiscal year ended June 30, 2021.

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Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2021, the District reported a net pension liability of \$170,648,775 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, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, and update procedures were used to determine the net pension liability as of June 30, 2020. The District's proportionate share of the net pension liability was based on the District's 2019-20 fiscal year contributions relative to the total 2019-20 fiscal year contributions of all participating members. At June 30, 2020, the District's proportion was 1.397633504 percent, which was a decrease of 0.030949846 from its proportion measured as of June 30, 2019.

For the fiscal year ended June 30, 2021, the District recognized the HIS Plan pension expense of \$14,128,849. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,980,569	\$ 131,645
Change of assumptions	18,349,603	9,922,560
Net difference between projected and actual earnings on HIS pension plan investments	136,247	-
Changes in proportion and differences between District HIS contributions and proportionate share of contributions	3,593,828	5,466,290
District contributions subsequent to the measurement date	8,189,178	-
Total	\$ 37,249,425	\$ 15,520,495

The deferred outflows of resources relating to pensions, resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$8,189,178, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2021	\$ 4,361,998
2022	3,110,067
2023	682,631
2024	1,750,021
2025	1,909,650
Thereafter	1,725,385
Total	\$ 13,539,752

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Municipal bond rate	2.21 percent

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018. This is a change from the prior year mortality assumption which was based on the Generational RP-2000 with Projection Scale BB tables.

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate. The discount rate used to measure the total pension liability was 2.21 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 plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate used to determine the total pension liability decreased from 3.50 percent from the prior measurement date.

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 2.21 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 (1.21 percent) or 1-percentage-point higher (3.21 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	1.21%	2.21%	3.21%
District's proportionate share of the net pension liability	<u>\$ 197,262,367</u>	<u>\$ 170,648,775</u>	<u>\$ 148,865,626</u>

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan. At June 30, 2021, the District reported a payable of \$1,451,152 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2021.

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NOTE 15: RETIREMENT PLANS – DEFINED CONTRIBUTION PENSION PLANS

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

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. Retirement benefits are based upon the value of the member’s account upon retirement. 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, 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. Costs 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. Allocations to the investment member’s accounts during the 2020-21 fiscal year were as follows:

Class	Employer Contribution (Percent of Gross Salary)
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings regardless of membership class. 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 five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

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guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District’s Investment Plan pension expense totaled \$4,164,196 for the fiscal year ended June 30, 2021.

Payables to the Investment Plan. At June 30, 2021, the District reported a payable of \$786,523 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended June 30, 2021.

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

Defined Benefit Pension Plans	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Total Expense
FRS	\$ 397,067,370	\$ 152,496,644	\$ 13,913,481	\$ 80,718,659
HIS	170,648,775	37,249,425	15,520,495	14,128,849
Total	\$ 567,716,145	\$ 189,746,069	\$ 29,433,976	\$ 94,847,508

NOTE 16: EARLY RETIREMENT INCENTIVE PROGRAM

As authorized by Section 1012.685, Part VII, Florida Statutes, the Board implemented Early Retirement Plans (Plans) effective July 1, 1995, July 1, 1997, and July 1, 1999. The plans were offered to eligible employees on a one-time basis until May 15, 1995, May 15, 1997, and May 15, 1999, respectively. The purpose of the Plans was to provide eligible employees, who elect to retire under the retirement provisions of the FRS described in Note 14, with one of several incentive options which supplement the employee’s (participant’s) retirement benefits. A summary of the plan eligibility, benefits, and contribution obligations for the 1995 Plan follows. There is no remaining liability reported by the District for the 1997 and 1999 plans as of June 30, 2021.

Eligibility

Participants must be 57 years of age with a minimum of five years of service with the District or 62 years of age with at least ten years of FRS service and a minimum of five years of service with the District or any age with at least thirty years of FRS service and a minimum of five years of service with the District.

Benefits

Incentive option one includes a bonus equal to twenty–five percent of the employee’s final annual salary, a health insurance contribution by the District for eight continuous years, and a life insurance benefit of \$10,000.

Incentive option two includes lifetime monthly payments for five years to offset the FRS early retirement penalty of five percent per year when an employee retires prior to age 62 with less than thirty years FRS service and a life insurance benefit of \$10,000.

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Incentive option three includes monthly payments for five years to offset the FRS early retirement penalty of five percent per year when an employee retires prior to age 62 with less than thirty years FRS service, a health insurance contribution by the District for eight continuous years, and a life insurance benefit of \$10,000.

The amount of the bonuses (if applicable) and accumulated leave pay are paid in five annual installments into an Internal Revenue Code 457F deferred compensation plan and directed into an investment fund selected by the participant. Alternatively, the participant may elect to receive twenty-five percent of the annual installments directly with the balance going into the deferred compensation plan.

Contributions

No contributions shall be required or permitted from any participant. The annual amounts contributed by the District are the actual amounts payable to participants or on their behalf for contributions to the 457F deferred compensation plan, retirement benefits, and premiums for health and life insurance coverage.

The District reported a liability in its Statement of Net Position of \$1,192,000 to recognize the present value of its obligation to pay death benefits to, or on behalf of, those retired employees. The Board has purchased life insurance on the participants, with itself as the beneficiary, to recover costs of the 1995 Plan over time.

The District has retained an administrator to handle the receipt of contributions and the disbursements of benefits to Plan participants.

NOTE 17: OTHER POSTEMPLOYMENT BENEFITS

Other Postemployment Benefits Payable. The District follows GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for certain other postemployment benefits administered by the District and life insurance benefits through purchased commercial insurance.

General Information about the OPEB Plan

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in the District's health plan for medical and prescription. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended by action from the Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. The OPEB Plan provides healthcare benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

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Employees Covered by Benefit Terms. At June 30, 2020, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	1,827
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Active Employees	<u>10,389</u>
Total	<u><u>12,216</u></u>

Total OPEB Liability

The District’s total OPEB liability of \$51,818,919 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2020, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25 percent
Salary increases	3.6-8.0 percent, average, including inflation
Discount rate	2.45 percent
Healthcare cost trend rates	6.5 percent for 2020, decreasing .25 percent per year to an ultimate rate of 3.99 percent for 2045 and later years
Retirees’ share of benefit-related costs	100 percent of projected health insurance premiums for retirees

The discount rate was based on the Fidelity 20 year Municipal General Obligation AA Bond Index.

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

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period January 1, 2013, through December 31, 2018, adopted by the FRS.

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Changes in the Total OPEB Liability

	Amount
Balance at 6/30/19	<u>\$ 50,552,528</u>
Changes for the year:	
Service Cost	2,404,392
Interest	1,579,789
Changes of Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	2,251,057
Benefit Payments	<u>(4,968,847)</u>
Net Changes	<u>1,266,391</u>
Balance at 6/30/20	<u>\$ 51,818,919</u>

There were no changes of benefit terms during the year.

Changes in assumptions. The discount rate was changed from 3.13 percent in 2019 to 2.45 percent in 2020. This has a decreasing impact on the results of this valuation. The medical claims costs and premiums were updated based on actual claims experience and premium information provided for the valuation. The healthcare cost trend assumption was revised to reflect the removal of the additional trend to model the excise (“Cadillac”) tax as a result of the repeal of the excise tax in December 2019. Changes in demographic assumptions based on revised inflation and individual member pay increases adopted by the 2020 FRS Actuarial Assumption Conference and used in the July 1, 2020 FRS Actuarial Valuation. This change had an increasing impact on the results of this valuation.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.45 percent) or 1 percentage point higher (3.45 percent) than the current rate:

	1% Decrease <u>(1.45%)</u>	Current Discount Rate <u>(2.45%)</u>	1% Increase <u>(3.45%)</u>
Total OPEB liability	\$58,774,768	\$51,818,919	\$45,957,439

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.50 percent decreasing to 2.99 percent) or 1 percentage point higher (7.50 percent decreasing 4.99 percent) than the current healthcare cost trend rates:

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	1% Decrease (5.50% decreasing to 2.99%)	Healthcare Cost Trend Rates (6.50% decreasing to 3.99%)	1% Increase (7.50% decreasing to 4.99%)
Total OPEB liability	\$45,453,059	\$51,818,919	\$59,974,717

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

For the fiscal year ended June 30, 2021, the District recognized OPEB expense of \$3,747,992. 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	\$ 1,178,846	\$ -
Change of assumptions or other inputs	2,051,848	3,847,601
Transactions subsequent to the measurement date	2,897,706	-
Total	<u>\$ 6,128,400</u>	<u>\$ 3,847,601</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$2,897,706 resulting from transactions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2022	\$ (236,189)
2023	(236,189)
2024	(236,189)
2025	(236,189)
2026	(236,189)
Thereafter	564,038
Total	<u>\$ (616,907)</u>

NOTE 18: VESTED INTERESTS IN UTILITY COOPERATIVES

The District has purchased electricity since 1969 from the Lee County Electric Cooperative, Inc. The District's estimated vested interest in this Cooperative is \$7,817,846 at December 31, 2020, which is recorded as a capital credit receivable on the statement of net position. Such interest, also referred to as capital credits, would be payable to the District over a thirty-year period should the District terminate its business relationship with the Cooperative. During the fiscal year, the District recorded the earned capital credits as other local sources revenue in the government-wide statement and recorded general revenues on the governmental fund statements as the District received capital credits. The District would receive capital credits from Bonita Springs Water System, Inc. or Greater Pine Island Water Association, Inc. only in the unlikely event that they were to permanently cease

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 JUNE 30, 2021

operations. During the fiscal year, the District did not record any general revenue for capital credits earned from Bonita Springs Water System, Inc. or Greater Pine Island Water Association, Inc.

NOTE 19: 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. Property, workers’ compensation, automobile liability, and general liability coverage are self-insured up to specified limits. The District purchases policies with various insurance companies to provide coverage in excess of claims amounts above the stated self-insured retention deductible on any individual/aggregate claim. The District has contracted with a third-party administrator to administer the property/casualty program, including the processing, investigation, and payment of claims.

The District provides health coverage through a self-insurance program administered by an outside provider. The District reports the self-insurance programs in the Internal Service Funds. Amounts are transferred from various funds to the Internal Service Funds to provide sufficient resources to cover claims incurred, and to pay the insurance services agent’s administrative fees.

There have been no significant reductions in insurance coverage. Settled claims resulting from risks described above have not exceeded commercial insurance coverage for the past three fiscal years.

A liability in the amount of \$16,096,333 was actuarially determined to cover outstanding claims and estimated incurred but not reported insurance claims payable for the Self-Insurance-Casualty, Liability and Workers’ Compensation Fund, at June 30, 2021. A liability in the amount of \$9,143,068 was actuarially determined to cover outstanding claims and estimated incurred but not reported insurance claims payable for the Self-Insurance-Health Insurance Fund, at June 30, 2021.

The following schedule represents the change in claims liability for the past two fiscal years for the District’s self-insurance programs:

Casualty, Liability, Workers’ Compensation Self Insurance Fund:

	Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2019-2020	\$ 17,208,982	\$ 7,336,155	\$ (6,300,865)	\$ 18,244,272
2020-2021	18,244,272	6,112,363	(8,260,302)	16,096,333

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Health Insurance Self Insurance Fund:

	Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2019-2020	\$ 8,132,998	\$ 86,240,751	\$ (85,816,756)	\$ 8,556,993
2020-2021	8,556,993	86,211,441	(85,625,366)	9,143,068

NOTE 20: LITIGATION

The District is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operation. Management believes that any liability arising from such claims would be immaterial to the financial statements.

NOTE 21: SUBSEQUENT EVENTS

On November 01, 2021, the District issued Tax Anticipation Notes (“TANS”), Series 2021 for \$35,000,000. Note proceeds are to be used to pay fiscal year 2022 District operating expenditures prior to the receipt of ad-valorem taxes. The notes will be paid in March 2022.

REQUIRED SUPPLEMENTARY
INFORMATION

THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OTHER
POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS ¹

	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 2,685,667	\$ 2,461,752	\$ 2,323,472	\$ 2,404,392
Interest	1,586,448	1,827,266	1,857,397	1,579,789
Differences between expected and actual experience	-	-	1,473,558	-
Changes of assumptions or other inputs	(3,892,800)	(358,774)	(1,575,972)	2,251,057
Benefit payments	(3,718,992)	(2,597,226)	(5,023,511)	(4,968,847)
Net changes in total OPEB liability	(3,339,677)	1,333,018	(945,056)	1,266,391
Total OPEB Liability-beginning, as restated	53,504,243	\$ 50,164,566	\$ 51,497,584	\$ 50,552,528
Total OPEB liability- ending	\$ 50,164,566	\$ 51,497,584	\$ 50,552,528	\$ 51,818,919
Covered employee payroll	\$ 522,477,873	\$ 535,169,541	\$ 545,004,178	\$ 553,081,335
Total OPEB Liability as a percentage of covered employee payroll	9.60%	9.62%	9.28%	9.37%

Note 1: The amounts presented for each fiscal year were determined as of June 30.

¹ 2018 was the first year of reporting net OPEB liability (GASB 75).

Additional years will be displayed as they become available.

THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-
FLORIDA RETIREMENT SYSTEM PENSION PLAN ¹

	2013	2014	2015	2016	2017	2018	2019	2020
District's proportion of the FRS net pension liability	1.000061253%	1.002008482%	1.010277504%	0.944803387%	0.947570220%	0.984289781%	0.949750579%	0.916137214%
District's proportionate share of the FRS net pension liability	\$ 172,155,051	\$ 61,137,253	\$ 130,490,889	\$ 238,563,597	\$ 280,284,913	\$ 296,473,184	\$ 327,071,943	\$ 397,067,370
District's covered payroll	\$ 402,982,342	\$ 411,699,254	\$ 425,054,736	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	42.72%	14.85%	30.70%	54.76%	62.16%	62.00%	68.44%	81.84%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	88.54%	96.09%	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%

Note 1: The amounts presented for each fiscal year were determined as of June 30.

¹-2014 was the first year of reporting net pension liability (GASB 68).

THE SCHOOL DISTRICT OF LEE COUNTY
 SCHEDULE OF DISTRICT CONTRIBUTIONS -
 FLORIDA RETIREMENT SYSTEM PENSION PLAN ¹

	2014	2015	2016	2017	2018	2019	2020	2021
Contractually required FRS contribution	\$ 21,948,238	\$ 24,631,424	\$ 23,040,537	\$ 24,667,586	\$ 28,051,468	\$ 29,449,121	\$ 30,439,180	\$ 38,075,907
FRS contributions in relation to the contractually required FRS contribution	21,948,238	24,631,424	23,040,537	24,667,586	28,051,468	29,449,121	30,439,180	38,075,907
FRS Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 411,699,254	\$ 425,054,736	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456	\$ 493,312,820
FRS contributions as a percentage of covered-employee payroll	5.33%	5.79%	5.29%	5.47%	5.87%	6.16%	6.27%	7.72%

Note 1: The amounts presented for each fiscal year were determined as of June 30.

¹ 2014 was the first year of reporting net pension liability (GASB 68).
 Additional years will be displayed as they become available.

THE SCHOOL DISTRICT OF LEE COUNTY
 SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-
 HEALTH INSURANCE SUBSIDY PENSION PLAN ¹

	2013	2014	2015	2016	2017	2018	2019	2020
District's proportion of the HIS net pension liability	1.386820766%	1.385582848%	1.400910797%	1.409500592%	1.414366908%	1.463511500%	1.428583350%	1.376335040%
District's proportionate share of the HIS net pension liability	\$ 120,740,982	\$ 129,555,377	\$ 142,870,865	\$ 164,271,455	\$ 151,230,635	\$ 154,899,700	\$ 159,844,181	\$ 170,648,775
District's covered payroll	\$ 402,982,342	\$ 411,699,254	\$ 425,054,736	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	29.96%	31.47%	33.61%	37.71%	33.54%	32.40%	33.45%	35.17%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	1.78%	0.99%	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%

Note 1: The amounts presented for each fiscal year were determined as of June 30.

¹-2014 was the first year of reporting net pension liability (GASB 68).

Additional years will be displayed as they become available.

THE SCHOOL DISTRICT OF LEE COUNTY
 SCHEDULE OF DISTRICT CONTRIBUTIONS-
 HEALTH INSURANCE SUBSIDY PENSION PLAN ¹

	2014	2015	2016	2017	2018	2019	2020	2021
Contractually required HIS contribution	\$ 4,746,541	\$ 5,355,153	\$ 7,224,589	\$ 7,485,238	\$ 7,936,660	\$ 7,932,785	\$ 8,053,907	\$ 8,189,178
HIS contributions in relation to the contractually required HIS contribution	4,746,541	5,355,153	7,224,589	7,485,238	7,936,660	7,932,785	8,053,907	8,189,178
HIS Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 411,699,254	\$ 425,054,736	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456	\$ 493,312,820
HIS contributions as a percentage of covered-employee payroll	1.15%	1.26%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

Note 1: The amounts presented for each fiscal year were determined as of June 30.

¹-2014 was the first year of reporting net pension liability (GASB 68).

Additional years will be displayed as they become available.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

NOTE 1: SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OTHER POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The June 30, 2021, total OPEB liability increased from the prior fiscal year as a result of changes to benefits and assumptions as discussed below:

Changes of Benefit Terms. There were no benefit changes during the year.

Changes of Assumptions. The discount rate was changed from 3.13 percent as of the beginning of the measurement period to 2.45 percent as of June 30, 2020 (based on the Long-term Municipal Bond rate). The medical claims costs and premiums were updated based on actual claims experience and premium information provided for the valuation. The healthcare cost trend assumption did not change from 2.25 percent. Removal of a load modeling the excise ("Cadillac") tax on healthcare plans to reflect the December 2019 repeal by law. Changes in demographic assumptions based on revised inflation and individual member pay increases adopted by the 2020 FRS Actuarial Assumption Conference and used in the July 1, 2020 FRS Actuarial Valuation. These changes increased the Total OPEB Liability.

NOTE 2: SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN

Changes of Assumptions. The long-term expected rate of return was decreased from 6.9 percent to 6.8 percent, and the active member mortality assumption was updated.

NOTE 3: SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN

Changes of Assumptions. The municipal bond rate used to determine total pension liability decreased from 3.50 percent to 2.21 percent.

OTHER SUPPLEMENTARY
INFORMATION

**COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

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

Food Service Fund: To account for and report on activities of the Food Service Program in serving breakfast and lunch at the schools.

Other Program Fund: To account for and report on activities of school internal funds that are not fiduciary funds.

Debt Service Fund

One debt service fund is used to account for the payment of interest and principal of the current portion on long-term debt.

State Board of Education Bonds Fund (SBE/COBI): To account for and report on payment of principal, interest, and related costs on the State School Bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the State-assessed Motor Vehicles License Tax.

(continued)

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NONMAJOR GOVERNMENTAL FUNDS (continued)

Capital Projects Fund

One capital projects fund is 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 are:

Capital Outlay and Debt Service Fund: To account for and report on the excess dollars from the debt service funds, used for construction and maintenance of schools.

