

### **DEBT OVERVIEW**

The Debt Service fund is used to retire the indebtedness of the School District, which has been incurred for capital outlay projects. Debt Management Policy 7.102, adopted on June 17, 2008, provides guidance for incurring and managing the debt of the District. Debt instruments are used to finance new school construction, renovate existing facilities, as well as facilitate major purchases such as computers and other capital equipment.

The District's long-term debt is in the form of Capital Outlay Bond Issues (COBI), Certificates of Participation (COPs), and Lease Purchase Agreements for personal property.

The Debt Service budget for 2023-2024 is \$73,527,325. This reflects a \$844,555 or 10.10% increase from the actual 2022-2023 fiscal year. We continue the \$1,889,238 annual payments made into the sinking fund reserve balance for the Series 2010-A Qualified School Construction Bonds (QSCB). The District expects to receive \$1,967,816 in revenue from the Internal Revenue Service as a direct payment credit subsidy to offset interest expense for our QSCB.

#### **Capital Outlay Bond Issues (COBI)**

The State Constitution provides that a portion of motor vehicle license tax revenues may be dedicated to local school districts. These revenues may be used by the State to issue bonds on behalf of a school district. Annually, the Department of Education notifies each district of the amount of potential bonding capacity available to the district. At the district's request, the State issues COBI bonds on behalf of the district, withholding sufficient motor vehicle tax revenues to cover the debt service and administrative expenses. Each year, the Department of Education provides the District with "book entry" information showing the status of our State Board of Education bond account.

The District has a total of \$1,572,000 in outstanding bonds payable for Series 2014-A, 2017-A and 2020-A.

#### **Certificates of Participation (COPs)**

The lease purchase financing of capital improvements through the issuance of Certificate of Participation's is a technique frequently utilized by Florida school districts to finance school facilities. A Certificate of Participation (COP) is a pro-rata share of future lease payments for properties constructed or improved under a Master Lease Agreement. Specific sites that are part of the Lease are identified through a Ground Lease. In the unlikely event the School Board defaults on the Lease, properties under the Ground Lease would be leveraged to earn sufficient revenues to repay investors. Lease payments are generally repaid by transfers from the Local Capital Improvement Fund whose revenue is derived from property tax levies as authorized by Section 1011.71(2), Florida Statutes. Florida Statute states that debt service may not exceed an amount equal to three-quarters (75%) of the proceeds from the capital millage levied by the School Board. District policy 7.102 states that lease payments shall not exceed fifty percent (50%) or 1.0 mills of the authorized capital outlay millage, unless approved by a supermajority of the School Board.

#### **Series 2010-A**

On June 28, 2010, the District was awarded an allocation of \$43,026,000 in Federal Qualified School Construction Bond program funds as authorized in the American Recovery and Reinvestment Act of 2009 (ARRA). On September 1, 2010 the District entered into a financing arrangement (School Board of Sarasota County, Florida

- Certificates of Participation, Series 2010A QSCB), whereby the District secured financing of various educational facilities for the allocation amount of \$43,026,000.

The District property included in the Ground Lease under this arrangement is Booker High School.

The lease payments on the Series 2010-A issue are payable by the District semiannually on June 15th and December 15th at the fixed interest rate of 4.94%. The District also receives a direct payment credit subsidy from the Internal Revenue Service at the rate of 4.85% for a net interest cost to the District of .09%. As of March 1, 2013, as a result of the Balanced Budget and Emergency Deficit Control Act of 1985, more commonly referred to as sequestration, the direct payment credit subsidy amount was reduced by 8.7% for June 30, 2013, 7.2% for June 30, 2014, 7.3% for June 30, 2015, 6.8% for June 30, 2016, 6.9% for June 30, 2017, 6.6% for June 30, 2018, 6.2% for June 30, 2019, 5.9% for June 30, 2020 and 5.7% for all direct payment credit subsidies thereafter until September 30, 2030, for a net subsidy amount of 4.52% for the 2023-2024 fiscal year. An annual deposit into the sinking fund of \$1,889,238 (as adjusted for current investment yields) is required to repay the principal balance due July 1, 2027.

### **Series 2016**

On April 28, 2016 the District entered into a financing arrangement (School Board of Sarasota County, Florida - Certificates of Participation, Series 2016), whereby the District advanced refunded the callable portions of the Series 2009 and Series 2010-B Certificates of Participation in the amount of \$68,365,000.

The proceeds from the Series 2016 issue have been placed in escrow to pay the lease payments on the refunded certificates until the call dates of July 1, 2019 for the Series 2009 and July 1, 2020 for the Series 2010-B.

The District was able to achieve \$3,857,154 of net present value debt service savings or 6.46% of the refunded par amount. This equates to approximately \$450,000 of annual savings through July 1, 2024 and \$183,000 on July 1, 2025.

The lease payments for the Series 2016 issue are payable by the District semiannually on June 15th and December 15th at a fixed interest rate of 1.74%.