THE SCHOOL DISTRICT OF LEE COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2021

	<u>Special Revenue Funds</u>					<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>
	<u>Total Nonmajor Governmental Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Contracted Programs</u>	<u>Food Service</u>	<u>Other Programs</u>	<u>SBE/COBI Bonds</u>	<u>Capital Outlay and Debt Service</u>
ASSETS							
Cash	\$ 5,274,601	\$ 1,967,530	\$ -	\$ 104,761	\$ 1,862,769	\$ -	\$ 3,307,071
Investments	26,497,543	16,483,766	-	9,491,153	6,992,613	13,777	10,000,000
Accounts Receivable	534,069	534,069	3,811	3,121	527,137	-	-
Due from Other Funds	101,833	101,833	93,340	8,493	-	-	-
Due from Other Agencies	15,864,344	15,864,344	10,163,815	5,700,529	-	-	-
Inventory	<u>1,179,621</u>	<u>1,179,621</u>	<u>-</u>	<u>965,546</u>	<u>214,075</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 49,452,011</u>	<u>\$ 36,131,163</u>	<u>\$ 10,260,966</u>	<u>\$ 16,273,603</u>	<u>\$ 9,596,594</u>	<u>\$ 13,777</u>	<u>\$ 13,307,071</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts Payable	\$ 721,657	\$ 721,657	\$ 149,723	\$ 84,860	\$ 487,074	\$ -	\$ -
Due to Other Funds	<u>10,568,769</u>	<u>10,568,769</u>	<u>10,111,243</u>	<u>457,526</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>11,290,426</u>	<u>11,290,426</u>	<u>10,260,966</u>	<u>542,386</u>	<u>487,074</u>	<u>-</u>	<u>-</u>
Fund Balance							
Nonspendable							
Inventory	1,179,621	1,179,621	-	965,546	214,075	-	-
Restricted for:							
Debt Service	13,777	-	-	-	-	13,777	-
Capital Projects	13,307,071	-	-	-	-	-	13,307,071
Special Revenue	<u>23,661,116</u>	<u>23,661,116</u>	<u>-</u>	<u>14,765,671</u>	<u>8,895,445</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>38,161,585</u>	<u>24,840,737</u>	<u>-</u>	<u>15,731,217</u>	<u>9,109,520</u>	<u>13,777</u>	<u>13,307,071</u>
Total Liabilities and Fund Balances	<u>\$ 49,452,011</u>	<u>\$ 36,131,163</u>	<u>\$ 10,260,966</u>	<u>\$ 16,273,603</u>	<u>\$ 9,596,594</u>	<u>\$ 13,777</u>	<u>\$ 13,307,071</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Contracted Programs	Food Service	Other Programs	SBE/COBI Bonds	Capital Outlay and Debt Service
Revenues							
Federal Direct Sources	\$ 12,443,667	\$ 12,443,667	\$ 12,443,667	\$ -	\$ -	\$ -	\$ -
Federal Through State Sources	102,871,201	102,871,201	54,717,368	48,153,833	-	-	-
State Sources	4,298,678	683,148	-	683,148	-	288,290	3,327,240
Local Sources							
Food Service Sales	524,627	524,627	-	524,627	-	-	-
Miscellaneous	15,389,106	15,365,944	35,498	57,265	15,273,181	-	23,162
Total Revenues	135,527,279	131,888,587	67,196,533	49,418,873	15,273,181	288,290	3,350,402
EXPENDITURES							
Current							
Instruction	49,596,960	49,596,960	34,103,465	-	15,493,495	-	-
Student Support Services	6,959,909	6,959,909	6,959,909	-	-	-	-
Instructional Media Services	52,814	52,814	52,814	-	-	-	-
Instruction and Curriculum							
Development Services	15,196,216	15,196,216	15,196,216	-	-	-	-
Instructional Staff Training Services	4,515,009	4,515,009	4,515,009	-	-	-	-
Instruction Related Technology	87,983	87,983	87,983	-	-	-	-
General Administration	2,910,850	2,910,850	2,910,850	-	-	-	-
School Administration	1,210,212	1,210,212	488,150	-	722,062	-	-
Facilities Services	470,329	470,329	470,329	-	-	-	-
Fiscal Services	1,059	1,059	1,059	-	-	-	-
Food Service	49,374,137	49,374,137	-	49,374,137	-	-	-
Central Services	245,220	245,220	245,220	-	-	-	-
Student Transportation Services	452,506	452,506	452,506	-	-	-	-
Operation of Plant	290,690	290,690	290,690	-	-	-	-
Community Services	404,515	404,515	404,515	-	-	-	-
Capital Outlay							
Facilities Acquisition and Construction	288,970	288,970	288,970	-	-	-	-
Other Capital Outlay	1,249,764	1,249,764	728,848	520,916	-	-	-
Debt Service							
Principal	255,000	-	-	-	-	255,000	-
Interest and Fiscal Charges	44,124	-	-	-	-	40,131	3,993
Total Expenditures	133,606,267	133,307,143	67,196,533	49,895,053	16,215,557	295,131	3,993
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,921,012	(1,418,556)	-	(476,180)	(942,376)	(6,841)	3,346,409
Net Change in Fund Balance	1,921,012	(1,418,556)	-	(476,180)	(942,376)	(6,841)	3,346,409
Fund Balance, Beginning	26,188,677	16,207,397	-	16,207,397	-	20,618	9,960,662
Prior Period Adjustment	10,051,896	10,051,896	-	-	10,051,896	-	-
Fund Balance, Beginning, Restated	36,240,573	26,259,293	-	16,207,397	10,051,896	20,618	9,960,662
Fund Balance, Ending	\$ 38,161,585	\$ 24,840,737	\$ -	\$ 15,731,217	\$ 9,109,520	\$ 13,777	\$ 13,307,071

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
DEBT SERVICE FUND - CERTIFICATES OF PARTICIPATION (MAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Certificates of Participation			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Interest Income	\$ -	\$ 20,000	\$ 20,274	\$ (274)
Total Local Sources	-	20,000	20,274	(274)
Total Revenues	-	20,000	20,274	(274)
EXPENDITURES				
Debt Service				
Principal	50,595,877	64,975,877	64,975,877	-
Interest and Fiscal Charges	18,776,003	19,008,879	19,005,070	3,809
Total Expenditures	69,371,880	83,984,756	83,980,947	3,809
Deficiency of Revenues Under Expenditures	(69,371,880)	(83,964,756)	(83,960,673)	(4,083)
OTHER FINANCING SOURCES (USES)				
Certificates of Participation Issued	-	-	-	-
Transfer In	69,370,730	69,371,866	68,916,552	455,314
Transfer Out	-	(20,741)	(20,741)	-
Total Other Financing Sources (Uses)	69,370,730	69,351,125	68,895,811	455,314
Net Change in Fund Balance	(1,150)	(14,613,631)	(15,064,862)	451,231
Fund Balance, Beginning	15,064,889	15,064,889	15,064,889	-
Fund Balance, Ending	<u>\$ 15,063,739</u>	<u>\$ 451,258</u>	<u>\$ 27</u>	<u>\$ 451,231</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
DEBT SERVICE FUND - ARRA ECONOMIC STIMULUS (MAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	ARRA Economic Stimulus			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Interest Income	\$ -	\$ -	\$ 37,914	\$ (37,914)
Total Local Sources	-	-	37,914	(37,914)
Total Revenues	-	-	37,914	(37,914)
EXPENDITURES				
Debt Service				
Principal	1,800,600	1,800,600	-	1,800,600
Interest and Fiscal Charges	227,219	227,219	203,756	23,463
Total Expenditures	2,027,819	2,027,819	203,756	1,824,063
Deficiency of Revenues Under Expenditures	(2,027,819)	(2,027,819)	(165,842)	(1,861,977)
OTHER FINANCING SOURCES				
Transfer In	2,027,819	2,027,819	1,902,889	124,930
Total Other Financing Sources	2,027,819	2,027,819	1,902,889	124,930
Net Change in Fund Balance	-	-	1,737,047	(1,737,047)
Fund Balance, Beginning	17,758,829	17,758,829	17,758,829	-
Fund Balance, Ending	\$ 17,758,829	\$ 17,758,829	\$ 19,495,876	\$ (1,737,047)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - LOCAL CAPITAL IMPROVEMENT TAX (MAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Local Capital Improvement Tax			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Ad Valorem Taxes	\$ 139,085,429	\$ 139,085,429	\$ 139,309,916	\$ (224,487)
Interest Income	535,687	535,687	283,726	251,961
Local Grants and Other Local Sources	-	-	1,050	(1,050)
Total Local Sources	<u>139,621,116</u>	<u>139,621,116</u>	<u>139,594,692</u>	<u>26,424</u>
 Total Revenues	 <u>139,621,116</u>	 <u>139,621,116</u>	 <u>139,594,692</u>	 <u>26,424</u>
EXPENDITURES				
Current				
Facilities Services	-	46,506,563	23,500,350	23,006,213
Capital Outlay				
Facilities Acquisition and Construction	67,452,301	6,653,528	2,258,207	4,395,321
Other Capital Outlay	-	13,817,899	5,201,966	8,615,933
Total Expenditures	<u>67,452,301</u>	<u>66,977,990</u>	<u>30,960,523</u>	<u>36,017,467</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>72,168,815</u>	<u>72,643,126</u>	<u>108,634,169</u>	<u>(35,991,043)</u>
OTHER FINANCING SOURCES (USES)				
Transfer In	-	-	-	-
Transfer Out	<u>(49,777,379)</u>	<u>(45,116,547)</u>	<u>(44,969,900)</u>	<u>(146,647)</u>
Total Other Financing Sources (Uses)	<u>(49,777,379)</u>	<u>(45,116,547)</u>	<u>(44,969,900)</u>	<u>(146,647)</u>
Net Change in Fund Balance	<u>22,391,436</u>	<u>27,526,579</u>	<u>63,664,269</u>	<u>(36,137,690)</u>
Fund Balance, Beginning	<u>101,013,548</u>	<u>101,013,548</u>	<u>101,013,548</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 123,404,984</u>	<u>\$ 128,540,127</u>	<u>\$ 164,677,817</u>	<u>\$ (36,137,690)</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - CERTIFICATES OF PARTICIPATION/IMPACT FEES/STATE GRANTS
(MAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Certificates of Participation/Impact Fees/State Grants</u>			Variance with Final Budget - Under (Over)
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES				
State Sources				
Charter School Capital Outlay	\$ 6,710,000	\$ 6,710,000	\$ 5,943,691	\$ 766,309
State Grants and Other State Sources	405,000	1,818,850	1,956,855	(138,005)
Total State Sources	<u>7,115,000</u>	<u>8,528,850</u>	<u>7,900,546</u>	<u>628,304</u>
Local Sources				
Local Sales Taxes	57,807,610	76,123,394	88,730,152	(12,606,758)
Impact Fees	16,808,000	16,808,000	18,144,986	(1,336,986)
Interest Income	775,313	775,313	463,748	311,565
Local Grants and Other Local Sources	-	-	151,177	(151,177)
Total Local Sources	<u>75,390,923</u>	<u>93,706,707</u>	<u>107,490,063</u>	<u>(13,783,356)</u>
Total Revenues	<u>82,505,923</u>	<u>102,235,557</u>	<u>115,390,609</u>	<u>(13,155,052)</u>
EXPENDITURES				
Current				
Facilities Services	-	97,428,725	65,671,111	31,757,614
Capital Outlay				
Facilities Acquisition and Construction	205,501,973	96,812,881	76,024,133	20,788,748
Other Capital Outlay	-	15,993,945	7,719,321	8,274,624
Total Expenditures	<u>205,501,973</u>	<u>210,235,551</u>	<u>149,414,565</u>	<u>60,820,986</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(122,996,050)</u>	<u>(107,999,994)</u>	<u>(34,023,956)</u>	<u>(73,976,038)</u>
OTHER FINANCING SOURCES (USES)				
Certificates of Participation Issued	-	-	-	-
Premium on Certificates of Participation Issued	-	-	-	-
Sale of Capital Assets	-	-	-	-
Transfer In	-	-	-	-
Transfer Out	(44,579,603)	(49,378,158)	(47,946,846)	(1,431,312)
Total Other Financing Sources (Uses)	<u>(44,579,603)</u>	<u>(49,378,158)</u>	<u>(47,946,846)</u>	<u>(1,431,312)</u>
Net Change in Fund Balance	(167,575,653)	(157,378,152)	(81,970,802)	(75,407,350)
Fund Balance, Beginning	208,559,996	208,559,996	208,559,996	-
Fund Balance, Ending	<u>\$ 40,984,343</u>	<u>\$ 51,181,844</u>	<u>\$ 126,589,194</u>	<u>\$ (75,407,350)</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - CONTRACTED PROGRAMS (NONMAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Contracted Programs			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct Sources				
Miscellaneous Federal Direct	\$ 14,252,972	\$ 21,624,754	\$ 12,443,667	\$ 9,181,087
Total Federal Direct Sources	<u>14,252,972</u>	<u>21,624,754</u>	<u>12,443,667</u>	<u>9,181,087</u>
Federal Through State Sources				
Other Federal Through State Grants	49,313,688	73,114,701	54,717,368	18,397,333
Total Federal Through State Sources	<u>49,313,688</u>	<u>73,114,701</u>	<u>54,717,368</u>	<u>18,397,333</u>
Local Sources				
Child Care and Adult Course Fees	-	35,498	35,498	-
Total Local Sources	<u>-</u>	<u>35,498</u>	<u>35,498</u>	<u>-</u>
Total Revenues	<u>63,566,660</u>	<u>94,774,953</u>	<u>67,196,533</u>	<u>27,578,420</u>
EXPENDITURES				
Current				
Instruction	37,039,565	48,415,704	34,103,465	14,312,239
Student Support Services	7,600,006	8,511,468	6,959,909	1,551,559
Instructional Media Services	279,705	53,489	52,814	675
Instruction and Curriculum Development Services	7,924,117	18,186,633	15,196,216	2,990,417
Instructional Staff Training Services	5,193,101	8,337,287	4,515,009	3,822,278
Instruction Related Technology	102,432	87,943	87,983	(40)
General Administration	2,802,258	3,924,393	2,910,850	1,013,543
School Administration	55,410	490,059	488,150	1,909
Facilities Services	352,894	809,437	470,329	339,108
Fiscal Services	21,780	2,599	1,059	1,540
Central Services	165,717	469,325	245,220	224,105
Student Transportation Services	1,017,188	1,517,472	452,506	1,064,966
Operation of Plant	130,099	802,327	290,690	511,637
Community Services	882,388	842,742	404,515	438,227
Capital Outlay				
Facilities Acquisition and Construction	-	1,052,392	288,970	763,422
Other Capital Outlay	-	1,271,683	728,848	542,835
Total Expenditures	<u>63,566,660</u>	<u>94,774,953</u>	<u>67,196,533</u>	<u>27,578,420</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - FOOD SERVICE (NONMAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Food Service			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State Sources				
Food Service	\$ 52,933,412	\$ 53,710,596	\$ 48,082,351	\$ 5,628,245
Donated Foods and Cash in Lieu of	200,000	201,000	71,482	129,518
Total Federal Through State Sources	<u>53,133,412</u>	<u>53,911,596</u>	<u>48,153,833</u>	<u>5,757,763</u>
State Sources				
Food Services	602,430	602,430	683,148	(80,718)
Total State Sources	<u>602,430</u>	<u>602,430</u>	<u>683,148</u>	<u>(80,718)</u>
Local Sources				
Food Service Sales	1,706,563	1,706,563	524,627	1,181,936
Interest Income	30,000	30,000	13,511	16,489
Gifts, Grants and Bequests	-	-	-	-
Local Grants and Other Local Sources	-	-	43,754	(43,754)
Total Local Sources	<u>1,736,563</u>	<u>1,736,563</u>	<u>581,892</u>	<u>1,154,671</u>
Total Revenues	<u>55,472,405</u>	<u>56,250,589</u>	<u>49,418,873</u>	<u>6,831,716</u>
EXPENDITURES				
Current				
Food Service	61,300,968	61,488,792	49,374,137	12,114,655
Capital Outlay				
Facilities Acquisition and Construction	-	5,000	-	5,000
Other Capital Outlay	-	3,097,962	520,916	2,577,046
Total Expenditures	<u>61,300,968</u>	<u>64,591,754</u>	<u>49,895,053</u>	<u>14,696,701</u>
Deficiency of Revenues Under Expenditures	<u>(5,828,563)</u>	<u>(8,341,165)</u>	<u>(476,180)</u>	<u>(7,864,985)</u>
Net Change in Fund Balance	(5,828,563)	(8,341,165)	(476,180)	(7,864,985)
Fund Balance, Beginning	<u>16,207,397</u>	<u>16,207,397</u>	<u>16,207,397</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 10,378,834</u>	<u>\$ 7,866,232</u>	<u>\$ 15,731,217</u>	<u>\$ (7,864,985)</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE FUND - OTHER PROGRAMS (NONMAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Other Programs			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Interest Income	\$ -	\$ -	\$ 8,699	\$ (8,699)
Local Grants and Other Local Sources	-	16,215,557	15,264,482	951,075
Total Local Sources	-	16,215,557	15,273,181	942,376
Total Revenues	-	16,215,557	15,273,181	942,376
EXPENDITURES				
Current				
Instruction	-	15,493,495	15,493,495	-
School Administration	-	722,062	722,062	-
Total Expenditures	-	16,215,557	16,215,557	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(942,376)	942,376
Net Change in Fund Balance	-	-	(942,376)	(942,376)
Fund Balance, Beginning	-	10,051,896	10,051,896	-
Fund Balance, Ending	\$ -	\$ 10,051,896	\$ 9,109,520	\$ (942,376)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
DEBT SERVICE FUND - SBE/COBI BONDS (NONMAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	SBE/COBI Bonds			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State Sources				
CO & DS withheld for SBE/COBI Bonds	\$ 288,350	\$ 288,350	\$ 288,271	\$ 79
SBE/COBI Bond Interest	1,000	1,000	19	981
Total State Sources	<u>289,350</u>	<u>289,350</u>	<u>288,290</u>	<u>1,060</u>
 Total Revenues	 <u>289,350</u>	 <u>289,350</u>	 <u>288,290</u>	 <u>1,060</u>
EXPENDITURES				
Debt Service				
Principal	248,000	248,000	255,000	(7,000)
Interest and Fiscal Charges	<u>41,350</u>	<u>41,350</u>	<u>40,131</u>	<u>1,219</u>
Total Expenditures	<u>289,350</u>	<u>289,350</u>	<u>295,131</u>	<u>(5,781)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>(6,841)</u>	<u>6,841</u>
Net Change in Fund Balance	-	-	(6,841)	6,841
Fund Balance, Beginning	<u>20,618</u>	<u>20,618</u>	<u>20,618</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 20,618</u>	<u>\$ 20,618</u>	<u>\$ 13,777</u>	<u>\$ 6,841</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - CAPITAL OUTLAY AND DEBT SERVICE (NONMAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Capital Outlay & Debt Service (CO and DS)			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State Sources				
CO and DS Distributed to Districts	\$ 1,600,000	\$ 1,600,000	\$ 3,267,309	\$ (1,667,309)
Interest on Undistributed CO and DS	-	-	59,931	(59,931)
Total State Sources	<u>1,600,000</u>	<u>1,600,000</u>	<u>3,327,240</u>	<u>(1,727,240)</u>
Local Sources				
Interest Income	30,000	30,000	23,162	6,838
Total Local Sources	<u>30,000</u>	<u>30,000</u>	<u>23,162</u>	<u>6,838</u>
Total Revenues	<u>1,630,000</u>	<u>1,630,000</u>	<u>3,350,402</u>	<u>(1,720,402)</u>
EXPENDITURES				
Debt Service				
Interest and Fiscal Charges	-	4,000	3,993	7
Total Expenditures	<u>-</u>	<u>4,000</u>	<u>3,993</u>	<u>7</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,630,000</u>	<u>1,626,000</u>	<u>3,346,409</u>	<u>(1,720,409)</u>
Net Change in Fund Balance	1,630,000	1,626,000	3,346,409	(1,720,409)
Fund Balance, Beginning	<u>9,960,662</u>	<u>9,960,662</u>	<u>9,960,662</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 11,590,662</u>	<u>\$ 11,586,662</u>	<u>\$ 13,307,071</u>	<u>\$ (1,720,409)</u>

Internal Service Funds

Internal service funds 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:

Health: To account for and report on funds received for and used to pay for medical benefits issued under the District's self-insured health program.

Other (Casualty, Liability, and Workers' Compensation): To account for and report on funds received for and used by the District's self-insured property, casualty, liability, and workers' compensation program.

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2021

	Internal Service Funds		
	Total	Self Insurance	
		Health	Other
ASSETS			
Current Assets			
Cash	\$ 88,081	\$ 88,081	\$ -
Investments	62,567,347	62,567,347	-
Due from Governmental Funds	16,679,264	582,931	16,096,333
Total Current Assets	<u>79,334,692</u>	<u>63,238,359</u>	<u>16,096,333</u>
Noncurrent Assets			
Restricted Cash With Fiscal Agent	300,000	-	300,000
Furniture, Fixtures and Equipment	7,999	7,999	-
Less Accumulated Depreciation	(5,194)	(5,194)	-
Total Noncurrent Assets	<u>302,805</u>	<u>2,805</u>	<u>300,000</u>
Total Assets	<u>79,637,497</u>	<u>63,241,164</u>	<u>16,396,333</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	434,097	434,097	-
Unearned Revenue	13,982,665	13,982,665	-
Estimated Insurance Claims Payable	13,994,911	9,042,345	4,952,566
Liability for Compensated Absences	37,112	37,112	-
Total Current Liabilities	<u>28,448,785</u>	<u>23,496,219</u>	<u>4,952,566</u>
Noncurrent Liabilities			
Estimated Insurance Claims Payable	11,244,490	100,723	11,143,767
Total Liabilities	<u>39,693,275</u>	<u>23,596,942</u>	<u>16,096,333</u>
NET POSITION			
Investment in Capital Assets	2,805	2,805	-
Restricted for Claims	300,000	-	300,000
Unrestricted	39,641,417	39,641,417	-
Total Net Position	<u>\$ 39,944,222</u>	<u>\$ 39,644,222</u>	<u>\$ 300,000</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 For the Fiscal Year Ended June 30, 2021**

	Internal Service Funds		
	Total	Self Insurance	
		Health	Other
OPERATING REVENUES			
Premium Revenue	\$ 113,707,146	\$ 97,895,527	\$ 15,811,619
Other Operating Revenues	43,092	43,092	-
Total Operating Revenues	<u>113,750,238</u>	<u>97,938,619</u>	<u>15,811,619</u>
OPERATING EXPENSE			
Salaries	298,586	269,025	29,561
Employee Benefits	98,436	83,988	14,448
Purchased Services	15,460,702	5,805,455	9,655,247
Materials and Supplies	34	34	-
Insurance Claims	92,323,804	86,211,441	6,112,363
Depreciation	801	801	-
Total Operating Expenses	<u>108,182,363</u>	<u>92,370,744</u>	<u>15,811,619</u>
Operating Income	<u>5,567,875</u>	<u>5,567,875</u>	<u>-</u>
NONOPERATING REVENUES			
Interest Income	61,110	61,110	-
Total Nonoperating Revenues	<u>61,110</u>	<u>61,110</u>	<u>-</u>
Changes in Net Position	5,628,985	5,628,985	-
Net Position - July 1, 2020	<u>34,315,237</u>	<u>34,015,237</u>	<u>300,000</u>
Net Position - June 30, 2021	<u>\$ 39,944,222</u>	<u>\$ 39,644,222</u>	<u>\$ 300,000</u>

**THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2021**

	Internal Service Funds		
	Total	Self Insurance	
		Health	Other
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers, Users and Participants	\$ 116,561,248	\$ 98,601,690	\$ 17,959,558
Cash Payments to Suppliers for Goods and Services	(15,026,641)	(5,371,394)	(9,655,247)
Cash Payments to Employees for Services	(400,721)	(356,712)	(44,009)
Cash Payments for Insurance Claims	(93,885,668)	(85,625,366)	(8,260,302)
Net Cash provided by Operating Activities	<u>7,248,218</u>	<u>7,248,218</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Pooled Investments	(11,859,526)	(11,859,526)	-
Interest on Investments	61,110	61,110	-
Net Cash used by Investing Activities	<u>(11,798,416)</u>	<u>(11,798,416)</u>	<u>-</u>
Net decrease in Cash	(4,550,198)	(4,550,198)	-
Cash, Beginning	4,938,279	4,638,279	300,000
Cash, Ending	<u>\$ 388,081</u>	<u>\$ 88,081</u>	<u>\$ 300,000</u>
Reconciliation of Operating Income to Net Cash provided by Operating Activities			
Operating Income	\$ 5,567,875	\$ 5,567,875	\$ -
Adjustments to Reconcile Operating Income to Net Cash provided by Operating Activities:			
Depreciation	801	801	-
Change in Assets and Liabilities:			
(Increase) decrease in Due from Governmental Funds	1,565,008	(582,931)	2,147,939
Increase in Accounts Payable	434,097	434,097	-
Increase in Advanced Revenue	1,246,001	1,246,001	-
Increase (decrease) in Estimated Insurance Claims Payable	(1,561,864)	586,075	(2,147,939)
Decrease in Liability for Compensated Absences	(3,700)	(3,700)	-
Total Adjustments	<u>1,680,343</u>	<u>1,680,343</u>	<u>-</u>
Net Cash provided by Operating Activities	<u>\$ 7,248,218</u>	<u>\$ 7,248,218</u>	<u>\$ -</u>

Discretely Presented Component Units

The component units' columns in the basic financial statements, pages 33 through 34, include the financial data of the District's discretely presented component units. The District's discretely presented component units consist of the following entities:

Charter Schools: Pursuant to Chapter 617, Florida Statutes, and Section 1002.33, Florida Statutes, the following charter schools are considered discretely presented component units: Athenian Academy Charter School, Bonita Springs Charter School, City of Palms Charter High School Inc., Coronado High School, DJB Technical Academy, Inc., Gateway Charter School, Gateway Intermediate Charter School, Gateway Charter High School, The Heights Charter School, Heritage Charter School, Inc., Island Park Charter High School, Inc., The Island School, Inc., Mid Cape Global Academy, Northern Palms Charter High School, North Nicholas High School, Oak Creek Charter School of Bonita Springs, Inc., Palm Acres Charter High School, Inc., and Six Mile Charter Academy.

The Foundation for Lee County Public Schools, Inc: The 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.

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2021

	Charter Schools			
	The Athenian Academy Charter School	Bonita Springs Charter School	Mid Cape Global Academy	City of Palms Charter High School, Inc.
ASSETS				
Cash	\$ 221,862	\$ 887,204	\$ 1,026,837	\$ 492,285
Investments	-	1,603,411	-	-
Accounts Receivable	-	364,637	45,271	324,152
Deposits Receivable	-	30,405	2,339	-
Due from Other Agencies	1,927	64,229	61,018	-
Inventory	-	-	-	-
Prepaid Expenses	8,356	7,761	12,350	17,058
Capital assets:				
Improvements other than Buildings	-	2,263,918	711,923	-
Less Accumulated Depreciation	-	(654,495)	(178,514)	-
Buildings	-	18,237,000	17,721,743	-
Less Accumulated Depreciation	-	(1,891,244)	(6,313,371)	-
Furniture, Fixtures and Equipment	192,378	3,657,941	1,408,341	141,835
Less Accumulated Depreciation	(41,455)	(3,086,357)	(1,225,169)	(75,719)
Software	-	-	-	31,880
Less Accumulated Amortization	-	-	-	(26,146)
Total Assets	383,068	21,484,410	13,272,768	905,345
DEFERRED OUTFLOW OF RESOURCES				
Deferred Amount on Refundings		-	-	-
Total Deferred Outflows of Resources		-	-	-
LIABILITIES				
Salaries and Wages Payable	93,570	653,818	294,485	-
Accounts Payable	66,478	516,676	776,970	513,362
Unearned Revenue	3,490	-	-	-
Due to Other Agencies	-	-	-	-
Noncurrent liabilities:				
Portion due within one year:				
Notes Payable	22,694	-	-	101,475
Bonds Payable	-	310,000	-	-
Obligations under Capital Lease	-	167,474	655,041	-
Liability for Compensated Absences	-	43,502	12,674	-
Portion due after one year:				
Notes Payable	41,103	-	-	-
Bonds Payable	-	18,785,256	-	-
Obligations under Capital Lease	-	897,803	13,896,098	-
Liability for Compensated Absences	-	14,500	4,225	-
Total Liabilities	227,335	21,389,029	15,639,493	614,837
NET POSITION				
Net Investment in Capital Assets	150,923	(187,749)	(1,039,855)	71,850
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Other Purposes	-	196,116	50,993	-
Unrestricted	4,810	87,014	(1,377,863)	218,658
Total Net Position - Component Units	\$ 155,733	\$ 95,381	\$ (2,366,725)	\$ 290,508

Charter Schools

Coronado High School	DJB Technical Academy, Inc.	Gateway Charter School	Gateway Intermediate Charter School	Gateway Charter High School	The Heights Charter School
\$ 808,105	\$ 315,941	\$ 2,799,961	\$ 2,122,034	\$ 208,023	\$ 112,635
-	-	-	-	-	-
-	-	344,199	399,040	222,336	494
-	-	30,928	-	32,310	-
38,083	-	100,885	-	38,934	-
-	-	-	-	-	-
-	55,490	12,443	23,854	20,129	72
-	-	338,504	4,625	918,456	-
-	-	(201,668)	(4,625)	(606,598)	-
-	38,534	27,869,053	-	13,338,119	-
-	(29,845)	(9,065,330)	-	(4,751,705)	-
400,465	113,513	2,386,079	1,259,666	2,143,423	51,060
(400,465)	(54,465)	(1,966,162)	(976,103)	(1,939,172)	(34,014)
-	-	-	-	-	-
-	-	-	-	-	-
<u>846,188</u>	<u>439,168</u>	<u>22,648,892</u>	<u>2,828,491</u>	<u>9,624,255</u>	<u>130,247</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	87,609	464,330	280,480	218,589	45,388
685,147	5,651	2,536,369	1,593,460	184,242	22,656
-	-	18,172	-	-	-
-	-	-	17,633	-	-
-	27,375	-	-	68,000	-
-	-	-	-	-	-
-	-	856,708	-	447,733	-
-	-	31,707	14,316	11,859	-
-	14,973	-	-	141,667	-
-	-	-	-	-	-
-	-	21,815,312	7,073	10,328,396	-
-	-	10,568	4,772	3,953	-
<u>685,147</u>	<u>135,608</u>	<u>25,733,166</u>	<u>1,917,734</u>	<u>11,404,439</u>	<u>68,044</u>
-	25,389	(1,901,587)	276,490	(720,869)	17,046
-	-	-	-	-	-
-	68,430	-	-	-	-
-	-	49,721	1,555	58,690	-
<u>161,041</u>	<u>209,741</u>	<u>(1,232,408)</u>	<u>632,712</u>	<u>(1,118,005)</u>	<u>45,157</u>
<u>\$ 161,041</u>	<u>\$ 303,560</u>	<u>\$ (3,084,274)</u>	<u>\$ 910,757</u>	<u>\$ (1,780,184)</u>	<u>\$ 62,203</u>

(Continued)

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2021

	Charter Schools			
	Heritage Charter School, Inc.	Island Park Charter High School, Inc.	The Island School, Inc.	Northern Palms Charter High School
ASSETS				
Cash and cash equivalents	\$ 64,453	\$ 786,254	\$ 1,618,693	\$ 327,988
Investments	-	-	-	-
Accounts Receivable	1,337	-	13,571	193,055
Deposits Receivable	-	-	-	-
Due from Other Agencies	40,164	16,241	-	-
Inventory	-	-	-	-
Prepaid Expenses	36,119	-	2,477	14,439
Capital assets:				
Improvements other than Buildings	-	-	-	-
Less Accumulated Depreciation	-	-	-	-
Buildings	-	-	2,945,969	-
Less Accumulated Depreciation	-	-	(933,936)	-
Furniture, Fixtures and Equipment	41,610	275,867	255,430	155,968
Less Accumulated Depreciation	(15,901)	(272,453)	(255,430)	(149,412)
Software	-	-	-	8,862
Less Accumulated Amortization	-	-	-	(8,862)
Total Assets	167,782	805,909	3,646,774	542,038
DEFERRED OUTFLOW OF RESOURCES				
Deferred Amount on Refundings	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
LIABILITIES				
Salaries and Wages Payable	79,503	-	-	-
Accounts Payable	15,897	506,668	-	116,938
Unearned Revenue	-	-	-	-
Due to Other Agencies	281,084	-	-	-
Noncurrent liabilities:				
Portion due within one year:				
Notes Payable	111,332	-	7,140	112,667
Bonds Payable	-	-	-	-
Obligations under Capital Lease	-	-	-	-
Liability for Compensated Absences	-	-	-	-
Portion due after one year:				
Notes Payable	-	-	-	-
Bonds Payable	-	-	-	-
Obligations under Capital Lease	-	-	-	-
Liability for Compensated Absences	-	-	-	-
Total Liabilities	487,816	506,668	7,140	229,605
NET POSITION				
Net Investment in Capital Assets	25,709	3,414	2,012,033	6,556
Restricted for:				
Debt Service	-	-	-	-
Capital Projects	-	134,405	-	-
Other Purposes	-	-	1,183,916	-
Unrestricted	(345,743)	161,422	443,685	305,877
Total Net Position - Component Units	\$ (320,034)	\$ 299,241	\$ 3,639,634	\$ 312,433

Charter Schools

North Nicholas High School	Oak Creek Charter School of Bonita Springs, Inc.	Palm Acres Charter High School, Inc	Six Mile Charter Academy
\$ 668,025	\$ 3,336,856	\$ 830,653	\$ 862,430
-	-	-	-
-	-	502,111	139,978
-	-	-	8,841
15,953	3,990	-	222,158
-	-	-	-
-	-	29,481	45,158
-	-	-	868,887
-	-	-	(273,378)
-	14,602,189	-	17,929,083
-	(295,868)	-	(6,387,237)
140,957	680,415	297,475	1,694,201
(140,957)	(184,560)	(270,448)	(1,406,243)
-	-	21,805	-
-	-	(21,805)	-
<u>683,978</u>	<u>18,143,022</u>	<u>1,389,272</u>	<u>13,703,878</u>
-	608,455	-	-
-	608,455	-	-
-	199,220	-	293,379
521,917	106,561	487,087	877,055
-	-	-	-
-	-	-	-
-	12,852	174,894	125,000
-	-	-	-
-	9,747	-	652,904
-	-	-	22,234
-	73,648	-	260,417
-	17,825,000	-	-
-	28,010	-	13,881,229
-	-	-	7,411
<u>521,917</u>	<u>18,255,038</u>	<u>661,981</u>	<u>16,119,629</u>
-	211,200	27,027	(872,701)
-	1,418,216	-	-
-	1,331,610	-	-
-	-	-	10,030
<u>162,061</u>	<u>(2,464,587)</u>	<u>700,264</u>	<u>(1,553,080)</u>
<u>\$ 162,061</u>	<u>\$ 496,439</u>	<u>\$ 727,291</u>	<u>\$ (2,415,751)</u>

(Continued)
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THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2021

	Total Charter Schools	The Foundation for Lee County Public Schools, Inc.	Total Component Units
ASSETS			
Cash	\$ 17,490,239	\$ 2,101,979	\$ 19,592,218
Investments	1,603,411	-	1,603,411
Accounts Receivable	2,550,181	54,294	2,604,475
Deposits Receivable	104,823	-	104,823
Due from Other Agencies	603,582	-	603,582
Inventory	-	32,150	32,150
Prepaid Expenses	285,187	1,905,851	2,191,038
Capital assets:			
Improvements other than Buildings	5,106,313	-	5,106,313
Less Accumulated Depreciation	(1,919,278)	-	(1,919,278)
Buildings	112,681,690	-	112,681,690
Less Accumulated Depreciation	(29,668,536)	-	(29,668,536)
Furniture, Fixtures and Equipment	15,296,624	102,412	15,399,036
Less Accumulated Depreciation	(12,494,485)	(97,310)	(12,591,795)
Software	62,547	-	62,547
Less Accumulated Amortization	(56,813)	-	(56,813)
Total Assets	111,645,485	4,099,376	115,744,861
DEFERRED OUTFLOW OF RESOURCES			
Deferred Amount on Refundings	608,455	-	608,455
Total Deferred Inflows of Resources	608,455	-	608,455
LIABILITIES			
Salaries and Wages Payable	2,710,371	-	2,710,371
Accounts Payable	9,533,134	53,211	9,586,345
Unearned Revenue	21,662	-	21,662
Due to Other Agencies	298,717	-	298,717
Noncurrent liabilities:			
Portion due within one year:			
Notes Payable	763,429	-	763,429
Bonds Payable	310,000	-	310,000
Obligations under Capital Lease	2,789,607	-	2,789,607
Liability for Compensated Absences	136,292	-	136,292
Portion due after one year:			
Notes Payable	531,808	-	531,808
Bonds Payable	36,610,256	-	36,610,256
Obligations under Capital Lease	60,853,921	-	60,853,921
Liability for Compensated Absences	45,429	-	45,429
Total Liabilities	114,604,626	53,211	114,657,837
NET POSITION			
Net Investment in Capital Assets	(1,895,124)	5,102	(1,890,022)
Restricted for:			
Debt Service	1,418,216	-	1,418,216
Capital Projects	1,534,445	-	1,534,445
Other Purposes	1,551,021	3,864,784	5,415,805
Unrestricted	(4,959,244)	176,279	(4,782,965)
Total net position - Component Units	\$ (2,350,686)	\$ 4,046,165	\$ 1,695,479

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THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021

	Charter Schools			
	The Athenian Academy Charter School	Bonita Springs Charter School	City of Palms Charter High School, Inc.	Coronado High School
Governmental activities				
Expenses				
Instruction	\$ 812,633	\$ 5,203,086	\$ 365,904	\$ 435,934
Student Support Services	3,451	439,939	-	154,882
Instructional Media Services	-	8,130	-	-
Instruction and Curriculum Development Services	753	24,914	76,086	-
Instructional Staff Training Services	-	43,446	-	-
Instruction Related Technology	3,884	98,457	-	-
Board	168,531	39,280	15,822	111,428
General Administration	6,278	-	-	-
School Administration	183,117	914,438	356,643	567,171
Facilities Services	-	-	-	-
Fiscal Services	2,559	6,457	-	822,946
Food Services	27,680	359,591	-	-
Central Services	-	128,557	33,981	-
Student Transportation Services	28,152	747,722	1,079	-
Operation of Plant	476,975	1,723,783	202,221	352,399
Maintenance of Plant	4,472	272,493	387	-
Community Services	200	256,566	-	-
Unallocated Interest and Fiscal Charges on Long-term Debt	422	1,243,299	-	-
Unallocated Depreciation Expense *	33,132	-	-	-
Total Expenses	\$ 1,752,239	\$ 11,510,158	\$ 1,052,123	\$ 2,444,760
Program Revenues				
Charges for Services	\$ 44,679	\$ 154,475	\$ -	\$ -
Operating Grants and Contributions	239,157	928,066	138,997	75,422
Capital Grants and Contributions	105,363	682,837	56,453	186,364
Total Program Revenues	389,199	1,765,378	195,450	261,786
Net Program Revenues	(1,363,040)	(9,744,780)	(856,673)	(2,182,974)
General Revenues				
Other Federal Sources not restricted to specific programs		-	2,765	-
Other State Sources Not Restricted to Specific Programs	-	9,475,673	679,671	2,189,640
Other Miscellaneous Sources Not Restricted to Specific Programs	1,465,680	432,583	276,451	-
Unrestricted Investment Earnings	52,318	23,153	-	-
Total General Revenues	1,517,998	9,931,409	958,887	2,189,640
Changes in Net Position	154,958	186,629	102,214	6,666
Net Position - July 1, 2020	775	(109,285)	188,294	154,375
Adjustment to Beginning Net Position	-	18,037	-	-
Net Position - July 1, 2020, Restated	<u>775</u>	<u>(91,248)</u>	<u>188,294</u>	<u>154,375</u>
Net Position-June 30, 2021	<u>\$ 155,733</u>	<u>\$ 95,381</u>	<u>\$ 290,508</u>	<u>\$ 161,041</u>

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

Charter Schools				
DJB Technical Academy, Inc.	Gateway Charter School	Gateway Intermediate Charter School	Gateway Charter High School	The Heights Charter School
\$ 454,891	\$ 4,084,608	\$ 2,680,878	\$ 2,144,673	\$ 746,338
82,923	256,792	227,333	213,563	-
-	1,003	1,465	4,500	-
-	13,020	510	1,498	-
3,000	39,778	7,132	12,357	-
59,647	125,364	86,530	32,715	84,473
240,273	25,962	17,415	19,954	15,800
-	-	-	-	-
254,776	523,664	327,719	355,649	192,124
4,150	-	-	-	5,079
45,400	1,540,825	1,203,453	6,913	-
-	388,654	-	210,582	152,904
-	105,230	91,038	95,637	-
102,016	511,892	555,351	427,230	-
160,006	1,333,144	435,287	1,003,346	192,237
3,927	224,916	95,078	192,231	-
1,000	57,962	29,932	92,658	-
-	1,381,719	1,085	649,166	-
12,464	-	-	-	-
<u>\$ 1,424,473</u>	<u>\$ 10,614,533</u>	<u>\$ 5,760,206</u>	<u>\$ 5,462,672</u>	<u>\$ 1,388,955</u>
\$ -	\$ 283,450	\$ -	\$ 11,129	\$ -
41,907	871,288	308,650	698,942	199,940
108,411	547,319	472,267	288,523	-
150,318	1,702,057	780,917	998,594	199,940
(1,274,155)	(8,912,476)	(4,979,289)	(4,464,078)	(1,189,015)
-	-	-	-	-
1,332,022	9,055,863	4,722,471	3,799,493	1,188,367
146,016	-	271	731,642	754
-	11,253	19,214	312	-
<u>1,478,038</u>	<u>9,067,116</u>	<u>4,741,956</u>	<u>4,531,447</u>	<u>1,189,121</u>
203,883	154,640	(237,333)	67,369	106
139,677	(3,287,621)	1,133,151	(1,918,188)	62,097
(40,000)	48,707	14,939	70,635	-
<u>99,677</u>	<u>(3,238,914)</u>	<u>1,148,090</u>	<u>(1,847,553)</u>	<u>62,097</u>
<u>\$ 303,560</u>	<u>\$ (3,084,274)</u>	<u>\$ 910,757</u>	<u>\$ (1,780,184)</u>	<u>\$ 62,203</u>