### **Series 2022**

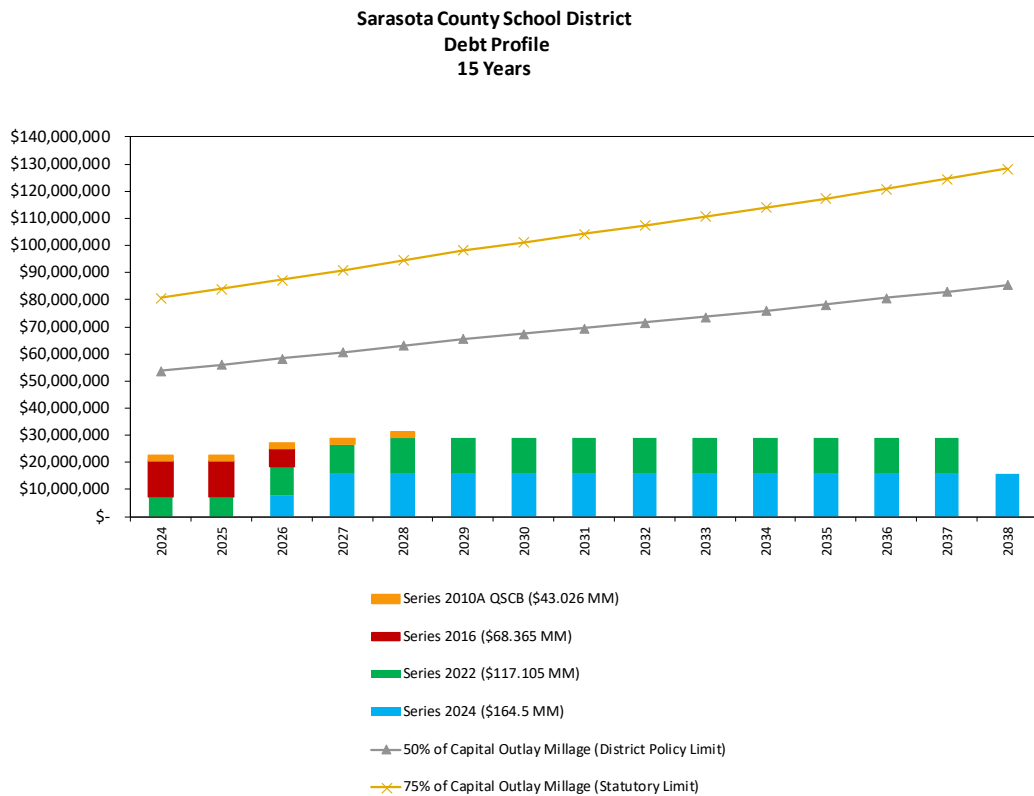
On December 15, 2022, the District entered into a financing arrangement (School Board of Sarasota County, Florida – Certificates of Participation, Series 2022A), whereby the District secured financing for a new PK-8 school on the Clark/Lorraine site and a new wing at Gocio Elementary for the allocation amount of \$117,105,000.

The lease payments for Series 2022A are due on January 1 and July 1 of each year and vary in amount from \$3,187,858.33 to \$13,419,500. The All-In True interest cost is 3.35%. Payment amounts were set to ensure all COPs payments when combined were a level amount.

The District property in the Ground Lease under this arrangement is a new K-8 located at Lorraine and Clark and Gocio Elementary.

**Series 2023 (Projected)**

There is a projected borrowing in the five (5) year CIP budget in the amount of \$164,500,000. The COPS proceeds are planned to be used for a new High School at Wellen Park at a cost of \$175,000,000 with \$164,500,000 being borrowed. This borrowing has been calculated at an interest rate of five percent (5%) for fifteen (15) years for budgeting purposes.



For school year 2023/2024 the District's local debt issuance capacity, based on Florida Statute, is \$960,584,343 while the more conservative debt capacity based on Board Policy is \$561,516,675.

As of June 30, 2023, the amount of bonded debt that the District has is \$343,921,000. This is approximately 3.29% of the bonded indebtedness limit of \$10,446,672,962.

**Bond Amortization Schedule**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Principal and Interest</b>
<b>State School Bonds:</b>			
2023-24	355,000	74,240	429,240
2024-25	281,000	58,790	339,790
2025-26	304,000	44,740	348,740
2026-27	196,000	29,540	225,540
2027-28	208,000	19,740	227,740
2028-29	111,000	11,400	122,400
2029-30	117,000	5,850	122,850
<b>Total State School Bonds:</b>	<b>\$ 1,572,000</b>	<b>\$ 244,300</b>	<b>\$ 1,816,300</b>

See outstanding debt pages for each individual issue debt schedule.

**Other Debt Schedule**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Principal and Interest</b>
<b>Certificates of Participation:</b>			
2023-24*	14,480,000	8,280,256	22,760,256
2024-25*	14,230,481	14,944,322	29,174,803
2025-26*	18,378,736	21,311,086	39,689,822
2026-27*	62,316,423	20,385,900	82,702,323
2027-28*	22,825,194	17,224,894	40,050,088
2029-40*	325,790,166	101,248,510	427,038,676
<b>Total Certificates of Participation:</b>	<b>\$ 458,021,000</b>	<b>\$ 183,394,968</b>	<b>\$ 641,415,968</b>
<b>Capital Lease Obligations:*</b>			
2023-24	11,598,587	588,560	12,187,147
2024-25	12,761,563	472,972	13,234,535
2025-26	12,907,099	417,335	13,324,434
2026-27	10,637,305	334,336	10,971,641
2027-28	8,825,950	199,186	9,025,136
2028-29	5,326,220	88,862	5,415,082
2029-30	1,782,744	22,284	1,805,028
<b>Total Capital Lease Obligations:</b>	<b>\$ 63,839,468</b>	<b>\$ 2,123,535</b>	<b>\$ 65,963,003</b>
<b>Total Other Debt</b>	<b>\$ 521,860,468</b>	<b>\$ 185,518,503</b>	<b>\$ 707,378,971</b>

\* Includes debt service related to projected COPS issues and lease agreements planned through FY 2024-2025.

See outstanding debt pages for each individual issue debt schedule.