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021**

	Charter Schools		
	Island Park		
	Heritage Charter School, Inc.	Charter High School, Inc.	The Island School, Inc.
Governmental activities			
Expenses			
Instruction	\$ 595,495	\$ 441,911	\$ 673,133
Student Support Services	43,619	141,453	-
Instructional Media Services	-	-	-
Instruction and Curriculum Development Services	-	-	11,023
Instructional Staff Training Services	-	-	-
Instruction Related Technology	44,334	-	-
Board	179,393	88,044	-
General Administration	-	-	276,652
School Administration	95,428	534,909	-
Facilities Services	-	1,169	-
Fiscal Services	2,705	962,382	118,719
Food Services	72,932	368	-
Central Services	-	-	-
Student Transportation Services	40,122	-	-
Operation of Plant	298,642	347,252	134,328
Maintenance of Plant	13,525	-	-
Community Services	-	-	42,894
Unallocated Interest and Fiscal Charges on Long-term Debt	1,300	-	-
Unallocated Depreciation Expense *	6,158	-	-
Total Expenses	\$ 1,393,653	\$ 2,517,488	\$ 1,256,749
Program Revenues			
Charges for Services	\$ 487	\$ -	\$ 13,109
Operating Grants and Contributions	102,778	77,716	-
Capital Grants and Contributions	-	184,070	-
Total Program Revenues	103,265	261,786	13,109
Net Program Revenues	(1,290,388)	(2,255,702)	(1,243,640)
General Revenues			
Other Federal Sources not restricted to specific programs	-	-	-
Other State Sources Not Restricted to Specific Programs	1,088,255	2,314,841	512,703
Other Miscellaneous Sources Not Restricted to Specific Programs	125,272	-	748,532
Unrestricted Investment Earnings	-	-	2,810
Total General Revenues	1,213,527	2,314,841	1,264,045
Changes in Net Position	(76,861)	59,139	20,405
Net Position - July 1, 2020	(243,173)	240,102	3,619,229
Adjustment to Beginning Net Position	-	-	-
Net Position - July 1, 2020, Restated	(243,173)	240,102	3,619,229
Net Position-June 30, 2021	\$ (320,034)	\$ 299,241	\$ 3,639,634

Charter Schools

Mid Cape Global Academy	Northern Palms Charter High School	North Nicholas High School	Oak Creek Charter School of Bonita Springs, Inc.	Palm Acres Charter High School, Inc	Six Mile Charter Academy
\$ 2,655,276	\$ 315,935	\$ 383,890	\$ 2,062,618	\$ 519,558	\$ 2,779,612
122,806	-	137,907	-	-	274,245
2,421	-	-	-	-	84,412
2,261	55,576	-	-	92,751	-
23,063	-	-	-	-	20,990
94,671	-	-	18,920	-	107,614
20,125	14,216	93,669	13,865	16,770	19,895
-	-	-	795,770	-	-
444,779	364,661	557,124	303,444	1,069,501	541,630
-	-	-	-	-	-
6,529	-	673,025	48,320	-	7,783
191,979	-	-	392,589	-	249,756
106,523	37,157	-	25,777	86,871	97,278
237,058	1,115	-	166,076	1,700	564,186
1,063,841	196,666	403,994	1,069,104	288,656	1,308,028
7,500	4,415	-	-	8,959	207,222
94,134	-	-	26,431	-	83,031
843,105	-	-	231,307	-	887,350
-	-	-	-	-	-
<u>\$ 5,916,071</u>	<u>\$ 989,741</u>	<u>\$ 2,249,609</u>	<u>\$ 5,154,221</u>	<u>\$ 2,084,766</u>	<u>\$ 7,233,032</u>
\$ 215,583	\$ -	\$ -	\$ 28,329	\$ -	\$ 186,934
508,795	19,298	73,873	674,160	36,620	784,137
331,541	57,409	164,649	318,439	131,339	412,317
<u>1,055,919</u>	<u>76,707</u>	<u>238,522</u>	<u>1,020,928</u>	<u>167,959</u>	<u>1,383,388</u>
<u>(4,860,152)</u>	<u>(913,034)</u>	<u>(2,011,087)</u>	<u>(4,133,293)</u>	<u>(1,916,807)</u>	<u>(5,849,644)</u>
-	3,294	-	-	8,564	-
5,233,376	743,374	2,035,790	3,996,747	2,085,653	6,162,864
118,509	196,109	-	463,154	-	450,000
474	-	-	-	-	278
<u>5,352,359</u>	<u>942,777</u>	<u>2,035,790</u>	<u>4,459,901</u>	<u>2,094,217</u>	<u>6,613,142</u>
492,207	29,743	24,703	326,608	177,410	763,498
(2,926,414)	282,690	137,358	169,831	549,881	(3,193,674)
67,482	-	-	-	-	14,425
<u>(2,858,932)</u>	<u>282,690</u>	<u>137,358</u>	<u>169,831</u>	<u>549,881</u>	<u>(3,179,249)</u>
<u>\$ (2,366,725)</u>	<u>\$ 312,433</u>	<u>\$ 162,061</u>	<u>\$ 496,439</u>	<u>\$ 727,291</u>	<u>\$ (2,415,751)</u>

(Continued)

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Charter Schools</u>		<u>The Foundation for Lee County Public Schools, Inc.</u>		<u>Total Component Units</u>
	<u>Total Charter Schools</u>				
Governmental activities					
Expenses					
Instruction	\$ 27,356,373	\$	-	\$	27,356,373
Student Support Services	2,098,913		-		2,098,913
Instructional Media Services	101,931		-		101,931
Instruction and Curriculum Development Services	278,392		-		278,392
Instructional Staff Training Services	149,766		-		149,766
Instruction Related Technology	756,609		-		756,609
Board	1,100,442		-		1,100,442
General Administration	1,078,700		-		1,078,700
School Administration	7,586,777		-		7,586,777
Facilities Services	10,398		-		10,398
Fiscal Services	5,448,016		-		5,448,016
Food Services	2,047,035		-		2,047,035
Central Services	808,049		-		808,049
Pupil Transportation Services	3,383,699		-		3,383,699
Operation of Plant	10,989,909		-		10,989,909
Maintenance of Plant	1,035,125		-		1,035,125
Community Services	684,808		1,593,300		2,278,108
Unallocated Interest and Fiscal Charges on Long-term Debt	5,238,753		-		5,238,753
Unallocated Depreciation Expense *	51,754		-		51,754
Total Expenses	\$ 70,205,449	\$	1,593,300	\$	71,798,749
Program Revenues					
Charges for Services	\$ 938,175	\$	-	\$	938,175
Operating Grants and Contributions	5,779,746		1,794,761		7,574,507
Capital Grants and Contributions	4,047,301		-		4,047,301
Total Program Revenues	10,765,222		1,794,761		12,559,983
Net Program Revenues	(59,440,227)		201,461		(59,238,766)
General Revenues					
Other Federal Sources not restricted to specific programs	14,623		-		14,623
Other State Sources Not Restricted to Specific Programs	56,616,803		-		56,616,803
Other Miscellaneous Sources Not Restricted to Specific Programs	5,154,973		-		5,154,973
Unrestricted Investment Earnings	109,812		6,629		116,441
Total General Revenues	61,896,211		6,629		61,902,840
Changes in Net Position	2,455,984		208,090		2,664,074
Net Position - July 1, 2020	(5,000,895)		3,838,075		(1,162,820)
Adjustment to Beginning Net Position	194,225		-		194,225
Net Position - July 1, 2020, Restated	(4,806,670)		3,838,075		(968,595)
Net Position-June 30, 2021	\$ (2,350,686)	\$	4,046,165	\$	1,695,479

STATISTICAL SECTION

This part of the School District of Lee County, Florida's annual comprehensive financial report presents detail information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the School District's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenues sources, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

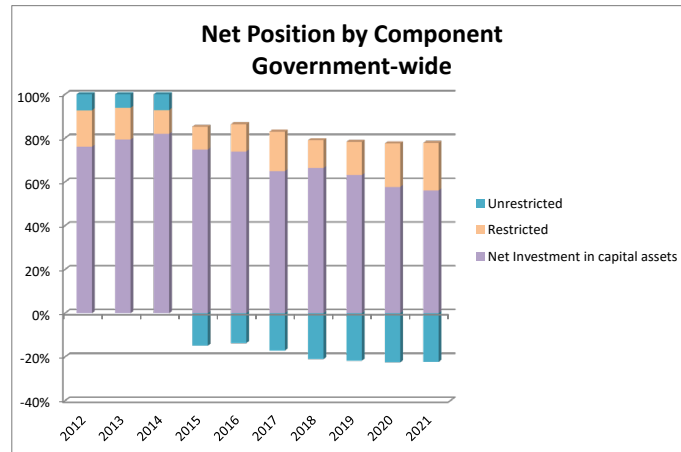
Operating Information

These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

**THE SCHOOL DISTRICT OF LEE COUNTY
NET POSITION BY COMPONENT
LAST 10 FISCAL YEARS
(accrual basis of accounting)
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
Primary Government:										
Net Investment in capital assets	\$ 903,860,005	\$ 887,783,551	\$ 892,757,501	\$ 866,637,441	\$ 851,527,173	\$ 793,900,590	\$ 854,209,907	\$ 851,439,963	\$ 859,952,115	\$ 907,393,716
Restricted	197,520,171	162,026,667	118,642,826	120,085,063	143,874,783	220,817,390	163,129,824	204,723,404	296,061,844	351,637,775
Unrestricted	86,954,265	69,149,197	78,560,813	(172,351,864)	(157,404,251)	(208,685,715)	(270,111,963)	(292,854,489)	(334,427,174)	(359,853,957)
Total Primary Government net position	\$ 1,188,334,441	\$ 1,118,959,415	\$ 1,089,961,140	\$ 814,370,640	\$ 837,997,705	\$ 806,032,265	\$ 747,227,768	\$ 763,308,878	\$ 821,586,785	\$ 899,177,534

Source: District Records



**THE SCHOOL DISTRICT OF LEE COUNTY
CHANGES IN NET POSITION
LAST 10 FISCAL YEARS
(accrual basis of accounting)
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
Expenses										
Primary Government Activities										
Instruction	\$ 417,291,563	\$ 441,261,156	\$ 452,139,428	\$ 463,560,816	\$ 477,957,931	\$ 508,830,499	\$ 538,744,228	\$ 544,623,856	\$ 584,978,346	\$ 581,545,886
Student Support Services	26,014,869	27,552,396	27,234,115	27,780,981	29,628,657	32,730,160	34,960,215	34,949,239	36,979,628	50,701,384
Instructional Media Services	5,077,074	4,284,720	4,101,178	3,938,948	4,170,590	4,229,828	3,719,122	3,694,853	3,700,329	3,657,111
Instruction and Curriculum Development Services	11,750,555	11,989,193	15,671,169	16,966,982	20,256,522	24,935,745	28,000,315	26,477,911	27,789,682	28,849,823
Instructional Staff Training Services	10,421,863	11,579,277	10,992,855	10,936,643	10,877,081	10,571,419	10,643,654	11,377,196	11,137,301	12,795,464
Instruction Related Technology	5,687,487	6,217,478	6,635,241	6,473,494	7,361,597	8,159,250	8,425,222	8,441,971	8,892,232	10,041,643
Board	831,526	790,767	895,721	881,699	927,293	1,133,922	1,353,424	1,223,697	1,655,508	1,506,602
General Administration	4,836,325	4,946,220	5,266,987	5,254,912	5,868,836	6,658,948	7,069,119	7,649,280	8,600,066	9,244,112
School Administration	40,490,378	42,187,249	43,152,176	43,733,268	44,847,942	50,889,724	52,382,426	51,090,499	56,588,900	58,130,724
Facilities Services	96,214,772	109,543,317	104,076,826	105,714,698	90,933,729	108,581,681	99,796,725	131,149,649	139,475,748	134,520,224
Fiscal Services	3,179,971	3,435,563	3,375,399	3,499,445	3,738,706	4,121,395	3,887,675	4,017,936	4,707,057	4,594,121
Food Services	31,281,911	33,937,724	37,849,286	36,079,447	39,628,416	44,410,500	49,193,898	49,157,928	49,851,474	51,748,761
Central Services	8,466,790	8,017,845	8,215,908	9,169,918	8,807,231	10,630,643	11,457,838	11,320,489	13,328,452	14,193,236
Student Transportation Services	47,107,688	49,342,732	51,962,891	51,464,810	51,487,889	57,211,045	55,303,442	56,464,391	55,295,306	52,482,755
Operation of Plant	63,592,099	65,138,670	63,425,409	65,998,561	64,678,201	68,390,472	77,601,080	75,203,370	75,322,877	74,539,882
Maintenance of Plant	14,223,106	14,556,120	14,992,123	15,054,885	15,577,105	17,083,172	17,488,441	16,683,760	18,591,807	18,262,533
Administrative Technology Services	5,410,542	5,443,779	5,951,380	5,813,682	5,537,292	6,047,231	6,938,292	6,874,439	8,000,352	7,483,458
Community Services	4,098,516	3,982,902	4,177,873	4,387,938	5,089,352	6,098,631	6,939,725	6,556,045	5,361,438	5,049,051
Unallocated Interest and Fiscal Charges on Long-term Debt	20,057,378	18,583,298	14,923,957	13,560,901	13,580,969	16,384,698	15,196,488	14,149,284	16,208,431	14,869,509
Total Primary Government Expenses	816,034,413	862,790,406	875,039,922	890,272,028	900,955,339	987,098,963	1,029,101,329	1,061,105,793	1,126,464,934	1,134,216,279
Program Revenues										
Primary Government Activities										
Charges for Services										
Student Fees	7,999,884	8,734,131	9,041,924	9,450,322	9,875,087	10,822,584	11,130,248	12,069,353	10,095,114	8,706,328
Food Service	6,675,763	6,475,854	6,357,981	5,853,663	2,830,891	2,528,141	2,149,694	2,079,444	1,441,498	524,627
Bus Trips	432,515	463,553	614,533	452,662	517,086	583,876	716,391	695,064	659,795	392,716
Operating Grants & Contributions	28,624,862	29,944,986	31,100,325	32,719,648	38,758,768	42,282,889	43,501,187	49,374,595	42,640,661	44,886,913
Capital Grants & Contributions	7,425,368	7,434,727	5,476,977	8,151,917	11,335,181	12,471,936	13,510,779	24,012,381	20,922,985	22,037,912
Total Primary Government Program Revenues	51,158,392	53,053,251	52,591,740	56,628,212	63,317,013	68,689,426	71,008,299	88,230,837	75,760,053	76,548,496
Net Expense										
Total Primary Government Net Expense	(764,876,021)	(809,737,155)	(822,448,182)	(833,643,816)	(837,638,326)	(918,409,537)	(958,093,030)	(972,874,956)	(1,050,704,881)	(1,057,667,783)
General Revenues and Other Changes in Net Position										
Primary Government Activities										
Taxes										
Property Taxes:										
Levied for Operational Purposes	348,605,113	334,067,478	349,879,204	366,770,645	385,303,457	399,499,006	405,722,410	404,419,550	406,036,488	423,316,395
Levied for Capital Projects	82,284,982	82,363,776	86,208,685	92,989,838	99,905,824	110,255,520	117,509,870	123,776,642	131,064,070	139,309,916
Local Sales Taxes	-	-	-	-	-	-	-	36,453,161	79,534,198	88,730,152
Florida Education Finance Program	89,072,529	130,152,064	156,318,022	157,108,682	165,767,538	163,848,436	172,938,376	188,658,769	217,412,698	228,543,024
Other Federal Sources	65,032,017	63,855,649	71,540,533	73,829,346	74,666,159	76,935,631	82,171,199	80,389,250	84,517,221	94,773,302
Other State Sources	116,012,704	117,511,539	120,560,479	121,137,837	120,690,788	122,024,361	125,430,747	130,778,585	130,141,429	128,201,266
Other Miscellaneous Sources	8,832,209	9,616,539	7,784,746	10,833,883	11,582,589	10,815,979	12,192,287	12,671,915	39,664,076	30,426,950
Unrestricted Investment Earnings	2,117,178	2,795,084	1,158,238	1,584,339	3,349,036	3,065,164	5,384,868	11,808,194	11,108,467	1,957,527
Total Primary Government	711,956,732	740,362,129	793,449,907	824,254,570	861,265,391	886,444,097	921,349,757	988,956,066	1,099,478,647	1,135,258,532
Changes in Net Position										
Total Primary Government	\$ (52,919,289)	\$ (69,375,026)	\$ (28,998,275)	\$ (9,389,246)	\$ 23,627,065	\$ (31,965,440)	\$ (36,743,273)	\$ 16,081,110	\$ 48,773,766	\$ 77,590,749

Source: District Records

THE SCHOOL DISTRICT OF LEE COUNTY
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST 10 FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	<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>	<u>June 30, 2021</u>
General Fund										
Nonspendable	\$ 2,187,723	\$ 2,256,156	\$ 2,349,033	\$ 2,472,299	\$ 2,528,087	\$ 2,088,384	\$ 2,281,672	\$ 3,021,425	\$ 3,685,480	\$ 3,727,443
Restricted	14,139,594	11,662,553	12,775,113	15,167,227	19,736,496	32,206,280	32,410,350	29,689,423	38,151,177	43,504,562
Assigned	11,022,864	17,117,748	1,553,091	2,193,111	1,685,017	4,748,142	4,899,053	3,732,402	468,968	5,385,855
Unassigned	<u>116,160,720</u>	<u>93,861,720</u>	<u>111,046,656</u>	<u>109,451,484</u>	<u>116,229,361</u>	<u>97,908,901</u>	<u>87,142,825</u>	<u>84,037,049</u>	<u>98,376,858</u>	<u>111,704,335</u>
Total General Fund	<u>\$ 143,510,901</u>	<u>\$ 124,898,177</u>	<u>\$ 127,723,893</u>	<u>\$ 129,284,121</u>	<u>\$ 140,178,961</u>	<u>\$ 136,951,707</u>	<u>\$ 126,733,900</u>	<u>\$ 120,480,299</u>	<u>\$ 140,682,483</u>	<u>\$ 164,322,195</u>
All Other Governmental Funds										
Nonspendable	\$ 344,491	\$ 314,978	\$ 306,965	\$ 546,974	\$ 691,172	\$ 922,314	\$ 757,515	\$ 869,008	\$ 4,740,107	\$ 4,412,971
Restricted	190,494,828	149,993,931	105,260,748	104,070,862	123,147,115	187,388,796	150,621,132	179,944,416	373,897,728	344,511,528
Assigned	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 190,839,319</u>	<u>\$ 150,308,909</u>	<u>\$ 105,567,713</u>	<u>\$ 104,617,836</u>	<u>\$ 123,838,287</u>	<u>\$ 188,311,110</u>	<u>\$ 151,378,647</u>	<u>\$ 180,813,424</u>	<u>\$ 378,637,835</u>	<u>\$ 348,924,499</u>

Source: District Records

THE SCHOOL DISTRICT OF LEE COUNTY
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST 10 FISCAL YEARS
(modified accrual basis of accounting)
(UNAUDITED)

	<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>	<u>June 30, 2021</u>
Federal Direct Sources:										
Reserve Officers Training Corps (ROTC)	\$ 1,260,711	\$ 1,436,160	\$ 1,487,186	\$ 1,550,039	\$ 1,693,731	\$ 1,678,367	\$ 1,873,725	\$ 2,162,154	\$ 2,390,050	\$ 2,574,150
Impact Aid	20,178	35,179	33,670	35,649	33,010	23,965	26,332	39,709	7,120	12,455
Miscellaneous Federal Direct	9,821,818	11,552,855	15,205,945	19,506,514	19,619,329	19,272,370	21,233,227	13,583,639	12,734,878	12,443,667
Total Federal Direct	11,102,707	13,024,194	18,814,328	21,092,202	21,346,070	20,974,702	23,133,284	15,785,502	15,132,048	15,030,272
Federal Through State Sources:										
Medicaid	2,196,690	2,078,730	2,771,182	2,559,473	2,408,004	2,247,950	2,515,308	2,566,775	1,541,360	1,058,068
Food Service	27,986,673	29,379,199	30,251,849	31,694,451	37,899,971	41,517,823	42,761,243	48,659,396	41,925,977	48,082,351
Donated Foods and Cash in Lieu of	-	-	278,967	460,867	295,922	201,443	168,449	101,554	80,620	71,482
Other Federal Through State Grants	51,800,689	48,752,725	49,955,023	50,177,671	50,912,085	53,712,979	56,482,107	62,036,973	67,843,813	74,734,894
Total Federal Through State Sources	81,984,052	80,210,654	83,257,021	84,892,462	91,515,982	97,680,195	101,927,107	113,364,698	111,391,770	123,946,795
State Sources:										
Florida Education Finance Program (FEFP)	89,072,529	130,152,064	156,318,022	157,108,682	165,767,538	163,848,436	172,938,376	188,658,769	217,412,698	228,543,024
Workforce Development Program	10,159,251	10,064,375	9,890,385	9,889,670	10,026,007	10,064,226	9,697,421	10,148,157	10,397,178	10,517,091
Discretionary Lottery Funds	275,950	-	876,119	323,400	-	1,544,033	165,672	323,010	97,775	-
CO & DS Distributed to Districts	1,032,414	1,108,525	1,141,731	1,167,484	1,629,782	1,540,677	1,612,677	3,073,832	3,224,110	3,267,309
Interest on Undistributed CO & DS	35,202	32,007	16,436	22,936	10,635	59,174	44,958	68,370	109,922	59,931
CO & DS withheld for SBE/COBI Bonds	2,251,424	2,284,729	2,288,003	2,253,621	2,031,334	2,067,209	2,067,577	615,182	523,152	342,417
State License Tax	472,464	486,672	487,284	505,704	493,900	532,402	473,064	521,604	472,649	509,013
Food Services	582,536	565,787	569,509	564,330	562,875	563,623	621,995	643,645	634,064	683,148
SBE/COBI Bond Interest	(256)	9,760	97	1,851	376	549	12,060	1,206	652	19
Sales Tax Distribution	223,250	223,250	223,250	223,250	223,250	223,250	223,250	223,250	223,250	223,250
Public Education Capital Outlay	-	-	-	1,527,590	1,277,972	1,926,462	1,293,490	4,638,473	-	-
Class Size Reduction Program	94,203,723	96,629,891	97,026,663	98,655,320	99,525,290	100,383,530	100,819,469	102,671,067	104,284,591	106,848,891
Charter School Capital Outlay	4,167,303	3,554,080	5,551,748	4,157,950	2,477,285	3,489,966	2,106,665	5,336,743	5,624,174	5,943,691
State Grants and Other State Sources	6,771,605	6,776,521	6,728,280	7,605,793	8,168,306	6,010,204	12,158,456	11,748,004	9,265,062	4,382,580
Total State Sources	209,247,395	251,887,661	281,117,527	284,007,581	292,194,550	292,253,741	304,235,130	328,671,312	352,269,277	361,320,364
Taxes and Miscellaneous Sources:										
Ad Valorem Taxes	430,890,095	416,431,254	436,087,889	459,760,483	485,209,281	509,754,526	523,232,280	528,196,192	537,100,558	562,626,311
Local Sales Taxes	-	-	-	-	-	-	-	36,453,161	79,534,198	88,730,152
Food Service Sales	6,675,763	6,475,854	6,357,981	5,853,663	2,830,891	2,528,141	2,149,694	2,079,444	1,441,498	524,627
Impact Fees	3,833,326	3,776,456	1,807,460	2,767,510	6,137,978	6,654,615	8,256,767	15,392,068	16,841,899	18,144,986
Rent	611,901	543,515	519,193	504,692	563,164	563,078	559,349	547,088	502,723	387,812
Child Care and Adult Course Fees	7,999,884	8,734,131	9,041,924	9,450,322	9,875,087	10,822,584	11,130,248	12,069,353	10,095,114	8,706,328
Interest Income	2,009,650	2,687,846	1,075,646	1,516,346	3,168,228	2,640,876	4,819,811	11,291,497	10,680,286	1,896,417
Gifts, Grants and Bequests	530,916	566,264	890,387	944,180	987,130	503,297	1,313,789	994,217	1,362,094	1,111,692
Local Grants and Other Local Sources	7,574,976	8,506,497	6,474,001	9,229,924	10,209,424	9,104,887	11,265,366	10,243,526	40,703,305	24,986,680
Total Taxes and Miscellaneous Sources	460,126,511	447,721,817	462,254,481	490,027,120	518,981,183	543,382,496	561,916,812	617,266,546	698,261,675	707,115,005
Total Revenues	762,460,665	792,844,326	845,443,357	880,019,365	924,037,785	954,291,134	991,212,333	1,075,088,058	1,177,054,770	1,207,412,436

Expenditures										
Instruction	418,281,865	438,716,531	455,149,280	471,369,228	478,381,855	488,006,506	519,559,871	529,660,052	551,987,584	554,332,610
Student Support Services	25,036,041	25,876,049	27,269,545	28,489,369	29,975,388	31,253,938	33,329,072	33,921,124	34,572,275	48,381,624
Instructional Media Services	5,073,542	4,293,740	4,076,432	3,979,897	4,112,761	3,976,544	3,560,456	3,598,687	3,428,461	3,444,696
Instruction & Curriculum Development Services	11,693,445	12,042,091	15,812,284	17,545,476	20,384,407	23,742,954	26,810,786	25,403,022	25,513,195	27,031,686
Instructional Staff Training Services	10,415,053	11,633,055	11,075,716	11,095,452	10,880,377	10,285,951	10,308,963	11,197,163	10,629,040	12,443,296
Instruction Related Technology	5,694,277	6,181,095	6,634,614	6,570,043	7,295,095	7,791,033	7,937,786	8,082,843	8,275,561	9,359,613
Board	832,635	859,492	899,374	929,472	954,337	1,048,033	1,234,220	1,210,011	1,476,485	1,371,528
General Administration	4,846,909	4,954,413	5,303,008	5,288,097	5,804,461	6,462,157	6,828,492	7,505,940	8,244,179	8,871,978
School Administration	40,590,505	41,995,343	43,276,063	44,813,725	45,148,863	47,934,075	49,440,261	49,085,984	51,612,757	53,934,288
Facilities Services	47,008,796	58,086,153	56,932,333	36,550,257	45,450,241	61,930,947	53,678,568	88,321,819	97,082,093	98,574,068
Fiscal Services	3,291,652	3,384,349	3,377,986	3,539,350	3,783,553	3,951,176	3,708,277	3,864,134	4,392,779	4,245,905
Food Service	31,095,080	33,419,140	37,477,013	35,900,193	38,726,448	42,253,373	47,500,974	47,656,364	47,347,780	49,374,137
Central Services	8,353,079	7,876,731	8,217,089	9,273,731	8,718,831	10,098,243	10,873,976	10,922,853	12,713,026	13,521,858
Student Transportation Services	47,114,585	48,546,573	51,612,381	51,883,896	51,134,340	54,860,905	53,462,444	55,081,985	52,506,285	49,789,330
Operation of Plant	63,523,851	64,779,091	63,491,054	66,354,947	64,170,207	67,051,631	76,048,846	74,364,324	73,477,188	72,897,077
Maintenance of Plant	14,260,930	14,340,708	15,017,778	15,117,700	15,401,562	16,192,001	16,580,188	15,927,123	17,155,263	17,053,065
Administrative Technology Services	5,318,278	5,400,395	5,966,705	5,811,533	5,493,704	5,690,703	6,526,645	6,507,664	7,538,615	6,958,950
Community Services	4,039,122	3,924,482	4,126,238	4,454,444	5,125,124	5,923,833	6,716,042	6,367,007	5,011,335	4,698,345
Capital Outlay										
Facilities Acquisition & Construction	57,570,549	12,354,082	20,295,567	4,506,531	1,116,341	21,100,943	51,417,463	9,813,949	54,356,604	78,814,371
Other Capital Outlay	8,394,998	13,097,011	8,594,674	13,465,816	9,961,398	29,600,365	18,171,760	14,482,875	17,765,613	14,955,740
Debt Service										
Principal	22,778,439	23,640,078	25,656,399	26,291,709	26,823,872	28,342,021	34,668,643	34,274,598	30,883,124	65,230,877
Interest and Fiscal Charges	20,467,619	19,167,501	17,756,347	16,113,573	15,343,234	17,689,077	16,775,044	15,515,465	18,995,899	19,356,264
Total Expenditures	855,681,250	854,568,103	888,017,880	879,344,439	894,186,399	985,186,409	1,055,138,777	1,052,764,986	1,134,965,141	1,214,641,306
Excess of Revenues										
Over (under) Expenditures	(93,220,585)	(61,723,777)	(42,574,523)	674,926	29,851,386	(30,895,275)	(63,926,444)	22,323,072	42,089,629	(7,228,870)
Other Financing Sources (Uses)										
Issuance of Refunding Bonds	795,000	-	998,000	4,893,000	-	60,177,000	32,085,000	-	81,000	-
Premium on Refunding Bonds	122,041	-	161,543	465,287	-	-	-	-	4,372	-
Certificates of Participation Issued	165,255,000	-	25,287,000	132,560,000	-	61,080,000	14,070,000	-	136,135,000	-
Premium on Certificates of Participation Issued	14,774,075	-	-	19,921,890	-	10,557,060	-	-	24,456,449	-
Issuance of Loans	-	1,447,460	-	-	-	20,000,000	-	-	-	-
Loss Recoveries	747,891	188,710	572,687	222,938	263,905	326,784	1,825,743	858,104	5,519,053	1,154,796
Sale of Capital Assets	-	944,473	-	-	-	-	700,000	-	322,150	450
Transfer In	71,440,656	65,531,189	70,288,506	66,008,781	54,315,049	56,064,515	78,004,697	71,066,435	103,163,607	92,937,487
Payments to Refunded COPS/Bond Escrow Agent	(181,793,829)	-	(26,360,187)	(158,127,690)	-	(60,000,000)	(31,904,569)	-	(85,199)	-
Transfer Out	(71,440,656)	(65,531,189)	(70,288,506)	(66,008,781)	(54,315,049)	(56,064,515)	(78,004,697)	(71,066,435)	(103,163,607)	(92,937,487)
Total Other Financing Sources (Uses)	(99,822)	2,580,643	659,043	(64,575)	263,905	92,140,844	16,776,174	858,104	166,432,825	1,155,246
Net Change in Fund Balances	\$ (93,320,407)	\$ (59,143,134)	\$ (41,915,480)	\$ 610,351	\$ 30,115,291	\$ 61,245,569	\$ (47,150,270)	\$ 23,181,176	\$ 208,522,454	\$ (6,073,624)
Debt Service as a percentage of noncapital expenditures	5.5%	5.2%	5.0%	4.9%	4.8%	4.9%	5.2%	4.8%	4.7%	7.6%

Source: District Records

**THE SCHOOL DISTRICT OF LEE COUNTY
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST 10 FISCAL YEARS
 (UNAUDITED)
 (amounts expressed in thousands)**

Fiscal Year	Real Property			Personal Property	Less Tax Exempt Property	Net Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a percentage of Actual Value ¹
	Residential	Commercial	Other						
2012	\$ 41,682,602	\$ 7,543,635	\$ 588,772	\$ 3,450,443	\$14,089,660	\$ 39,175,792	3.72	\$ 68,116,399	78.20%
2013	41,893,822	7,314,284	545,034	3,147,143	14,947,716	37,952,567	3.72	68,644,339	77.06%
2014	43,666,928	7,270,867	534,598	3,147,804	17,060,361	37,559,836	4.22	72,497,286	75.34%
2015	46,907,208	7,663,877	642,067	3,103,287	20,663,672	37,652,767	4.22	79,782,598	73.09%
2016	50,840,606	7,999,476	679,028	3,125,423	23,821,441	38,823,092	4.22	87,278,538	71.78%
2017	55,237,868	8,633,141	662,497	3,353,903	28,254,650	39,632,759	4.12	96,920,144	70.04%
2018	60,444,365	8,946,505	911,374	3,736,874	30,507,410	43,531,708	4.12	105,312,246	70.30%
2019	64,184,558	9,586,367	739,366	3,961,568	30,240,763	48,231,096	4.12	109,528,126	71.65%
2020	68,285,180	10,239,337	882,712	4,123,166	31,272,044	52,258,351	4.12	115,661,449	72.22%
2021	72,340,337	11,050,968	923,434	4,993,153	31,728,500	57,579,392	4.12	121,857,665	73.29%

Source: Lee County Tax Collector

¹ Includes tax-exempt property

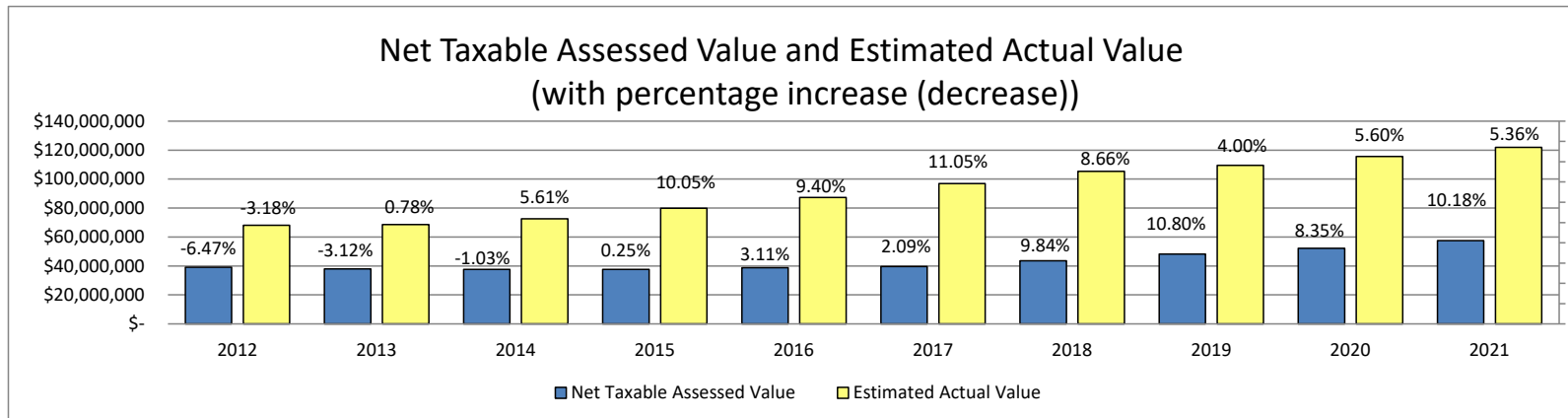


Table 6

**THE SCHOOL DISTRICT OF LEE COUNTY
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST 10 FISCAL YEARS
(UNAUDITED)
(PER \$ 1,000 Assessed Valuation)**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Lee County										
General Revenue	3.720	3.720	4.220	4.220	4.220	4.120	4.120	4.120	4.120	4.120
Capital Improvements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Lee County Millage	<u>3.720</u>	<u>3.720</u>	<u>4.220</u>	<u>4.220</u>	<u>4.220</u>	<u>4.120</u>	<u>4.120</u>	<u>4.120</u>	<u>4.120</u>	<u>4.120</u>
School District	<u>7.854</u>	<u>7.584</u>	<u>7.598</u>	<u>7.416</u>	<u>7.285</u>	<u>6.989</u>	<u>6.679</u>	<u>6.401</u>	<u>6.147</u>	<u>6.058</u>
Municipalities										
Cape Coral	7.957	7.957	7.707	7.707	6.957	6.750	6.750	6.750	6.490	6.375
Sanibel	2.526	2.557	2.531	2.415	2.311	2.301	2.280	2.219	2.186	2.182
Fort Myers	8.400	8.776	8.776	8.776	8.776	8.750	8.650	8.450	8.250	7.964
Fort Myers Beach	0.814	0.769	0.753	0.753	0.800	0.800	0.870	0.870	0.950	0.950
Bonita Springs	<u>0.827</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>	<u>0.817</u>
Total Municipalities Millage	<u>20.524</u>	<u>20.876</u>	<u>20.584</u>	<u>20.468</u>	<u>19.661</u>	<u>19.418</u>	<u>19.367</u>	<u>19.106</u>	<u>18.693</u>	<u>18.288</u>
Lee County Special Districts										
Lee County Hyacinth Control	0.310	0.030	0.029	0.028	0.026	0.026	0.025	0.024	0.023	0.022
Lee County Mosquito Control	0.239	0.230	0.252	0.240	0.240	0.240	0.280	0.264	0.254	0.244
South Fl. Water Management Dist.	0.436	0.429	0.411	0.384	0.355	0.331	0.310	0.294	0.280	0.268
West Coast Inland Waterway	0.039	0.039	0.039	0.039	0.039	0.039	0.039	0.039	0.039	0.039
MSTU (Unincorporated)	0.840	0.840	0.840	0.840	0.840	0.840	0.840	0.840	0.840	0.840
Lee County Library	<u>1.229</u>	<u>1.229</u>	<u>1.428</u>	<u>1.404</u>	<u>1.318</u>	<u>1.318</u>	<u>1.355</u>	<u>1.266</u>	<u>1.233</u>	<u>1.215</u>
Total Special Districts Millage	<u>3.093</u>	<u>2.797</u>	<u>2.999</u>	<u>2.935</u>	<u>2.818</u>	<u>2.794</u>	<u>2.849</u>	<u>2.727</u>	<u>2.669</u>	<u>2.628</u>
Other Special Districts ¹	.010-4.000	.066-4.700	.0076-4.500	.0585-4.500	.0549-4.000	.0650-4.000	.0572-3.900	.0575-3.750	0661-3.800	.0471-3.600
Total Direct and Overlapping Rates ²	<u>35.191</u>	<u>34.977</u>	<u>35.401</u>	<u>35.039</u>	<u>33.984</u>	<u>33.321</u>	<u>33.015</u>	<u>32.353</u>	<u>31.629</u>	<u>31.094</u>

¹ Includes fire protection districts and lighting and improvement districts located throughout the unincorporated sections of Lee County.

² Does not include Other Special Districts since reported as a range. Overlapping rates are those of Lee County that apply to property owners within Lee County. Not all overlapping rates apply to all Lee County property owners (e.g. special assessments only apply to the property owners located in that district).

Source: Lee County Property Appraiser

**THE SCHOOL DISTRICT OF LEE COUNTY
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Name	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
FL Power & Light	\$ 2,069,235,710	1	2.317%	\$ 866,339,393	1	1.638%
Lee County Electric Coop	421,890,660	2	0.472%	390,728,499	2	0.739%
Christian & Missionary Alliance Inc.	339,265,094	3	0.380%	194,278,766	3	0.367%
Embarq Florida Inc	119,580,615	4	0.134%	165,510,434	4	0.313%
Coconut Point Developers LLC	115,728,028	6	0.130%	138,650,560	5	0.262%
Miromar Outlet West LLC	111,149,832	5	0.124%	88,175,816	7	0.195%
Gulf Coast Town Center Holdings	110,813,212	7	0.124%	103,200,642	6	0.167%
Comcast of CO FL	97,715,314	8	0.109%			
Lurin Real Estate Holdings	90,866,253	9	0.102%			
Mall Ground Portfolio LLC	80,477,118	10	0.090%			
Edison Mall Business Trust				78,773,965	8	0.149%
Bell Tower Shops LLC				52,623,726	9	0.099%
Target Corporation				47,425,992	10	0.090%
	<u>\$ 3,556,721,836</u>		<u>3.982%</u>	<u>\$ 2,125,707,793</u>		<u>4.018%</u>

Source: Lee County Property Appraiser

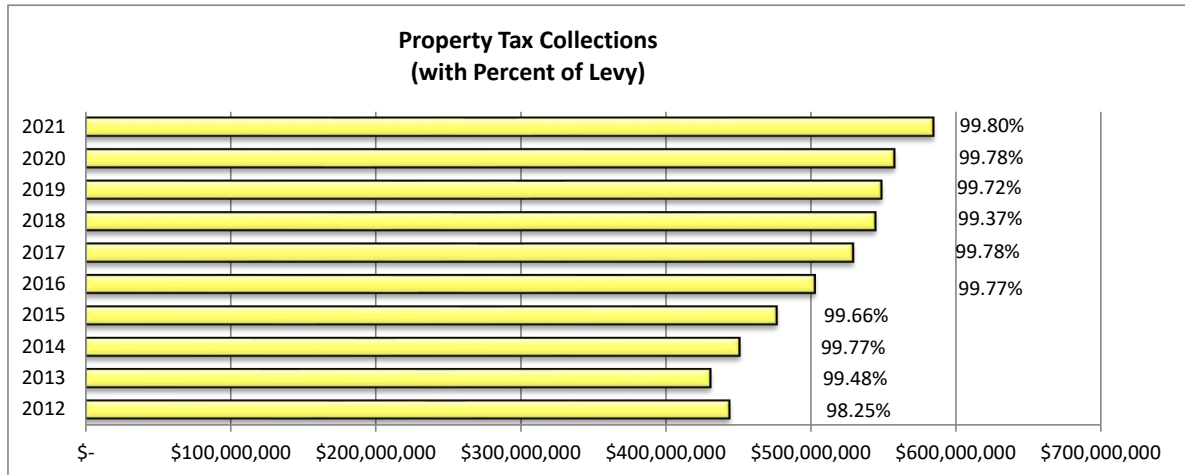
Table 8

**THE SCHOOL DISTRICT OF LEE COUNTY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST 10 FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$ 451,523,332	\$442,322,541	97.96%	\$ 1,307,598	\$443,630,139	98.25%
2013	432,674,296	429,593,960	99.29%	829,308	430,423,268	99.48%
2014	451,539,308	449,874,457	99.63%	623,777	450,498,234	99.77%
2015	477,812,166	475,572,585	99.53%	614,921	476,187,506	99.66%
2016	503,609,120	501,939,146	99.67%	507,553	502,446,699	99.77%
2017	529,936,514	528,409,682	99.71%	361,238	528,770,920	99.78%
2018	547,501,768	543,773,247	99.32%	277,035	544,050,282	99.37%
2019	549,691,837	547,876,237	99.67%	273,679	548,149,916	99.72%
2020	558,443,610	556,913,143	99.73%	293,727	557,206,870	99.78%
2021	585,124,671	583,983,094	99.80%	-	583,983,094	99.80%

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year.