**Net Debt Schedule**

	<u>Issue</u>	<u>Total</u>
<b>State School Bonds:</b>		
Series 2014-A	\$ 92,000	
Series 2017-A	775,000	
Series 2020-A	705,000	\$ 1,572,000
<b>Certificates of Participation:</b>		
Series 2010-A	\$ 43,026,000	
Series 2016	19,290,000	
Series 2022* (Projected)	117,105,000	
Series 2024* (Projected)	164,500,000	\$ 343,921,000
<b>Obligations under Capital Lease:</b>		
Hewlett Packard Lease Agreement #11	246,919	
Hewlett Packard Lease Agreement #12	3,632,390	
Hewlett Packard Lease Agreement #13	8,035,192	
Hewlett Packard Lease Agreement #14	9,073,190	
Hewlett Packard Lease Agreement #15*	14,000,000	
Hewlett Packard Lease Agreement #16*	14,000,000	
Hewlett Packard Lease Agreement #17*	-	
Xerox Color Copier Lease Agreement*	851,776	\$ 49,839,467
<b>Total Net Debt</b>	<u>\$ 395,332,467</u>	<u>\$ 395,332,467</u>

\* Projected for 2023-2024, 2024-2025 and 2025-2026

**State Board of Education Bonds**

Fiscal Year	All Bond Issues		
	Principal	Interest	Total
2023-24	355,000	74,240	429,240
2024-25	281,000	58,790	339,790
2025-26	304,000	44,740	348,740
2026-27	196,000	29,540	225,540
2027-28	208,000	19,740	227,740
2028-29	111,000	11,400	122,400
2029-30	117,000	5,850	122,850
	<u>\$ 1,572,000</u>	<u>\$ 244,300</u>	<u>\$ 1,816,300</u>
<u>Source of Funds</u>		Withheld by State Using Motor Vehicle License Tax Revenue.	

Fiscal Year	Refunding Series 2014-A			
	Principal	Interest	Total	Interest Rates
2023-24	92,000	2,300	94,300	5.000%
	<u>\$ 92,000</u>	<u>\$ 2,300</u>	<u>\$ 94,300</u>	
Issue Amount: \$658,000				

Fiscal Year	Refunding Series 2017-A			
	Principal	Interest	Total	Interest Rates
2023-24	177,000	36,690	213,690	5.000%
2024-25	191,000	27,840	218,840	5.000%
2025-26	208,000	18,290	226,290	5.000%
2026-27	96,000	7,890	103,890	5.000%
2027-28	103,000	3,090	106,090	3.000%
	<u>\$ 775,000</u>	<u>\$ 93,800</u>	<u>\$ 868,800</u>	
Issue Amount: \$1,519,000				

**State Board of Education Bonds**

Fiscal Year	Refunding Series 2020-A			
	Principal	Interest	Total	Interest Rates
2023-24	86,000	35,250	121,250	5.000%
2024-25	90,000	30,950	120,950	5.000%
2025-26	96,000	26,450	122,450	5.000%
2026-27	100,000	21,650	121,650	5.000%
2027-28	105,000	16,650	121,650	5.000%
2028-29	111,000	11,400	122,400	5.000%
2029-30	117,000	5,850	122,850	5.000%
	<u>\$ 705,000</u>	<u>\$ 148,200</u>	<u>\$ 853,200</u>	
Issue Amount: \$947,000				

## Certificates of Participation

Fiscal Year	All Issues		
	Principal	Interest	Total
2023-24	14,480,000	8,316,381	22,796,381
2024-25	11,586,653	12,129,822	23,716,475
2025-26	12,958,889	15,866,902	28,825,791
2026-27	56,625,583	15,218,958	71,844,541
2027-28	16,849,813	12,413,494	29,263,307
2028-29	17,695,553	11,571,003	29,266,556
2029-30	18,577,831	10,686,225	29,264,056
2030-31	19,507,722	9,757,334	29,265,056
2031-32	20,481,359	8,781,948	29,263,307
2032-33	21,509,926	7,757,880	29,267,806
2033-34	22,584,673	6,682,384	29,267,057
2034-35	23,711,906	5,553,150	29,265,056
2035-36	24,898,002	4,367,555	29,265,557
2036-37	26,139,402	3,122,654	29,262,056
2037-38	14,032,622	1,815,684	15,848,306
2038-39	14,734,253	1,114,053	15,848,306
2039-40	7,546,813	377,341	7,924,154
	<u>\$ 343,921,000</u>	<u>\$ 135,532,768</u>	<u>\$ 479,453,768</u>
<u>Source of Funds - Local Capital Improvement (Millage)</u>			
<u>Paying Agent - Wells Fargo</u>			

Fiscal Year	Series 2010-A (Fund 2296)				
	Principal	Sinking Fund Annual Deposit	Interest	Tax Credit Rebate	Total
2023-24	-	1,889,238	2,125,485	(1,967,816)	2,046,907
2024-25	-	1,889,238	2,125,485	(1,967,816)	2,046,907
2025-26	-	1,889,238	2,125,485	(1,967,816)	2,046,907
2026-27	43,026,000	(40,978,000)	2,125,485	(1,967,816)	2,205,669
	<u>\$ 43,026,000</u>	<u>\$ (35,310,286)</u>	<u>\$ 8,501,940</u>	<u>\$ (7,871,264)</u>	<u>\$ 8,346,390</u>
Qualified School Construction Bond (QSCB) - Booker High School Issue Amount: \$43,026,000.00 Date: September 1, 2010 (\$35,310,286) represents Current Sinking Fund Matured Value					



## Refunding Certificates of Participation

Fiscal Year	Series 2016 Refunding (Fund 2298)			
	Principal	Interest	Total	Interest Rates
2023-24	13,035,000	335,646	13,370,646	1.7400%
2024-25	6,255,000	108,837	6,363,837	1.7400%
	<u>\$ 19,290,000</u>	<u>\$ 444,483</u>	<u>\$ 19,734,483</u>	
Issue Amount: \$68,365,000 - Suncoast Technical College, Atwater Elementary, Booker High and Venice High School				
Date: April 28, 2016 - Refunding of Series 2009 and 2010-B				