Source: Lee County Tax Collector



**THE SCHOOL DISTRICT OF LEE COUNTY
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST 10 FISCAL YEARS
(UNAUDITED)**

Other Governmental Activities Debt								
Fiscal Year	State Board of Education Bonds ¹	Certificates of Participation ¹	Notes Payable	Total Primary Government	Percentage of Net Taxable Assessed Value of Property ²	Percentage of Personal Income ³	Per Capita ³	
2012	\$ 13,424,854	\$ 488,321,129	\$ 6,908,520	\$ 508,654,503	1.30%	1.99%	\$ 805.69	
2013	11,714,048	466,668,088	7,445,903	485,828,039	1.28%	1.79%	752.88	
2014	9,793,078	441,584,903	6,335,504	457,713,485	1.22%	1.64%	692.34	
2015	7,522,931	405,938,966	5,165,795	418,627,692	1.11%	1.48%	616.07	
2016	5,782,782	381,212,806	3,933,922	390,929,510	1.01%	1.36%	556.89	
2017	3,800,530	427,136,137	22,636,901	453,573,568	1.14%	1.45%	627.93	
2018	1,888,985	415,514,802	17,867,258	435,271,045	1.00%	1.32%	588.82	
2019	1,359,440	385,903,467	12,974,659	400,237,566	0.83%	1.09%	530.39	
2020	923,563	518,201,963	8,611,535	527,737,061	1.01%	1.36%	684.86	
2021	653,499	453,587,676	4,365,658	458,606,833	0.80%	1.14%	579.95	

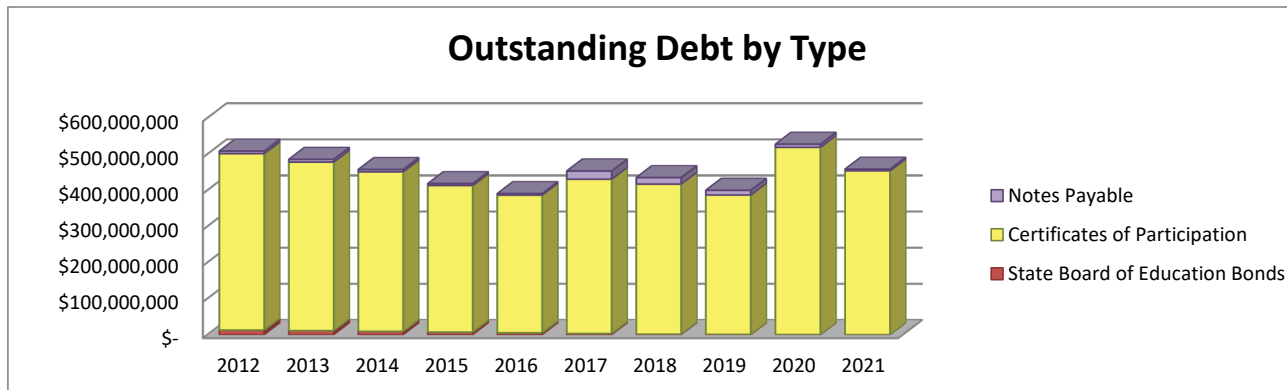
Note: Details regarding the district's outstanding debt can be found in the notes to the basic financial statements.

¹ The District did not issue or refund any Bonds during 2021.

² See Table 5 for property value data.

³ Population and personal income data can be found in Table 13.

Source: District Records



**THE SCHOOL DISTRICT OF LEE COUNTY
COMPUTATION OF LEGAL DEBT MARGIN
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
Limit of bonded indebtedness, 10% of net assessed value of taxable property	\$3,917,579,200	\$3,795,256,700	\$3,755,983,600	\$3,765,276,700	\$3,882,309,200	\$3,963,275,900	\$4,353,170,800	\$4,823,109,600	\$5,225,835,100	\$5,757,939,200
Total bonded debt	12,885,000	11,235,000	9,373,000	7,169,000	5,495,000	3,701,000	1,816,000	1,313,000	889,000	634,000
Less amount available in Debt Service Funds	363,704	306,223	233,871	194,248	132,577	88,102	51,534	29,033	20,618	13,777
Total amount applicable to debt limit	<u>12,521,296</u>	<u>10,928,777</u>	<u>9,139,129</u>	<u>6,974,752</u>	<u>5,362,423</u>	<u>3,612,898</u>	<u>1,764,466</u>	<u>1,283,967</u>	<u>868,382</u>	<u>620,223</u>
Legal debt margin on bonded debt	<u>\$3,905,057,904</u>	<u>\$3,784,327,923</u>	<u>\$3,746,844,471</u>	<u>\$3,758,301,948</u>	<u>\$3,876,946,777</u>	<u>\$3,959,663,002</u>	<u>\$4,351,406,334</u>	<u>\$4,821,825,633</u>	<u>\$5,224,966,718</u>	<u>\$5,757,318,977</u>
Legal debt margin on bonded debt as a percentage of bonded debt limit	<u>99.68%</u>	<u>99.71%</u>	<u>99.76%</u>	<u>99.81%</u>	<u>99.86%</u>	<u>99.91%</u>	<u>99.96%</u>	<u>99.97%</u>	<u>99.98%</u>	<u>99.99%</u>

Note: The State of Florida does not have a limit on the amount of voter approved (General Obligation) debt.

Source: District Records

THE SCHOOL DISTRICT OF LEE COUNTY
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2021
(UNAUDITED)

FINANCIAL PARAMETERS

Direct debt:	
State Board of Education Bonds ⁽¹⁾	\$ 653,499
Notes Payable	4,365,658
Certificates of Participation	<u>453,587,676</u>
Total Direct Debt	458,606,833
Overlapping debt ⁽²⁾	
Lee County ⁽³⁾	<u>175,795,000</u>
Total Direct and Overlapping debt	<u><u>\$ 634,401,833</u></u>
Population	790,767
Assessed property valuation (in thousands)	\$ 121,857,665
Net Assessed taxable property valuation (in thousands)	\$ 57,579,392

DEBT RATIOS

Percent of assessed property valuation	
Direct debt	0.38%
Overlapping debt	0.14%
Direct and overlapping debt	0.52%
Percent of net assessed taxable property valuation	
Direct debt	0.80%
Overlapping debt	0.31%
Direct and overlapping debt	1.10%
Per Capita	
Direct debt	\$ 580
Overlapping debt	\$ 222
Direct and overlapping debt	\$ 802

(1) State Board of Education debt is payable from motor vehicle and gross receipt taxes.

(2) Overlapping debt includes only general obligation debt secured by ad valorem taxes as of June 30, 2021.

(3) Because the county and the school district coincide, the percentage of overlap is 100%.

Sources: District Records; Table 5; and Table 13
Lee County Clerk of Court

**THE SCHOOL DISTRICT OF LEE COUNTY
PLEGDED-REVENUE COVERAGE
LAST 10 FISCAL YEARS
(UNAUDITED)**

Fiscal Year	State Board of Education Bonds				Coverage
	Motor Vehicle Tax ¹	Principal	Interest		
2012	\$ 2,251,424	\$ 1,585,000	\$ 702,626		0.98
2013	2,233,830	1,650,000	627,328		0.98
2014	2,236,557	1,730,000	548,498		0.98
2015	2,201,187	1,822,000	309,730		1.03
2016	1,977,534	1,674,000	364,967		0.97
2017	2,013,091	1,794,000	263,480		0.98
2018	2,012,373	1,885,000	174,550		0.98
2019	559,847	503,000	80,300		0.96
2020	466,943	420,000	55,500		0.98
2021	288,271	255,000	40,003		0.98

Note 1: The above revenues do not include interest earnings which are also available for debt service.

Note 2: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

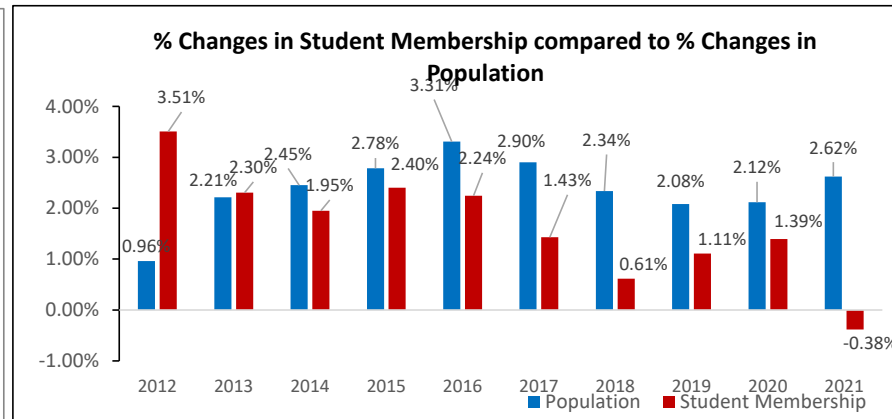
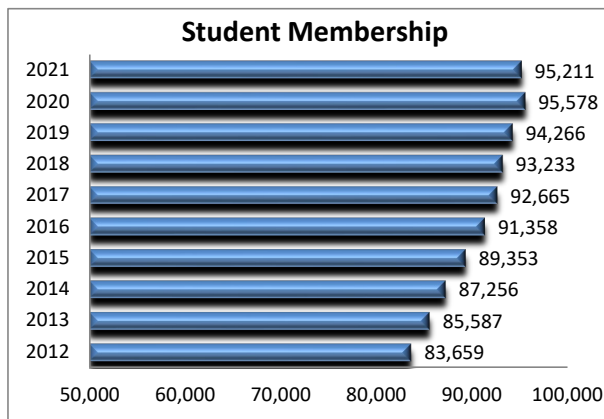
Source: District Records

**THE SCHOOL DISTRICT OF LEE COUNTY
DEMOGRAPHIC STATISTICS
LAST 10 FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Estimated Population ⁴	Personal Income (thousands of dollars) ¹	Per Capita Personal Income ¹	Median Age ⁴	Average Daily School Membership (K through Grade 12) ³	Unemployment Rate % ²
2012	631,330	\$ 25,496,678	\$ 29,445	45.7	83,659	9.3%
2013	645,293	27,161,256	43,022	45.6	85,587	7.4%
2014	661,115	27,856,374	43,169	45.5	87,256	6.1%
2015	679,513	28,292,424	42,795	46.0	89,353	5.2%
2016	701,982	28,704,773	42,243	46.4	91,358	4.6%
2017	722,336	31,296,442	44,583	46.9	92,665	4.2%
2018	739,224	33,060,033	45,768	47.3	93,233	3.8%
2019	754,610	36,786,500	49,764	47.8	94,266	3.5%
2020	770,577	38,685,758	51,266	48.8	95,578	9.6%
2021	790,767	40,119,053	52,064	49.3	95,211	5.3%

Sources:

- ¹ Federal Bureau of Economic Analysis
- ² Florida Research and Economic Database
- ³ District records
- ⁴ Factfinder.census.gov



**THE SCHOOL DISTRICT OF LEE COUNTY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Name	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lee Health	13,595	1	4.02%	10,249	1	3.63%
Lee County School Board	12,936	2	3.83%	9,394	2	3.32%
Lee County Government	9,038	3	2.67%	2,538	4	0.90%
Publix Super Markets	4,624	4	1.37%	4,362	3	1.54%
Florida Gulf Coast University	3,430	5	1.02%	-		0.00%
Wal-Mart Stores, Inc.	3,067	6	0.91%	1,967	5	0.70%
City of Cape Coral	2,253	7	0.67%	1,197	9	0.42%
Hope Hospice	1,630	8	0.48%	-		0.00%
McDonalds	1,482	9	0.44%	-		0.00%
Florida Southwestern State College	1,441	10	0.43%	-		0.00%
Lee County Sheriff's Office			0.00%	1,585	6	0.56%
U.S Postal Service			0.00%	1,291	7	0.46%
Chico's FAS, Inc			0.00%	1,253	8	0.44%
Target			0.00%	1,100	10	0.39%
Total	53,496		15.82%	34,936		12.36%

Source: Lee County Office of Economic Development, Florida Research and Economic Database, and U.S. Bureau of Labor Statistics.

**THE SCHOOL DISTRICT OF LEE COUNTY
NUMBER OF FULL-TIME PERSONNEL
LAST 10 FISCAL YEARS
(UNAUDITED)**

Fiscal Year	(A) Full-time Instructional	(B) Full-time Administrative	(C) Full-time Support Services	Total
2012	5,108	325	3,447	8,880
2013	5,281	328	3,525	9,134
2014	5,169	341	3,597	9,107
2015	5,385	345	3,777	9,507
2016	5,476	343	3,525	9,344
2017	5,604	360	3,757	9,721
2018	5,278	370	3,784	9,432
2019	5,770	371	3,762	9,903
2020	5,700	397	3,863	9,960
2021	5,724	397	3,820	9,941

- (A) Full-Time Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialist, Other Professional Instructional Staff
- (B) Full-Time Principals, Assistant Principals, Superintendent, Chief Academic Officer, Chief Business Officer, Administrators on Assignment, Directors, Coordinators
- (C) Full-Time Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, Etc.

Source: District Records

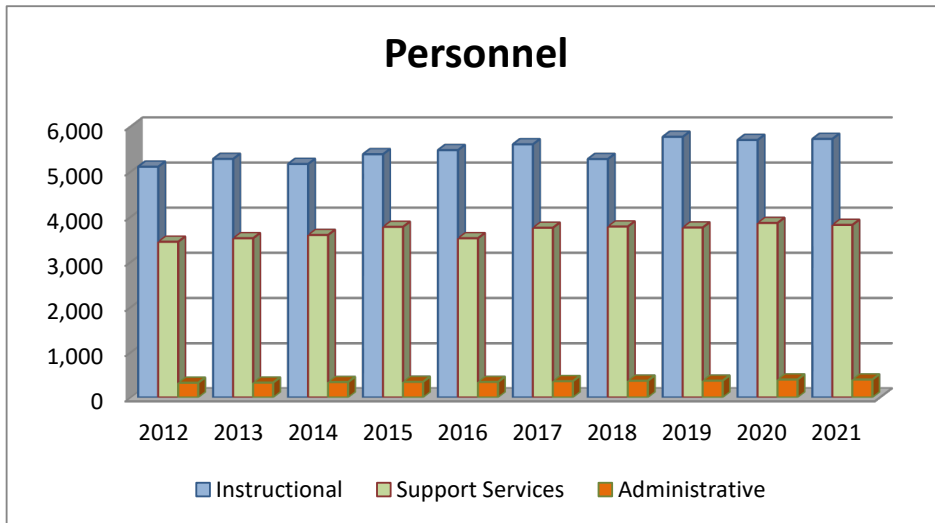
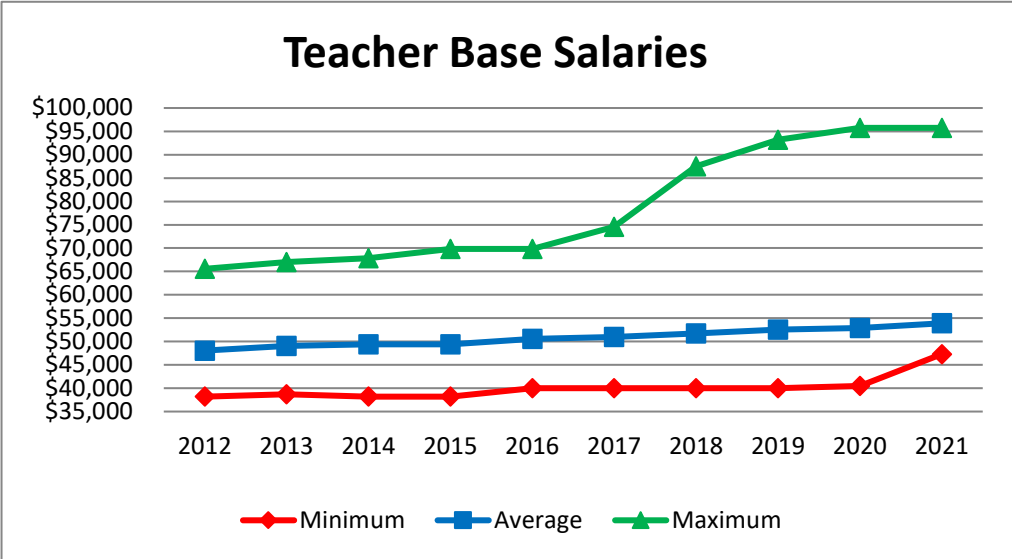


Table 16

**THE SCHOOL DISTRICT OF LEE COUNTY
TEACHERS' BASE SALARIES (10 MONTHS)
LAST 10 FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Minimum Salary	Maximum Salary	Average Salary
2012	\$ 38,192	\$ 65,563	\$ 48,056
2013	38,701	66,984	49,028
2014	38,192	67,869	49,377
2015	38,192	69,819	49,392
2016	40,000	69,819	50,568
2017	40,000	74,565	50,960
2018	40,000	87,500	51,744
2019	40,000	93,200	52,528
2020	40,500	95,750	52,920
2021	47,300	95,750	53,900

Source: District Records



**THE SCHOOL DISTRICT OF LEE COUNTY
OPERATING STATISTICS
LAST 10 FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Expenditures	Enrollment	Cost per Student	Percentage Change	Instructional Personnel	Ratio of Students to Instructional Personnel	School Attendance Percentage
2012	\$ 855,681,250	83,659	\$ 10,228	-2.50%	5,108	16.38	93.62%
2013	854,568,103	85,587	9,985	-2.38%	5,281	16.21	93.92%
2014	888,017,880	87,256	10,177	1.93%	5,169	16.88	93.82%
2015	879,344,439	89,353	9,841	-3.30%	5,385	16.59	93.84%
2016	894,186,399	91,358	9,788	-0.54%	5,476	16.68	93.54%
2017	985,186,409	92,665	10,632	8.62%	5,604	16.54	93.30%
2018	1,055,138,777	93,233	11,317	6.45%	5,278	17.66	93.19%
2019	1,052,764,986	94,266	11,168	-1.32%	5,770	16.34	93.15%
2020	1,111,031,616	95,578	11,624	4.09%	5,700	16.77	93.16%
2021	1,214,641,306	95,211	12,757	9.75%	5,724	16.63	91.02%

Source: District Records

**THE SCHOOL DISTRICT OF LEE COUNTY
FOOD SERVICE OPERATING DATA
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<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> ¹	<u>June 30, 2017</u>	<u>June 30, 2018</u>	<u>June 30, 2019</u>	<u>June 30, 2020</u> ²	<u>June 30, 2021</u> ³
Days Meals were Served	180	180	180	180	180	180	173	180	130	180
Average Number of Free and Reduced Meals Served Daily	59,417	59,771	60,856	62,437	53,491	50,075	55,243	47,493	44,957	4,921
Number of Free and Reduced Meals Served	10,695,067	10,758,865	10,954,113	11,238,624	9,628,290	9,013,571	9,556,954	8,548,683	5,844,441	885,741
Average Daily Subsidy Received	\$ 156,203	\$ 164,343	\$ 172,780	\$ 179,215	\$ 213,502	\$ 232,066	\$ 244,258	\$ 265,793	\$ 318,481	\$ 255,532
Total Subsidy Received	\$ 28,116,617	\$ 29,581,719	\$ 31,100,325	\$ 32,258,781	\$ 38,430,442	\$ 41,771,877	\$ 42,256,618	\$ 47,842,651	\$ 41,402,485	\$ 45,995,686
Average Number of Meals Served Daily	71,237	70,972	72,297	73,307	78,247	80,444	81,772	84,896	86,766	37,358
Number of Total Meals Served	12,822,688	12,774,916	13,013,375	13,195,345	14,084,411	14,479,868	14,146,641	15,281,336	11,279,636	6,724,432
Average Daily Revenues	\$ 196,119	\$ 202,706	\$ 208,263	\$ 214,686	\$ 231,282	\$ 248,950	\$ 264,170	\$ 286,022	\$ 339,578	\$ 274,231
Total Revenues	\$ 35,301,408	\$ 36,487,013	\$ 37,487,371	\$ 38,643,497	\$ 41,630,724	\$ 44,811,030	\$ 45,701,381	\$ 51,484,039	\$ 44,145,159	\$ 49,361,608
Average Daily Costs	\$ 180,511	\$ 192,739	\$ 225,410	\$ 205,006	\$ 221,638	\$ 234,741	\$ 274,572	\$ 264,758	\$ 372,865	\$ 274,301
Total Costs	\$ 32,491,974	\$ 34,693,021	\$ 40,573,818	\$ 36,901,006	\$ 39,894,897	\$ 42,253,373	\$ 47,500,974	\$ 47,656,364	\$ 48,472,427	\$ 49,374,137

¹ 2016 was the first year 92 of 98 schools provided free breakfast and lunch to all students.