Fiscal Year	Series 2022 (Fund 2291)			
	Principal	Interest	Total	Interest Rates
2023-24	1,445,000	5,855,250	7,300,250	5.0000%
2024-25	1,520,000	5,783,000	7,303,000	5.0000%
2025-26	5,145,000	5,707,000	10,852,000	5.0000%
2026-27	5,395,000	5,449,750	10,844,750	5.0000%
2027-28	8,235,000	5,180,000	13,415,000	5.0000%
2028-29	8,650,000	4,768,250	13,418,250	5.0000%
2029-30	9,080,000	4,335,750	13,415,750	5.0000%
2030-31	9,535,000	3,881,750	13,416,750	5.0000%
2031-32	10,010,000	3,405,000	13,415,000	5.0000%
2032-33	10,515,000	2,904,500	13,419,500	5.0000%
2033-34	11,040,000	2,378,750	13,418,750	5.0000%
2034-35	11,590,000	1,826,750	13,416,750	5.0000%
2035-36	12,170,000	1,247,250	13,417,250	5.0000%
2036-37	12,775,000	638,750	13,413,750	5.0000%
2037-38	-	-	-	5.0000%
	<u>\$ 117,105,000</u>	<u>\$ 53,361,750</u>	<u>\$ 170,466,750</u>	
Projected Issue Amount: \$117,105,000				
Closing Date: December 2022				

**Certificates of Participation**

Fiscal Year	Series 2024 (Fund 2292)			
	Principal	Interest	Total	Interest Rates
2023-24	-	-	-	
2024-25	3,811,653	4,112,500	7,924,153	5.0000%
2025-26	7,813,889	8,034,417	15,848,306	5.0000%
2026-27	8,204,583	7,643,723	15,848,306	5.0000%
2027-28	8,614,813	7,233,494	15,848,307	5.0000%
2028-29	9,045,553	6,802,753	15,848,306	5.0000%
2029-30	9,497,831	6,350,475	15,848,306	5.0000%
2030-31	9,972,722	5,875,584	15,848,306	5.0000%
2031-32	10,471,359	5,376,948	15,848,307	5.0000%
2032-33	10,994,926	4,853,380	15,848,306	5.0000%
2033-34	11,544,673	4,303,634	15,848,307	5.0000%
2034-35	12,121,906	3,726,400	15,848,306	5.0000%
2035-36	12,728,002	3,120,305	15,848,307	5.0000%
2036-37	13,364,402	2,483,904	15,848,306	5.0000%
2037-38	14,032,622	1,815,684	15,848,306	5.0000%
2038-39	14,734,253	1,114,053	15,848,306	5.0000%
2039-40	7,546,813	377,341	7,924,154	5.0000%
	<u>\$ 164,500,000</u>	<u>\$ 73,224,595</u>	<u>\$ 237,724,595</u>	
Projected Issue Amount: \$164,500,000 - Wellen Park High School				
Projected Date: September 2023				

**Lease Purchase Agreements**

Fiscal Year	All Leases		Total Principal and Interest
	Principal	Interest	
2023-24	11,598,587	588,560	12,187,147
2024-25	12,761,563	472,972	13,234,535
2025-26	12,907,099	417,335	13,324,434
2026-27	10,637,305	334,336	10,971,641
2027-28	8,825,950	199,186	9,025,136
2028-29	5,326,220	88,862	5,415,082
2029-30	1,782,744	22,284	1,805,028
	<u>\$ 63,839,468</u>	<u>\$ 2,123,535</u>	<u>\$ 65,963,003</u>

Fiscal Year	Xerox Copier Lease Agreement (Proj 4694)		Total Principal and Interest
	Principal	Interest	
2023-24	75,138	3,875	79,013
	<u>\$ 75,138</u>	<u>\$ 3,875</u>	<u>\$ 79,013</u>
<u>Equipment</u> Xerox DPS 314 Copier (2) Xerox DPS 157 Copier CP Bourg BDFX Finisher - Booklet Maker Only  New lease as of 1/1/18			

**Lease Purchase Agreements**

Fiscal Year	Xerox Copier Lease Agreement (Proj 4695)		Total Principal and Interest
	Principal	Interest	
2023-24	13,958	1,780	15,738
2024-25	15,091	648	15,739
	<u>\$ 29,049</u>	<u>\$ 2,428</u>	<u>\$ 31,477</u>
<u>Equipment</u>			
Xerox V280 (Versant 280 PRF PRES			
Xerox V280STNDA (Ex Standalone PS)			
New lease as of 7/1/21			

Fiscal Year	Xerox Copier Lease Agreement (Proj 4696)		Total Principal and Interest
	Principal	Interest	
2023-24	186,476	56,059	242,535
2024-25	202,858	39,677	242,535
2025-26	220,679	21,856	242,535
2026-27	137,576	3,903	141,479
	<u>\$ 747,589</u>	<u>\$ 121,495</u>	<u>\$ 869,084</u>
<u>Equipment</u>			
Xerox DPS 314 Copier (2)			
Xerox DPS 157 Copier			
CP Bourg BDFX Finisher - Booklet Maker Only			
Projected New lease as of 7/1/23			

**Lease Purchase Agreements**

Fiscal Year	HP Lease Agreement #11 (Project 4700)		Total Principal and Interest
	Principal	Interest	
2023-24	246,919	796	247,715
	<u>\$ 246,919</u>	<u>\$ 796</u>	<u>\$ 247,715</u>
<u>Equipment</u>			
Elitebook with Touchscreen 840G3 (3,157) with Docking Station (771)			
Small Form Factor Desktop Computers Model Z240 (2,333)			
CTE Small Form Factor Desktop Computers Model Z240 (289)			
All-in-One 800 (581) with Stand (20)			
EliteDesk Mini 800 Workstation with Security Sleeve (62)			
20" Monitors HP EliteDisplay E202 (2,296)			
24" Monitors HP EliteDisplay E242 (297)			
20/30 Notebook Managed Charging Cart (225)			
HP x360 310 Convertible Assessment Tablet (4,873) with Tablet Cart (18)			
Touch Monitor (35)			
PC Mounting Brackets for Mini (2,292)			
Wireless Keyboard and Mice (576)			
Release Mounting Kit (55)			
Gaming Computers for Suncoast Polytechnical (62)			