² Due to the COVID-19 pandemic, all schools closed March 13, 2020 for the remainder of the school year.

³ Due to the COVID-19 pandemic, in November 2020, The U.S. Department of Agriculture began reporting 38 schools meals and revenue under the Summer Food Service Program as grab and go, thus meals were not included in meal counts.

Source: District Records

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
Elementary Schools										
Allen Park ES (1957)										
Square Feet	129,052	129,052	129,052	129,052	129,052	129,052	129,052	129,052	129,052	106,699
Capacity (students)	1,028	1,028	1,028	1,028	1,028	1,028	1,010	1,010	1,010	1,010
Enrollment	954	935	920	953	959	970	997	1,019	973	934
Alva School (K-8) (1886) ^g										
Square Feet	56,092	56,092	56,791	144,444	144,444	144,444	144,444	144,444	144,444	144,444
Capacity (students)	391	391	441	1,089	1,089	1,089	1,089	1,104	1,104	1,104
Enrollment	382	401	383	961	985	1,014	1,042	1,064	1,098	1,101
Bayshore ES (1966)										
Square Feet	87,182	87,182	91,368	91,368	91,368	91,368	91,368	91,368	91,368	86,507
Capacity (students)	693	693	693	693	693	693	656	656	656	656
Enrollment	620	621	639	613	602	630	640	638	660	573
Bonita Springs ES (1916)										
Square Feet	50,352	50,352	50,352	50,352	50,352	50,352	50,352	50,352	52,586	52,586
Capacity (students)	396	396	396	396	396	396	396	396	396	396
Enrollment	448	422	464	478	499	517	513	528	563	544
Caloosa ES (2000)										
Square Feet	133,604	133,604	133,604	133,604	133,604	133,604	133,604	133,557	133,557	133,557
Capacity (students)	1,085	1,085	1,085	1,085	1,085	1,085	992	992	992	992
Enrollment	940	920	912	914	913	938	947	961	965	950
Cape Coral ES (1963)										
Square Feet	112,871	112,871	112,871	112,871	112,871	112,871	112,871	112,871	112,871	112,871
Capacity (students)	898	898	898	898	898	898	838	838	838	838
Enrollment	713	739	735	763	742	736	694	692	692	709
Colonial ES (1978)										
Square Feet	114,769	114,769	114,983	114,983	114,983	114,983	114,983	114,983	114,983	105,161
Capacity (students)	922	922	922	922	922	922	882	882	882	882
Enrollment	743	761	799	789	796	787	847	887	871	798
Diplomat ES (1991)										
Square Feet	119,533	119,533	119,533	119,533	119,533	119,533	119,533	119,533	119,533	119,533
Capacity (students)	1,086	1,086	1,086	1,086	1,086	1,086	982	982	982	982
Enrollment	913	915	923	934	932	938	974	992	1,015	986
Edgewood Renaissance (1924)										
Square Feet	113,208	113,208	113,208	113,208	113,208	113,208	113,208	113,208	113,208	69,641
Capacity (students)	741	741	741	741	741	741	736	736	736	726
Enrollment	553	464	561	553	527	565	599	599	548	497
Edison Park ES (1926)										
Square Feet	72,843	72,843	72,843	72,843	72,843	72,843	72,843	72,843	72,843	72,003
Capacity (students)	455	455	455	455	455	455	455	455	455	439
Enrollment	360	371	374	365	352	355	349	356	402	402
Franklin Park ES (1954)										
Square Feet	89,228	89,228	89,228	89,228	89,228	89,228	89,228	89,228	89,228	77,536
Capacity (students)	579	579	579	579	579	579	579	579	579	579
Enrollment	505	435	442	427	454	474	482	455	461	455
Ft Myers Beach ES (1938)										
Square Feet	30,634	30,634	30,634	30,634	30,634	30,634	30,634	30,634	27,109	27,109
Capacity (students)	220	220	220	220	220	220	204	204	223	223
Enrollment	148	126	134	116	120	121	108	102	94	83

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**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	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	June 30, 2021
Elementary Schools										
G. Weaver Hipps ES (2009)										
Square Feet	106,693	106,693	106,693	106,693	106,693	106,693	106,813	106,813	106,813	103,827
Capacity (students)	758	758	758	758	758	758	730	730	730	752
Enrollment	717	749	768	778	779	798	794	831	811	829
Gateway ES (1991)										
Square Feet	114,113	114,113	114,113	114,113	114,113	114,113	114,273	114,273	114,273	97,317
Capacity (students)	736	736	736	736	736	736	713	713	713	735
Enrollment	675	691	712	736	719	736	750	750	776	801
Gulf Elementary (1982)										
Square Feet	158,586	158,586	158,586	158,586	158,586	158,586	158,586	158,586	158,586	158,586
Capacity (students)	1,275	1,275	1,275	1,275	1,275	1,275	1,230	1,230	1,230	1,230
Enrollment	1,104	1,059	996	1,019	1,044	1,044	1,075	1,116	1,096	1,140
Hancock Creek ES (1992)										
Square Feet	145,802	145,802	145,802	145,802	145,802	145,802	145,802	145,802	145,802	145,802
Capacity (students)	1,044	1,044	1,044	1,044	1,044	1,044	964	964	964	964
Enrollment	878	837	804	821	845	871	883	891	866	747
Harns Marsh Elementary (2005)										
Square Feet	124,793	124,793	124,793	124,793	124,793	124,793	124,831	124,831	124,831	119,643
Capacity (students)	912	912	912	912	912	912	912	912	912	894
Enrollment	927	945	995	985	1,011	1,021	1,048	1,025	1,043	944
Hector Caferata Jr. Elementary (2006)										
Square Feet	74,927	74,927	74,927	74,927	74,927	74,927	75,711	75,937	75,937	75,937
Capacity (students)	883	883	883	883	883	883	862	862	862	862
Enrollment	752	757	744	689	695	677	674	687	654	659
Heights ES (1963)										
Square Feet	158,152	158,152	158,152	158,152	158,152	158,152	158,152	158,152	147,558	147,558
Capacity (students)	1,306	1,306	1,306	1,306	1,306	1,306	1,295	1,295	1,277	1,277
Enrollment	988	1,083	1,136	1,181	1,197	1,199	1,196	1,170	1,162	1,091
J. Colin English ES (1929)										
Square Feet	98,193	98,193	98,193	98,193	98,193	98,193	98,193	98,193	98,193	98,193
Capacity (students)	601	601	601	601	601	601	584	584	584	584
Enrollment	393	397	427	454	513	461	445	461	445	394
James Stephens Int'l Academy (1958) b										
Square Feet	175,579	175,579	175,579	175,579	175,579	175,579	175,579	175,579	175,579	151,786
Capacity (students)	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	1,095	674
Enrollment	777	756	697	527	730	358	424	515	482	429
Lehigh ES (1958)										
Square Feet	146,199	146,199	146,199	146,199	146,199	146,199	146,199	146,199	146,199	146,199
Capacity (students)	1,056	1,056	1,056	1,056	1,056	1,056	1,038	1,038	1,038	1,038
Enrollment	1,021	1,048	1,104	1,196	1,179	1,195	1,237	1,198	1,183	1,133
Littleton ES (1991)										
Square Feet	120,545	120,545	120,545	120,545	120,545	120,545	120,545	120,545	120,545	120,545
Capacity (students)	738	738	738	738	738	738	736	736	736	736
Enrollment	531	523	535	545	549	530	537	564	541	486
Manatee ES (2008)										
Square Feet	128,557	128,557	128,557	128,557	128,557	128,557	128,557	128,557	128,557	128,557
Capacity (students)	1,042	1,042	1,042	1,042	1,042	1,042	940	940	940	940
Enrollment	922	877	880	850	937	900	888	883	916	851

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	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	June 30, 2021
Elementary Schools										
Mirror Lakes ES (1998)										
Square Feet	143,470	143,470	143,470	143,470	143,470	143,470	143,470	143,470	143,470	143,470
Capacity (students)	1,061	1,061	1,071	1,071	1,071	1,071	960	960	960	960
Enrollment	1,123	1,079	1,093	1,115	1,110	1,203	1,125	1,116	1,119	1,098
North Ft Myers Academy (K-8) (1973)										
Square Feet	200,855	200,855	200,855	200,855	200,855	200,855	200,855	200,855	200,855	200,855
Capacity (students)	1,409	1,409	1,409	1,409	1,409	1,409	1,367	1,367	1,367	1,367
Enrollment	992	976	1,054	1,115	1,120	1,117	1,104	1,126	1,153	1,076
Orange River ES (1957)										
Square Feet	100,794	100,794	100,799	100,799	100,799	100,799	99,095	99,095	99,095	99,095
Capacity (students)	817	817	817	817	817	817	762	762	762	762
Enrollment	830	827	804	817	817	854	856	853	820	788
Orangewood ES (1954)										
Square Feet	91,612	91,612	91,612	91,612	91,612	91,612	91,612	91,612	91,612	78,930
Capacity (students)	614	614	614	614	614	614	606	606	606	606
Enrollment	597	593	583	609	581	579	578	586	613	599
Patriot ES (2008)										
Square Feet	125,887	125,887	125,887	125,887	125,887	125,887	125,887	125,887	125,887	125,887
Capacity (students)	1,042	1,046	1,046	1,046	1,046	1,046	984	984	984	984
Enrollment	695	675	673	633	687	721	733	747	785	734
Pelican ES (1978)										
Square Feet	151,740	151,740	151,740	151,740	151,740	151,740	151,740	151,740	151,740	151,740
Capacity (students)	1,388	1,388	1,388	1,388	1,388	1,388	1,287	1,287	1,287	1,287
Enrollment	975	934	925	902	950	938	976	993	961	897
Pine Island ES (1955)										
Square Feet	54,153	54,153	54,153	54,153	54,153	54,153	54,153	54,153	54,153	54,153
Capacity (students)	391	391	391	391	391	391	355	355	355	355
Enrollment	246	242	236	247	217	235	237	234	249	216
Pinewoods ES (1992)										
Square Feet	145,752	145,752	145,752	145,752	145,752	145,752	145,752	145,752	124,464	124,464
Capacity (students)	1,060	1,060	1,060	1,060	1,060	1,060	980	980	980	980
Enrollment	931	950	967	1,013	1,080	1,114	1,123	1,139	1,163	1,068
Ray V. Pottorf Elementary (2005)										
Square Feet	124,900	124,900	124,900	124,900	124,900	124,900	124,900	124,900	124,900	121,259
Capacity (students)	864	864	864	864	864	864	864	864	864	864
Enrollment	643	649	702	730	727	704	718	759	701	704
Rayma Page Elementary (2004)										
Square Feet	119,637	119,637	119,637	119,637	119,637	119,637	119,637	119,637	118,839	118,839
Capacity (students)	846	846	846	846	846	846	846	846	846	846
Enrollment	777	798	831	856	849	845	826	866	852	818
River Hall Elementary (2006)										
Square Feet	124,525	124,525	124,525	124,525	124,525	124,525	124,525	124,525	124,525	124,525
Capacity (students)	1,046	1,046	1,046	1,046	1,046	1,046	966	966	966	966
Enrollment	915	934	975	913	960	1,017	1,014	1,049	1,042	990
San Carlos Park ES (1978)										
Square Feet	120,672	120,672	120,672	120,672	120,665	120,665	120,825	120,825	120,378	120,378
Capacity (students)	1,026	1,026	1,026	1,026	1,026	1,026	982	982	974	974
Enrollment	859	898	876	942	996	999	971	942	852	679

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**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
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(UNAUDITED)**

	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	June 30, 2021
Elementary Schools										
Skyline ES (1987)										
Square Feet	145,961	145,961	145,961	145,961	145,961	145,961	145,961	145,961	145,961	145,961
Capacity (students)	1,412	1,412	1,412	1,412	1,412	1,412	1,282	1,282	1,282	1,282
Enrollment	838	859	882	868	908	957	1,048	1,039	1,028	961
Spring Creek ES (1981)										
Square Feet	95,575	95,575	95,575	95,575	95,575	95,575	95,575	95,575	114,328	114,328
Capacity (students)	735	735	735	735	735	735	709	709	709	722
Enrollment	710	672	721	760	770	757	769	781	713	656
Sunshine ES (1986)										
Square Feet	129,061	129,061	129,061	129,061	129,061	129,061	129,061	129,061	129,061	129,061
Capacity (students)	1,108	1,108	1,108	1,108	1,108	1,108	1,036	1,036	1,036	1,036
Enrollment	1,143	1,124	1,168	1,218	1,185	1,201	1,185	1,150	1,138	1,137
Tanglewood Riverside ES (1970)										
Square Feet	108,195	108,195	108,195	108,195	108,195	108,195	108,195	108,195	108,195	104,523
Capacity (students)	786	786	786	786	786	786	764	764	764	764
Enrollment	714	725	749	774	766	781	753	731	772	749
The Sanibel School (K-8) (1962)										
Square Feet	80,981	80,981	80,981	80,981	80,981	80,981	80,981	80,981	71,415	71,415
Capacity (students)	423	423	423	423	423	423	423	423	427	427
Enrollment	342	337	338	338	315	314	290	266	306	273
Three Oaks ES (1987)										
Square Feet	93,886	93,886	93,886	93,886	93,886	93,886	93,886	93,886	81,070	81,070
Capacity (students)	731	731	731	731	731	731	694	694	694	694
Enrollment	798	810	845	894	900	933	915	942	968	990
Tice ES (1927)										
Square Feet	69,451	114,593	106,028	106,028	106,028	106,028	106,028	106,028	106,028	106,028
Capacity (students)	587	679	616	616	616	616	616	616	616	616
Enrollment	451	485	475	509	567	614	606	597	611	601
Tortuga Preserve ES (2012)										
Square Feet	129,114	129,936	129,936	129,936	129,936	129,936	129,936	129,936	129,936	131,230
Capacity (students)	1,050	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056
Enrollment	-	723	911	952	941	1,014	1,000	1,008	1,007	1,034
Trafalgar ES (2004)										
Square Feet	92,377	92,377	92,377	92,377	92,377	92,377	92,377	92,377	92,377	92,377
Capacity (students)	998	998	998	998	998	998	936	936	936	936
Enrollment	844	833	834	815	805	795	797	802	826	821
Treeline ES (2008)										
Square Feet	129,597	129,597	129,597	129,597	129,597	129,597	129,597	129,597	129,597	129,597
Capacity (students)	1,029	1,029	1,029	1,029	1,029	1,029	994	994	994	994
Enrollment	952	1,014	999	1,027	1,041	1,088	1,076	1,089	1,100	1,091
Tropic Isles ES (1959)										
Square Feet	117,098	117,098	117,098	117,098	117,098	117,098	117,098	117,098	117,098	117,098
Capacity (students)	1,051	1,051	1,051	1,051	1,051	1,051	968	968	968	968
Enrollment	972	973	925	980	972	975	970	937	929	841
Veterans Park Academy K-8 (2004)										
Square Feet	247,972	247,972	247,972	247,972	247,972	247,972	250,055	250,055	250,055	250,055
Capacity (students)	1,945	1,945	1,945	1,945	1,945	1,945	1,898	1,898	1,898	1,909
Enrollment	1,482	1,428	1,497	1,555	1,580	1,608	1,651	1,721	1,778	1,799

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
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LAST 10 FISCAL YEARS
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	<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>	<u>June 30, 2021</u>
Elementary Schools										
Villas ES (1961)										
Square Feet	115,515	115,515	115,515	115,515	115,515	115,515	115,515	115,515	115,515	108,476
Capacity (students)	881	881	881	881	881	881	842	842	842	842
Enrollment	788	809	811	808	843	867	860	879	905	896

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**THE SCHOOL DISTRICT OF LEE COUNTY
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	<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>	<u>June 30, 2021</u>
Middle Schools										
Alva MS (1927) ^g										
Square Feet	87,563	87,563	87,563	-	-	-	-	-	-	-
Capacity (students)	556	556	648	-	-	-	-	-	-	-
Enrollment	534	549	549	-	-	-	-	-	-	-
Bonita Springs MS (1976)										
Square Feet	129,498	129,498	129,498	129,498	129,498	129,498	128,766	128,766	129,999	129,999
Capacity (students)	990	990	990	990	990	990	1,012	1,012	1,029	1,029
Enrollment	696	779	779	817	866	903	914	927	928	871
Caloosa MS (2000)										
Square Feet	166,253	166,253	166,253	166,253	166,253	166,253	173,040	173,040	173,081	173,081
Capacity (students)	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159	1,159
Enrollment	895	901	901	896	885	883	831	884	922	912
Challenger MS (2008)										
Square Feet	161,808	161,808	161,808	161,808	161,808	161,808	161,808	161,808	161,808	161,808
Capacity (students)	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366	1,366
Enrollment	1,083	1,079	1,079	1,089	1,047	1,046	1,035	1,078	1,108	1,123
Cypress Lake MS (1961)										
Square Feet	137,523	137,523	137,523	137,523	137,523	137,523	137,523	137,523	137,523	134,693
Capacity (students)	941	941	941	941	941	941	978	978	978	974
Enrollment	731	774	774	829	814	829	865	918	922	887
Diplomat MS (1999)										
Square Feet	171,107	171,107	171,107	171,107	171,107	171,107	171,107	171,107	171,107	171,107
Capacity (students)	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094	1,094
Enrollment	841	849	849	857	840	823	835	857	881	857
Ft Myers Middle Academy (1951)										
Square Feet	128,511	128,511	128,511	128,511	128,511	128,511	128,511	128,511	128,511	121,255
Capacity (students)	952	952	952	952	952	952	952	952	952	980
Enrollment	522	488	488	469	570	520	501	572	668	641
Gulf Middle (1981)										
Square Feet	131,834	131,834	131,834	131,834	131,834	131,834	131,834	131,834	131,834	131,834
Capacity (students)	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024	1,024
Enrollment	778	789	789	813	793	787	786	810	838	806
Harnes Marsh MS (2012)										
Square Feet	163,814	164,662	164,662	164,662	164,662	164,662	164,664	164,664	164,664	164,664
Capacity (students)	1,345	1,325	1,325	1,325	1,325	1,325	1,357	1,357	1,357	1,377
Enrollment	-	1,066	1,066	1,114	1,040	1,145	1,225	1,334	1,394	1,389
Lee MS (1958) ^c										
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Lehigh Acres MS (1982)										
Square Feet	130,421	130,421	130,421	130,421	130,421	130,421	130,421	130,421	130,421	130,421
Capacity (students)	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,177	1,046
Enrollment	1,134	1,064	1,045	1,069	1,157	1,223	1,302	1,346	1,442	1,357
Lexington Middle School (2005)										
Square Feet	172,672	172,672	172,672	172,672	172,672	172,672	172,672	172,672	167,519	167,519
Capacity (students)	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,146	1,190	1,190
Enrollment	896	914	933	990	1,036	1,084	1,113	1,132	1,107	1,072