**Lease Purchase Agreements**

Fiscal Year	HP Lease Agreement #12 (Project 4701)		Total Principal and Interest
	Principal	Interest	
2023-24	2,891,846	89,407	2,981,253
2024-25	740,544	4,770	745,314
	<u>\$ 3,632,390</u>	<u>\$ 94,177</u>	<u>\$ 3,726,567</u>
<b><u>Equipment</u></b>			
HP Z32 31.5-inch 4K UHD			1
HP EliteDisplay E243 23.8" monitor (1920x1080)			449
Mounting bracket for the 24" Monitor B300			136
Single mini DP-to-DP Adapter Cable (for CTE workstations)			244
HP z2 G4 Xeon small form factor Workstation			288
HP zBook 14u G6 w/touchscreen			2,831
HP zBook 15u G6 Mobile Workstation w/touchscreen			89
HP EliteOne 800 G5 Touch AiO w/stand, w/o KB+mouse			4
HP EliteOne 800 G5 Touch AiO w/o stand, w/o KB+mouse			488
EliteDesk 800 G5 w/HDMI, USB KB&Mouse			1,732
HP QUICK RELEASE BRACKET V2			10
HP Probook x360 11EE G5			5,582
HP Probook x360 11EE G5			30
Logitech MK520 Wireless Keyboard & Mouse Kit			77
Custom 24X Link L Cart (MDMLAP24NR-SAR)			234
32X Link L Cart (MDMLAP32NR-SAR)			63
HP UltraSlim Docking Station			886
HP EliteDisplay E202 20" monitor (1600x900)			1,645

**Lease Purchase Agreements**

Fiscal Year	HP Lease Agreement #13 (Project 4702)		Total Principal and Interest
	Principal	Interest	
2023-24	3,514,203	164,600	3,678,803
2024-25	3,605,197	73,606	3,678,803
2025-26	915,792	3,909	919,701
	<u>\$ 8,035,192</u>	<u>\$ 242,115</u>	<u>\$ 8,277,307</u>
<b><u>Equipment</u></b>			
Standard Laptop ProBook 640 G8			1,241
Standard Dock USB-CGS			1,136
CTE Laptop zbook 15 G7 Fury			114
CTE Dock Thunderbolt 230W			62
Student Notebook ProBook x360 GS			8,626
Standard Desktop Elite Desk Mini 800 G6			1,557
E22 G4 Monitor			1,395
CTE Desktop z2 GS i7			394
E24 G4 Monitor			489
All-in-One Elite One 800 G6			528
All-in-One Elite One 800 G6 with stand			61
Bretford 24 unit cart			166
Bretford 32 unit cart			124
Bretford CUBE Micro Station			1
Wireless Keyboard & Mouse			80
Bracket Quick Release			52
Bracket Monitor B300			1,512

**Lease Purchase Agreements**

Fiscal Year	HP Lease Agreement #14 (Project 4703)		Total Principal and Interest
	Principal	Interest	
2023-24	2,952,520	184,543	3,137,063
2024-25	3,023,823	113,240	3,137,063
2025-26	3,096,847	40,215	3,137,063
	<u>\$ 9,073,190</u>	<u>\$ 337,998</u>	<u>\$ 9,411,189</u>
<b><u>Equipment</u></b>			
Standard Laptop ProBook 640 G8 w/touch			907
Standard Dock USB-CGS			847
CTE Laptop zbook Fury 15 w/touch			105
CTE Dock Thunderbolt			24
Mini Desktop - EliteDesk Mini 800 G6			2,826
22-inch Monitor			1,899
CTE Desktop z2 G5			408
24-inch Monitor			478
All-in-One Elite One 800 G6			510
All-in-One Elite One 800 G6 with stand			73
Logitech Wireless Keyboard & Mouse			830
Student Notebook ProBook 11 x 360 G7			7,916
Laptop Cart - Cube			140
Laptop Cart - 24 Unit			150
Laptop Cart - 32 Unit			123
HP B300PC Mounting Bracket for 24 inch Monitor 2DW53AA			2,016
Quick Release Bracket v2 for CTE Desktops			830



### Lease Purchase Agreements

Fiscal Year	HP Lease Agreement #15 (Projected) (Project 4704)		
	Principal	Interest	Total Principal and Interest
2023-24	1,717,527	87,500	1,805,027
2024-25	3,456,523	153,531	3,610,054
2025-26	3,499,730	110,324	3,610,054
2026-27	3,543,476	66,578	3,610,054
2027-28	1,782,744	22,284	1,805,028
	<u>\$ 14,000,000</u>	<u>\$ 440,217</u>	<u>\$ 14,440,217</u>
<u>Equipment</u>			
Standard Laptop EliteBook 840 G9 512 16			1,113
Standard Essential Dock			1,020
CTE Laptop zBook 14 Firefly G9			31
CTE Essential Dock			16
Mini Desktop - EliteDesk Mini 800 G9			1,600
CTE Desktop z2 G9 Mini Workstation i7			373
24-inch Monitor			1,605
24-inch Monitor Touchscreen			572
All-in-one EliteOne 840 G9 without stand			575
Logitech Wireless Keyboard/Mouse			126
Student Notebook ProBook Fortis G9 Pentium x360			9,613
Laptop Cart - Cube 10			128
Laptop Cart - Cube 16			77
Laptop Cart - 24 unit			245
Laptop Cart - 32 unit			67
Quick Release Bracket v2 for CTE desktops			22
HP B300PC Mounting Bracket			1,988
HP Z32K Monitor			35
HP B550 Mounting Bracket			35
HP E24mv Monitor			25
HP z2 mini arm Wall Vesa			35