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
Middle Schools										
Mariner MS (2004)										
Square Feet	151,198	151,198	151,198	151,198	151,198	151,198	151,244	151,244	151,244	151,244
Capacity (students)	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,294	1,309	1,309
Enrollment	849	911	919	881	883	890	875	1,011	1,038	1,027
Oak Hammock MS (2009)										
Square Feet	160,246	160,246	160,246	160,246	160,246	160,246	160,246	160,246	160,246	160,246
Capacity (students)	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,405	1,372	1,372
Enrollment	1,260	1,071	1,088	1,164	1,163	1,324	1,410	1,513	1,577	1,520
Paul Laurence Dunbar MS (1962)										
Square Feet	157,828	157,828	157,828	157,828	157,828	157,828	157,828	157,828	157,828	154,736
Capacity (students)	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,131
Enrollment	848	933	969	904	855	943	985	1,022	1,031	998
Three Oaks MS (1991)										
Square Feet	152,119	152,119	152,119	152,119	152,119	152,119	152,119	152,119	130,226	130,226
Capacity (students)	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,096	1,101	1,101
Enrollment	851	900	938	974	969	991	1,035	1,056	1,073	1,035
Trafalgar MS (1989)										
Square Feet	145,346	145,346	145,346	145,346	145,346	145,346	145,346	145,346	145,346	145,346
Capacity (students)	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,101	1,101
Enrollment	832	847	843	874	908	906	895	907	949	924
Varsity Lakes MS (2004)										
Square Feet	160,998	160,998	160,998	160,998	160,998	160,998	160,998	160,998	160,998	160,998
Capacity (students)	1,209	1,209	1,209	1,209	1,209	1,209	1,209	1,209	1,209	1,209
Enrollment	1,097	956	998	1,053	1,055	1,146	1,227	1,315	1,348	1,305

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	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	June 30, 2021
High Schools										
Bonita Springs HS (2019)										
Square Feet	-	-	-	-	-	-	-	205,112	212,153	212,153
Capacity (students)	-	-	-	-	-	-	-	1,596	1,592	1,592
Enrollment	-	-	-	-	-	-	-	680	1,068	1,417
Cape Coral Sr HS (1978)										
Square Feet	272,847	272,847	272,847	272,847	272,847	272,847	272,908	272,908	272,908	272,908
Capacity (students)	1,843	1,843	1,843	1,843	1,843	1,843	1,830	1,830	1,830	1,830
Enrollment	1,444	1,519	1,577	1,591	1,549	1,566	1,539	1,563	1,622	1,622
Cypress Lake Sr HS (1967)										
Square Feet	269,521	269,521	269,521	269,521	269,378	269,378	270,647	270,647	270,647	268,866
Capacity (students)	1,700	1,700	1,700	1,700	1,700	1,700	1,690	1,690	1,690	1,680
Enrollment	1,447	1,481	1,369	1,466	1,532	1,564	1,576	1,503	1,495	1,402
Dunbar HS (2000)										
Square Feet	234,470	121,018	121,018	255,430	255,430	255,430	255,430	255,430	255,430	255,430
Capacity (students)	1,225	697	712	1,912	1,912	1,912	1,866	1,866	1,866	1,866
Enrollment	861	875	1,058	1,277	1,718	1,773	1,904	1,959	1,810	1,689
East HS (2006)										
Square Feet	312,333	312,333	312,333	312,333	312,333	312,333	316,893	316,893	316,893	316,893
Capacity (students)	2,057	2,057	2,057	2,057	2,057	2,057	2,035	2,035	2,035	2,035
Enrollment	1,597	1,593	1,644	1,726	1,822	1,996	1,788	1,697	1,791	1,701
Esteros Sr HS (1985)										
Square Feet	272,710	272,710	272,710	272,710	272,710	272,710	272,710	272,710	263,669	263,669
Capacity (students)	1,704	1,704	1,704	1,704	1,704	1,704	1,719	1,719	1,729	1,729
Enrollment	1,480	1,573	1,667	1,657	1,708	1,773	1,727	1,583	1,473	1,288
Ft Myers Sr HS (1921)										
Square Feet	264,335	264,335	264,335	264,335	264,335	264,335	264,048	264,048	264,048	266,379
Capacity (students)	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,963	1,751
Enrollment	1,790	1,853	1,857	1,866	1,814	1,889	1,938	1,929	1,943	1,848
Ida S. Baker HS (2005)										
Square Feet	309,507	309,507	309,507	309,507	309,507	309,507	309,507	309,507	309,507	309,507
Capacity (students)	1,991	1,991	1,991	1,991	1,991	1,991	1,993	1,993	1,993	1,993
Enrollment	1,710	1,659	1,683	1,746	1,718	1,764	1,758	1,712	1,791	1,684
Island Coast HS (2008)										
Square Feet	269,599	269,599	269,599	269,599	268,866	268,866	268,866	268,866	268,866	268,866
Capacity (students)	2,059	2,059	2,059	2,059	2,059	2,059	2,059	2,059	2,059	2,059
Enrollment	1,522	1,480	1,386	1,429	1,545	1,536	1,529	1,530	1,619	1,464
Lehigh Sr HS (1994)										
Square Feet	289,278	289,278	289,278	289,278	289,278	289,278	289,278	325,696	325,696	325,696
Capacity (students)	1,824	1,824	1,824	1,824	1,824	1,824	1,824	2,546	2,549	2,549
Enrollment	1,575	1,775	1,689	1,774	1,718	1,954	2,119	2,264	2,533	2,414
Mariner Sr HS (1986)										
Square Feet	258,181	258,181	258,181	258,181	258,181	258,181	258,181	258,872	258,872	258,872
Capacity (students)	1,725	1,725	1,725	1,725	1,725	1,725	1,715	1,715	1,715	1,715
Enrollment	1,436	1,437	1,485	1,507	1,481	1,486	1,495	1,514	1,530	1,492
North Ft Myers Sr HS (1960)										
Square Feet	258,399	258,399	258,399	258,399	258,399	258,399	258,399	258,399	258,399	258,399
Capacity (students)	1,804	1,804	1,804	1,804	1,804	1,804	1,794	1,794	1,794	1,794
Enrollment	1,578	1,585	1,572	1,624	1,612	1,695	1,827	1,839	1,863	1,783

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
High Schools										
Riverdale High 6-12 (1972)										
Square Feet	250,303	250,303	250,303	250,303	250,303	250,303	257,634	257,634	257,634	257,634
Capacity (students)	2,040	2,040	2,040	2,040	2,040	2,040	2,024	2,024	2,036	2,036
Enrollment	1,758	1,901	1,830	1,943	1,975	2,058	2,256	2,268	2,269	2,185
South HS (2006)										
Square Feet	309,136	309,136	309,136	309,136	309,096	309,096	310,208	310,208	310,208	307,991
Capacity (students)	2,077	2,077	2,077	2,077	2,127	2,127	2,107	2,107	2,107	2,097
Enrollment	1,676	1,758	1,711	1,796	1,912	1,904	1,889	1,821	1,748	1,706

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	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	June 30, 2021
Special Schools										
ALC West (2008) ^h										
Square Feet	22,566	22,566	22,566	22,566	22,566	-	-	-	-	-
Capacity (students)	265	265	265	265	265	-	-	-	-	-
Enrollment	141	97	110	85	61	-	-	-	-	-
Buckingham Exceptional Ctr (1984)										
Square Feet	32,552	32,552	32,552	32,552	32,552	32,552	32,552	32,552	32,552	32,552
Capacity (students)	100	100	100	100	100	100	100	100	100	100
Enrollment	99	98	87	88	90	87	81	88	88	68
Cape Coral Technical College (1991) ^e										
Square Feet	64,798	64,798	64,798	64,798	64,798	64,798	64,410	64,410	64,410	64,410
Capacity (students)	324	324	324	324	324	324	342	342	342	342
Enrollment ^d	27	-	-	-	-	-	-	-	-	-
Ft Myers Sr HS (Edison Ctr) (1921) ^b										
Square Feet	-	-	-	-	-	-	-	-	-	-
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
Ft. Myers Technical College (1966) ^e										
Square Feet	184,255	184,255	184,255	184,255	184,255	184,255	184,255	184,255	184,255	184,255
Capacity (students)	654	654	654	654	654	654	654	654	654	654
Enrollment ^d	53	-	-	-	-	-	-	-	-	-
Lee County Public Service Academy (1964) ^c										
Square Feet	106,068	106,068	106,068	106,068	106,068	106,068	106,068	106,068	106,068	106,068
Capacity (students)	270	270	270	270	270	270	270	270	270	270
Enrollment	-	-	-	-	-	-	-	-	-	-
New Directions School (1993)										
Square Feet	145,027	145,027	145,027	145,027	145,027	145,027	145,018	145,018	145,018	168,745
Capacity (students)	636	636	636	636	636	636	678	678	683	909
Enrollment	360	374	353	283	227	320	335	405	318	246
Royal Palm Exceptional (1994)										
Square Feet	60,347	60,347	60,347	60,347	60,347	60,347	60,347	60,347	60,347	60,347
Capacity (students)	230	230	230	230	230	230	230	230	230	230
Enrollment	161	170	152	128	155	168	171	170	171	146

(Continued)

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHOOL BUILDING INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)**

	<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>	<u>June 30, 2021</u>
Ancillary Facilities										
Adams Building (1974) ^f										
Square Feet	64,320	64,320	-	-	-	-	-	-	-	-
Dunbar Community (1910)										
Square Feet	21,153	21,153	21,153	21,153	21,153	21,153	21,153	21,153	21,153	21,153
Food Service Warehouse (1960)										
Square Feet	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Gwynne Building (1911)										
Square Feet	20,395	20,395	20,395	20,395	20,395	20,395	20,395	20,395	20,395	20,395
Hipps Building (1955) ^f										
Square Feet	39,184	39,184	-	-	-	-	-	-	-	-
Maintenance (1972)										
Square Feet	62,762	62,762	62,762	62,762	62,762	62,762	62,762	62,762	62,762	90,670
New Administrative Complex (1986) ^a										
Square Feet	309,577	309,577	309,577	309,577	310,001	310,001	310,253	310,253	310,253	309,860
R&R Building (1975)										
Square Feet	10,000	10,000	10,000	10,000	9,984	9,984	9,984	9,984	9,984	9,984
Supply (1960)										
Square Feet	18,417	18,417	18,417	18,417	18,417	18,417	18,417	18,417	18,417	18,417
Transportation Central (1960)										
Square Feet	28,909	28,909	28,909	28,909	28,909	28,909	28,909	28,909	28,909	30,052
Transportation East (2004)										
Square Feet	9,361	9,361	9,361	9,361	9,361	9,361	9,361	9,361	9,361	8,342
Transportation Leonard (2009)										
Square Feet	24,699	24,699	24,699	24,699	24,699	24,699	24,699	24,699	24,699	24,699
Transportation West (1995)										
Square Feet	28,685	28,685	28,685	28,685	28,685	28,685	28,685	28,685	28,685	28,685
Transportation 6 Mile Cypress (2004)										
Square Feet	39,729	39,729	39,729	39,729	39,729	39,729	39,729	39,729	39,729	39,729

Source: District Facilities Office

Note: Year of construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions.

^a New administrative complex was purchased in 2005 but was originally built in 1986.

^b Michigan Montessori (K-8) was moved to Lee Middle and renamed James Stephens Int'l Academy beginning 2010. School was changed from K-8 school to Elementary school beginning 2017.

^c Lee County Public Service Academy was housed at Ft. Myers Institute of Technology prior to 2011, then moved to the old Michigan Montessori facility in 2011.

^d Students reported under home high school beginning 2013.

^e Lee County High Tech Central was renamed Ft. Myers Institute of Technology during 2014 and renamed Fort Myers Technical College during 2015. North Vo-Tech was renamed Cape Coral Institute of Technology during 2014 and renamed Cape Coral Technical College during 2015.

^f Building was sold July 2013.

^g Alva Middle was combined with Alva Elementary and renamed Alva School K-8 beginning 2015.

^h ALC West was closed at the end of 2016.

OTHER INDEPENDENT AUDITOR'S
REPORTS, SCHEDULES, AND
OTHER INFORMATION



Certified Public Accountants

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

School Board and Superintendent
School District of Lee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Lee County, Florida (the "District") as of and for the year ended June 30, 2021, 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 16, 2021. Our report includes a reference to other auditors who audited the financial statements of the 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Pursuant to provisions of Chapter 10.800, *Rules of the Auditor General*, we reported certain matters to management of the District in a separate management letter and Independent Accountant's Report dated December 16, 2021.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
December 16, 2021



Certified Public Accountants

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

School Board and Superintendent
School District of Lee County, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the School District of Lee County, Florida (the “District”) with the types of compliance requirements described in the U.S. Office of Management and Budget *OMB Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2021. The District’s major federal programs are identified in the summary of auditor’s results section 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 each of the District’s major federal programs 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 each major federal program. However, our audit does not provide a legal determination of the District’s compliance.

Opinion on Each 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 each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to in the first paragraph of this section. 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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the basic financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 16, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Our report on the basic financial statements included disclosures regarding our reference to the reports of other auditors. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.

School Board and Superintendent
School District of Lee County, Florida

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance (Cont.)

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
December 16, 2021

SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2021

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies)? ___ Yes X None reported

Type of report issued on compliance for major federal program: **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the Uniform Guidance? ___ Yes X No

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027 and 84.173	Special Education Cluster
84.425	Education Stabilization Fund
93.600	Head Start

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee? X Yes ___ No

SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended June 30, 2021

Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*.

No matters were reported.

Section III - Federal Awards Findings and Questioned Costs Section reported in accordance with the Uniform Guidance.

No matters were reported.

Section IV - Prior Year Audit Findings

No matters were reported.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-Through/Grantor/Program Title	Federal CFDA Number	Pass Through Grantor Number	Total Expenditures
Clustered			
Child Nutrition Cluster			
United States Department Of Agriculture:			
Florida Department Agriculture & Consumer Services:			
School Breakfast Program	10.553	17002	\$ 6,281,955
National School Lunch Program	10.555	17001, 17003	14,412,123
Emergency FNS Covid-19	10.555		3,950,068
Summer Food Service Program for Children	10.559	17006, 17007	20,254,154
Total Child Nutrition Cluster			44,898,300
United States Department of Justice			
United States Department Of Justice:			
STOP School Violence	16.839	N/A	191,716
Student Financial Assistance Cluster			
United States Department Of Education:			
Federal Pell Grant Program	84.063	N/A	1,988,585
Special Education Cluster:			
United States Department Of Education:			
Florida Department of Education:			
Special Education-Grants To States	84.027	262, 263	19,255,503
Special Education-Preschool Grants	84.173	266, 267	545,717
Total Special Education Cluster			19,801,220
Not Clustered			
United States Department Of Agriculture:			
Florida Department of Health:			
Child and Adult Care Food Program	10.558	A-4895	1,095,723
Florida Department Agriculture & Consumer Services:			
Fresh Fruit and Vegetable Program	10.582	17004	414,237
Team Nutrition Grants	10.574		1,745,572
Total United States Department of Agriculture			3,255,533
United States Department Of Defense:			
Army Junior Reserve Officers Training Corps		N/A	2,574,150
United States Department Of Education:			
Impact Aid (Title VIII of ESEA)	84.041	N/A	12,455
Magnet Schools Assistance	84.165	N/A	1,636,184
Florida Department of Education:			
Adult Ed -Basic Grants to States	84.002	191, 193	1,059,869
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	24,016,429
Migrant Education - State Grant Program	84.011	217	511,848
Career and Technical Education - Basic Grants to States	84.048	161	1,245,265
Education for Homeless Children and Youth	84.196	127	51,992
Charter Schools	84.282	298	445,849
21st Century Community Learning Centers	84.287	244	413,945
State Personnel Development Grant	84.323A		9,454
English Language Acquisition Grants	84.365	102	1,675,591
Supporting Effective Instruction State Grant	84.367	224	3,753,207
Title I Grants to Local Educational Agencies	84.377	126	376,007
Student Support and Academic Enrichment Program	84.424	241	1,389,062
Education Stabilization Fund:			
Governor's Emergency Education Relief (GEER) Fund	84.425C		501,850
Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D		17,267,968
Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	84.425E		1,684,914
HEERF Institutional Portion	84.425F		369,535
HEERF FIPSE Formula Grant	84.425N		134,941
Assistance for Homeless Children and Youth	84.938	105	3,128
Total United States Department of Education			56,559,493
United States Department Of Health & Human Services:			
Mental Health Awareness Training	93.243	N/A	102,750
Headstart Disaster Assistance	93.356		79,634
Cares Act Provider Relief Fund	93.498		20,807
Head Start	93.600	N/A	8,094,776
Head Start - COVID-19 Relief	93.600		350,022
Total United States Department of Health & Human Services			8,647,989
United States Department Of Homeland Security			
Disaster Grants - Public Assistance	97.036	N/A	21,552
Total Expenditures of Federal Awards			\$ 137,938,538

- (1) **Basis of Presentation.** The Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Lee County District School Board under programs of the Federal government for the fiscal year ended June 30, 2021. 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 the 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 type of expenditures are not allowable or are limited as to reimbursement.
- (3) **Indirect Cost Rate.** The District has elected not to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.
- (4) **Noncash Assistance.**
- National School Lunch Program - includes \$1,745,572.46 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
 - Child Care Food Program - includes \$71,482 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
- (5) **Impact Aid.** Expenditures are related to grant number/program 19-FL-2018-2902.
- (6) **Head Start.** Expenditures include \$578,357.92 for grant number/program year 04HP002/02 \$70,623.76 for grant number/program year 04HP000293/01, \$7,516,396.62 for grant number/program year 04CH011657-01-02, and \$279,419.30 for grant number/program year 04CH011657-01-01.

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

School Board and Superintendent
School District of Lee County, Florida

Report on Financial Statements

We have audited the financial statements of the School Board of Lee County, Florida (the "District") as of and for the year ended June 30, 2021 and have issued our report thereon dated December 16, 2021. Our report includes a reference to other auditors who audited the financial statements of the agency funds and the 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 or compliance and other matters that are reported on separately by those auditors.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.800, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent 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*, Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control over Compliance and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and our Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.800, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated December 16, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.804(1)(f)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. In connection with our audit, there were no findings or recommendations.

Financial Condition

Section 10.804(1)(f)2., *Rules of the Auditor General*, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.804(1)(f)5.a. and 10.805(7), *Rules of the Auditor General*, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by the same.

Section 10.804(1)(f)3., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In conjunction with our audit, we did not have any such recommendations.

Transparency

Section 10.804(1)(f)6., *Rules of the Auditor General*, requires that we report the results of our determination as to whether the District maintains on its website the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained on its website the information specified in Section 1011.035, Florida Statutes.

Additional Matters

Section 10.804(1)(f)4., *Rules of the Auditor General*, requires us to communication noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the District's Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
December 16, 2021



INDEPENDENT ACCOUNTANT'S REPORT

School Board and Superintendent
School District of Lee County, Florida

We have examined the School District of Lee County, Florida's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended June 30, 2021. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

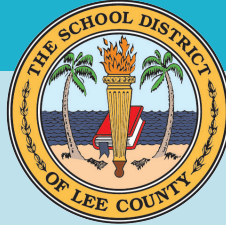
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District is in accordance with those requirements. An examination involves performing procedures to obtain evidence about the District's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2021.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
December 16, 2021



PERSONAL | PASSIONATE | PROGRESSIVE

THE SCHOOL DISTRICT OF LEE COUNTY

Debbie Jordan, District 4 (Chair)
Betsy Vaughn, District 6 (Vice Chair)

Mary Fischer, District 1
Melisa W. Giovannelli, District 2
Chris N. Patricca, District 3
Gwynetta S. Gittens, District 5
Cathleen O'Daniel Morgan, District 7

Kathy Dupuy-Bruno, Esq., Board Attorney

General Board Office Correspondence
BoardOffice@leeschools.net

Dr. Kenneth Savage, Superintendent

www.leeschools.net

The School Board of Lee County, Florida, prohibits discrimination on the basis of age, color, disability, gender, national origin, marital status, religion, or sexual orientation.

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