**Lease Purchase Agreements**

Fiscal Year	HP Lease Agreement #16 (Projected)(Project 4705)		
	Principal	Interest	Total Principal and Interest
2023-24	-	-	-
2024-25	1,717,527	87,500	1,805,027
2025-26	3,456,523	153,531	3,610,054
2026-27	3,499,730	110,324	3,610,054
2027-28	3,543,476	66,578	3,610,054
2028-29	1,782,744	22,284	1,805,028
	<u>\$ 14,000,000</u>	<u>\$ 440,217</u>	<u>\$ 14,440,217</u>
<b><u>Equipment</u></b>			
Standard Laptop EliteBook 840 G9 512 16			1,113
Standard Essential Dock			1,020
CTE Laptop zBook 14 Firefly G9			31
CTE Essential Dock			16
Mini Desktop - EliteDesk Mini 800 G9			1,600
CTE Desktop z2 G9 Mini Workstation i7			373
24-inch Monitor			1,605
24-inch Monitor Touchscreen			572
All-in-one EliteOne 840 G9 without stand			575
Logitech Wireless Keyboard/Mouse			126
Student Notebook ProBook Fortis G9 Pentium x360			9,613
Laptop Cart - Cube 10			128
Laptop Cart - Cube 16			77
Laptop Cart - 24 unit			245
Laptop Cart - 32 unit			67
Quick Release Bracket v2 for CTE desktops			22
HP B300PC Mounting Bracket			1,988
HP Z32K Monitor			35
HP B550 Mounting Bracket			35
HP E24mv Monitor			25
HP z2 mini arm Wall Vesa			35
Duplicate Projected HP Lease Agreement #15			

**Lease Purchase Agreements**

HP Lease Agreement #17 (Projected)(Project 4706)			
Fiscal Year	Principal	Interest	Total Principal and Interest
2023-24	-	-	-
2024-25	-	-	-
2025-26	1,717,527	87,500	1,805,027
2026-27	3,456,523	153,531	3,610,054
2027-28	3,499,730	110,324	3,610,054
2028-29	3,543,476	66,578	3,610,054
2029-30	1,782,744	22,284	1,805,028
	<u>\$ 14,000,000</u>	<u>\$ 440,217</u>	<u>\$ 14,440,217</u>
<u>Equipment</u>			
Standard Laptop EliteBook 840 G9 512 16			1,113
Standard Essential Dock			1,020
CTE Laptop zBook 14 Firefly G9			31
CTE Essential Dock			16
Mini Desktop - EliteDesk Mini 800 G9			1,600
CTE Desktop z2 G9 Mini Workstation i7			373
24-inch Monitor			1,605
24-inch Monitor Touchscreen			572
All-in-one EliteOne 840 G9 without stand			575
Logitech Wireless Keyboard/Mouse			126
Student Notebook ProBook Fortis G9 Pentium x360			9,613
Laptop Cart - Cube 10			128
Laptop Cart - Cube 16			77
Laptop Cart - 24 unit			245
Laptop Cart - 32 unit			67
Quick Release Bracket v2 for CTE desktops			22
HP B300PC Mounting Bracket			1,988
HP Z32K Monitor			35
HP B550 Mounting Bracket			35
HP E24mv Monitor			25
HP z2 mini arm Wall Vesa			35
Duplicate Projected HP Lease Agreement #16			

**DEBT SERVICE LEGAL LIMITS****General Obligation Bonds**

The Florida State Board of Education Administration Rule 6A-1037(2) establishes a parameter on bonded indebtedness for school districts. Limits are computed as ten percent of the assessed value of taxable property as of the most current year. The District can bond approximately \$10.4 billion with voter approval. Funds may be used for schools listed in the advertised project list.

Non-Exempt Assessed Valuation of Sarasota County - 2023	\$ 107,921,659,624
Limit of Bonded Indebtedness	\$ 10,792,165,962
Less: Outstanding Bonded Debt as of 6/30/23	
Certificates of Participation (COPS)	\$ 343,921,000
Capital Outlay Bond Issue (COBI)	1,572,000
Total Outstanding Bonded Debt as of 6/30/23	<u>\$ 345,493,000</u>
<b>Legal Debt Margin on Bonded Debt</b>	<u><u>\$ 10,446,672,962</u></u>

**Certificates of Participation (COPs)**

According to Section 1011.71(2)(e), Florida Statutes, debt service may not exceed an amount equal to three-quarters (75%) of the proceeds from the capital millage levied by the School Board. These revenue certificates are used as payment for educational facilities, sites, equipment, and buses under a lease purchase agreement entered into by the School Board. In addition, the School Board adopted Debt Management Policy 7.102 provides debt service shall not exceed fifty percent (50%) or 1.0 mills of the authorized capital outlay millage, unless approved by a supermajority of the School Board.

Fiscal Year 2023-2024 Capital Millage (1.5 Mills) Proceeds @ 95% \$ 153,788,365

**Florida Statutes:**

Debt Service Capacity (75% of above proceeds)	\$ 115,341,274
Less: 2023-2024 Net Debt Service for COPs	22,796,381
Potential Additional Debt Service for COPs	<u>\$ 92,544,893</u>

**Approximate Additional COPs Borrowing Capacity** \$ 960,584,343

**School Board Policy:**

Debt Service Capacity (50% of above proceeds)	\$ 76,894,182
Less: 2023-2024 Net Debt Service for COPs	22,796,381
Potential Additional Debt Service for COPs	<u>\$ 54,097,801</u>

**Approximate Additional COPs Borrowing Capacity** \$ 561,516,675

**DEBT SERVICE LEGAL LIMITS POLICY****Florida Statute****1011.71 District school tax. —**

(2) In addition to the maximum millage levy as provided in subsection (1), each school board may levy not more than 1.5 mills against the taxable value for school purposes for charter schools pursuant to s. [1013.62](#)(1) and (3) and for district schools to fund:

(e) Payments for educational facilities and sites due under a lease-purchase agreement entered into by a district school board pursuant to s. [1003.02](#)(1)(f) or s. [1013.15](#)(2), not exceeding, in the aggregate, an amount equal to three-fourths of the proceeds from the millage levied by a district school board pursuant to this subsection. The three-fourths limit is waived for lease-purchase agreements entered into before June 30, 2009, by a district school board pursuant to this paragraph. If payments under lease-purchase agreements in the aggregate, including lease-purchase agreements entered into before June 30, 2009, exceed three-fourths of the proceeds from the millage levied pursuant to this subsection, the district school board may not withhold the administrative fees authorized by s. [1002.33](#)(20) from any charter school operating in the school district.

**School Board Policy****Chapter 7 - Debt Management 7.102****Section IV****B. Long Term Debt**

- 1) **General Obligation Bonds** - Pursuant to State Board of Education rule 6A-1.037(2), the measure shall be the outstanding debt-to-taxable property ratio, such that a bond issue, together with other school bonds outstanding against the District shall not exceed ten percent (10%) of the nonexempt assessed valuation of the District.
- 2) **Certificates of Participation**
  - (a) The measure shall be lease payments as a percentage of capital outlay millage dollars and shall not exceed 50% (or 1.0 mills) of the authorized capital outlay millage, unless approved by a supermajority of the School Board.
  - (b) Additionally, the District will comply with all applicable Florida statutory requirements and State Board of Education rules and take into account other factors suggested or required by the credit rating agencies and bond insurers when preparing its capital budget and each specific plan of finance.

**AVAILABLE BORROWING CAPACITY – OTHER DEBT INSTRUMENTS**

In addition to the previously listed debt instruments that the District currently employs, the following options are also available. With the exception of Emergency Loans, the School Board has expressed no interest in pursuing any of these options at this time.

**General Obligation Bonds**

Pursuant to Sections 1010.40 and 1010.41, Florida Statutes, each school district is allowed to seek a voter-approved general obligation bond issue. The referendum, if approved, allows payment of the debt using local debt service millage as required to retire the annual principal and interest payments of the bond issue. Since it is voter approved, the school board must pay for the election and the annual commission to the County Tax Collector. The limit on the amount of General Obligation Bonds that a school district can issue cannot exceed a value equal to 10% of the assessed value of taxable property on the tax roll.

**Special Revenue Bonds**

The State of Florida Constitution and Statutes provides school districts authorization to bond recurring revenues. These special revenue bonds are limited and special obligations of the district payable solely from and secured by a prior lien upon and pledge of the proceeds received by the District from the levy and collection of a discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes. The bonds and the indebtedness evidenced thereby do not constitute a lien upon any property of the district but constitute a lien only on the pledged funds as provided in a bond resolution.

**Loans Pursuant to Section 1011.14, Florida Statutes (Emergency Loans)**

Section 1011.14, Florida Statutes, allows for the creation of obligations by way of anticipation of budgeted revenues accruing on a current basis without pledging the credit of the district or requiring future levy of taxes for certain purposes for a period of one year. Such obligations may be extended from year to year with the consent of the lender for a period not to exceed four (4) years, or for a total of five (5) years including the initial year of the loan.

**DISTRICT BOND RATINGS**

Sound financial management and the School Board's commitment to maintaining a healthy fund balance have led to very high bond ratings from all three major rating agencies. Debt issued by the School District of Sarasota County is considered to be of high quality and very secure. The high bond ratings translate to lower interest rates on District debt issues and save millions in interest expenditures. The District is currently one of the highest-rated school districts in the State of Florida. Below is a breakdown of the bond ratings:

Rating Agency	Long Term – General Obligation Bonds	Long Term – Certificates of Participation	Ratings Outlook
Fitch	AA+	AA	Stable
Moody's	Aa1	Aa2	Stable
Standard & Poors	AA-	AA-	Stable

**Fitch Ratings:**

AAA	Highest rating; extremely strong security.
AA	Very strong security; differs from AAA by only a small degree.
A	Strong capacity but more susceptible to adverse economic effects than the two above categories.
BBB	Adequate capacity but adverse economic conditions are more likely to weaken capacity.
BB	Lowest degree of speculation; risk exposure.
B	Speculative; risk exposure.
CCC, CC, C	Extremely Weak; major risk exposure.
RD	Distressed, uncured payment default, extensions, or waivers on material financial obligations.
D	Bonds in default with interest and/or repayment of principal in arrears.

“+” or “-” are used with a rating symbol to indicate the relative position of a credit within the rating category.

**Moody's Ratings:**

Aaa	Best quality; carry the smallest degree of investment risk.
Aa	High quality; margins of protection not quite as large as the AAA bonds.
A	Upper medium grade; security is adequate but could be susceptible to impairment.
Baa	Medium grade; neither highly protected nor poorly secured - lack outstanding investment characteristics and sensitive to changes in economic circumstances.
Ba	Speculative; protection is very moderate.
B	Not desirable investment; sensitive to day-to-day economic circumstances.
Caa	Poor standing; may be in default but with a workout plan.
Ca	Highly speculative; may be in default with a nominal workout plan.
C	Hopelessly in default.

Ratings are further classified by 1, 2, or 3 modifiers with 1 being high and 3 being low.

**Standard & Poor's Ratings:**

AAA	Highest rating; extremely strong security.
AA	Very strong security; differs from AAA by only a small degree.
A	Strong capacity but more susceptible to adverse economic effects than the two above categories.
BBB	Adequate capacity but adverse economic conditions are more likely to weaken capacity.
BB	Lowest degree of speculation; risk exposure.
B	Speculative; risk exposure.
CCC	Speculative; major risk exposure.
CC	Highest degree of speculation; major risk exposure.
C	No interest is being paid.
D	Bonds in default with interest and/or repayment of principal in arrears.

The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

## DEBT SERVICE FUND

	Actuals 2021-2022	Amended Budget 2022-2023	Projected Actuals 2022-2023	Tentative Budget 2023-2024
<b>Estimated Revenues</b>				
<b>Federal Sources</b>				
Miscellaneous	\$ 1,967,816	\$ 1,967,816	\$ 1,967,816	\$ 1,967,816
<b>Total Federal Sources</b>	<u>1,967,816</u>	<u>1,967,816</u>	<u>1,967,816</u>	<u>1,967,816</u>
<b>State Sources</b>				
CO & DS Withheld for Bonds/Admin	478,852	456,725	456,725	431,740
<b>Total State Sources</b>	<u>478,852</u>	<u>456,725</u>	<u>456,725</u>	<u>431,740</u>
<b>Local Sources</b>				
Interest	379	-	-	-
Investment Net Increase (Decrease) - Fair Value	-	-	-	-
<b>Total Local Sources</b>	<u>379</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Revenues</b>	<b>2,447,047</b>	<b>2,424,541</b>	<b>2,424,541</b>	<b>2,399,556</b>
<b>Other Financing Sources</b>				
Bond Proceeds	-	665,027	665,027	-
Transfer from Capital	26,994,004	38,035,195	32,135,968	37,727,124
<b>Total Other Financing Sources</b>	<u>26,994,004</u>	<u>38,700,222</u>	<u>32,800,995</u>	<u>37,727,124</u>
<b>Total Revenues and Other Financing Sources (Net)</b>	<b>29,441,051</b>	<b>41,124,763</b>	<b>35,225,536</b>	<b>40,126,680</b>
Beginning Fund Balance	<u>30,976,762</u>	<u>31,558,007</u>	<u>31,558,007</u>	<u>33,400,645</u>
<b>Total Funds Available</b>	<b><u>\$ 60,417,813</u></b>	<b><u>\$ 72,682,770</u></b>	<b><u>\$ 66,783,543</u></b>	<b><u>\$ 73,527,325</u></b>
<b>Appropriations</b>				
Appropriations by Function				
Debt Service	\$ 28,859,806	\$ 36,318,026	\$ 33,382,898	\$ 35,442,768
<b>Total Appropriations</b>	<u>28,859,806</u>	<u>36,318,026</u>	<u>33,382,898</u>	<u>35,442,768</u>
<b>Total Appropriations and Transfers Out</b>	<b><u>\$ 28,859,806</u></b>	<b><u>\$ 36,318,026</u></b>	<b><u>\$ 33,382,898</u></b>	<b><u>\$ 35,442,768</u></b>
<b>Ending Fund Balance</b>	<b><u>\$ 31,558,007</u></b>	<b><u>\$ 36,364,744</u></b>	<b><u>\$ 33,400,645</u></b>	<b><u>\$ 38,084,557</u></b>
<b>Composition of Ending Fund Balance</b>				
Restricted Fund Balance	\$ 31,558,007	\$ 36,364,744	\$ 33,400,645	\$ 38,084,557
<b>TOTAL RESERVES AND FUND BALANCE</b>	<b><u>\$ 31,558,007</u></b>	<b><u>\$ 36,364,744</u></b>	<b><u>\$ 33,400,645</u></b>	<b><u>\$ 38,084,557</u></b>
<b>TOTAL EXPENDITURES, TRANSFERS AND FUND BALANCE</b>	<b><u>\$ 60,417,813</u></b>	<b><u>\$ 72,682,770</u></b>	<b><u>\$ 66,783,543</u></b>	<b><u>\$ 73,527,325</u></b>



2023-24 Tentative Budget Amount		Goals and Strategies
		<b>1. Personalize learning and accelerate growth for ALL students</b>
	- 1A.	Expand and enhance early learning and Prekindergarten (PK) programming opportunities for our students and families.
	- 1B.	Maximize learning for ALL students through a Multi-Tiered System of Supports (MTSS).
	- 1C.	Implement a collaborative planning framework that ensures high levels of student learning using the Professional Learning Communities (PLC) Model.
	- 1D.	Provide arts and experiential learning opportunities for students that honor multiple modalities and engage ALL student groups.
	- 1E.	Equip all students for life readiness through access to accelerated, specialized, college, and career focused instructional opportunities.
	-	<b>1. Personalize learning and accelerate growth for ALL students TOTAL</b>
		<b>2. Foster a healthy, supportive learning environment for ALL students</b>
	- 2A.	Enhance social-emotional learning and supports provided to students to promote belonging, dignity, and inclusion.
	- 2B.	Promote positive behavior through proactive education and restorative practices to promote belonging, dignity, and inclusion.
	- 2C.	Provide a continuum of supports and services through intensive support for behavior. Additionally, all SCS schools would be recognized by the state as Model Schools.
	- 2D.	Build staff capacity to identify and address mental health needs of students and themselves.
	- 2E.	Create an environment in which physical safety is a priority.
	-	<b>2. Foster a healthy, supportive learning environment for ALL students TOTAL</b>
		<b>3. Recruit, Recognize, and Retain a Premier Workforce</b>
	- 3A.	Enhance recruitment efforts to attract quality and diverse applicants to decrease vacancies in all departments.
	- 3B.	Promote an exceptional employee experience to promote retention of high-quality employees.
	- 3C.	Refine and communicate a competitive compensation and benefits plan.
	-	<b>3. Recruit, Recognize, and Retain a Premier Workforce TOTAL</b>
		<b>4. Collaborate with and engage school communities to support the achievement of our students</b>
	- 4A.	Strengthen our "brand" through effective marketing and two-way district and school-based communications.
	- 4B.	Support families as partners in their children's education.
	- 4C.	Collaborate with volunteers, community foundations and organizations to support our staff and students.
	- 4D.	Build stronger platforms for effective, timely, internal employee communications.
	- 4E.	Modify climate survey to include parent communication indicators.
	-	<b>4. Collaborate with and engage school communities to support the achievement of our students TOTAL</b>
		<b>5. Efficient and effective operations through fiscal stewardship</b>
35,442,768	- 5A.	Maximize efficiency of operations.
	- 5B.	Provide intentional development for operational employees.
	- 5C.	Focus on environmental sustainability in all aspects of district and school operations.
	- 5D.	Create district-wide customer service culture.
\$ 35,442,768.00	-	<b>5. Efficient and effective operations through fiscal stewardship TOTAL</b>
\$ 35,442,768.00		<b>GRAND TOTAL</b>

