

Annual Comprehensive Financial Report

For the Year Ended June 30, 2025



THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

2855 Colonial Blvd., Fort Myers, FL 33966

www.leeschools.net



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, 2025**

Prepared by:
Financial Accounting Department

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025

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INTRODUCTORY SECTION



The School District of Lee County

Denise M. Carlin, Ed.D., Superintendent

2855 Colonial Boulevard, Fort Myers, FL 33966

O: 239.337.8300

March 25, 2026

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, 2025.

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 Forvis Mazars conducted the audit for the fiscal year ended June 30, 2025. 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, 2025, 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

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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, 2025. 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 requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This Letter of Transmittal is designed to complement 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

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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 2025 is 860,959 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 16 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 2024-25 fiscal year, the District operated 98 schools and programs comprised of 50 elementary schools, 17 middle schools, 15 high schools, 16 specialized schools and programs, and reported student enrollment of 102,519. The District does not plan to open any new schools in the 2025-26 fiscal year. To better serve schools and students, the District is divided into three geographic learning communities. In addition, the District sponsored 16 charter schools that are component units of the District and does not plan to sponsor any new charter schools during the 2025-26 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 2025-26 is 103,171. The District owns and maintains 13.5 million square feet of buildings with an average age of 44.1 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

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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 increase of 2.06 percent. The County's population has increased from 661,115 in 2015 to 860,959 in 2025, an increase of 30 percent. This compares to an 8 percent increase for Florida overall and a 2 percent increase for the nation.

Growth is projected to continue the trend above the state and nation for the next five years, increasing the population in the County to over 908,500 by 2030, and to more than 1,600,000 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 90.1% of the population over age 25 has at least a high school diploma with 30.1% 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 2025, at 4.5 percent. However, our student population continues to grow as we estimate an almost additional 1,000 students in the next fiscal year, bringing our student population to over 103,200. 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 8 largest districts in the state, and top 27 in the country. This growth is projected to increase the student population up to 1.9 percent each year bringing the estimated student population to approximately 123,800, 136,700 and 165,100 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 83 percent of employment is concentrated in the services, wholesale and retail, and government sectors. Industries expected to gain the newest jobs in the near future include local government, health services, business services, food services, and special trade contractors.

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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 11,174 full and part-time employees, including 5,814 instructional personnel.

Ranked in the top 8 in student population in the state and in the top 27 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 9 schools in the next 10 years. In order to meet this demand, the District will continue to seek additional revenue sources. There are 90 public schools in Lee County and providing adequate facilities to all students is fundamental to maintaining an effective education system. It speaks of a range of standards, including safety, class size, and equity. An ambitious construction program that produced 40 new 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 schools, 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

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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 2026, the District is planning to start the construction of two elementary schools, one middle school, and one high school, start the remodel of one elementary school and one technical center, complete the construction of one technical center and one K-8 center, complete the remodel of one elementary school, continue the construction of one elementary school, and continue the remodel of one middle school. For fiscal year 2027, the District is planning to complete the construction of a middle 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, 2024. This was the twenty third 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.

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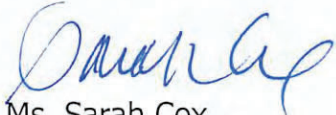
The preparation and completion of this report on a timely basis was made possible by the dedicated service of the entire staff of the District's Financial Accounting Department. Each member of the Financial Accounting Department has our sincere appreciation for the contributions made in the completion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

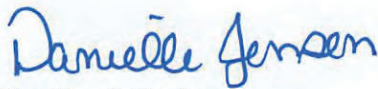
Respectfully submitted,



Dr. Denise M. Carlin
Superintendent



Ms. Sarah Cox
Chief Financial Officer, Business Services



Ms. Danielle Jensen
Senior Director, Business Services

DCM:dj/js

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



Samuel Fisher
Chairman, District 1



Jada Langford-Fleming
Vice Chairman, District 6



Melisa W. Giovannelli
District 2



William F. Ribble Jr.
District 3



Debbie Jordan
District 4



Armor Persons
District 5



Vanessa Chaviano
District 7



Denise M. Carlin, Ed.D.
Superintendent

KEY ADMINISTRATIVE STAFF

Ms. Sarah Cox
Chief Financial Officer
Business Services

Dr. Kenneth Savage
Deputy Superintendent
Superintendent's Office

Dr. Jennifer Cupid-McCoy
Chief Strategy Officer
Strategy

Dr. Nathan Shaker
Chief Academic Officer
Academic Services

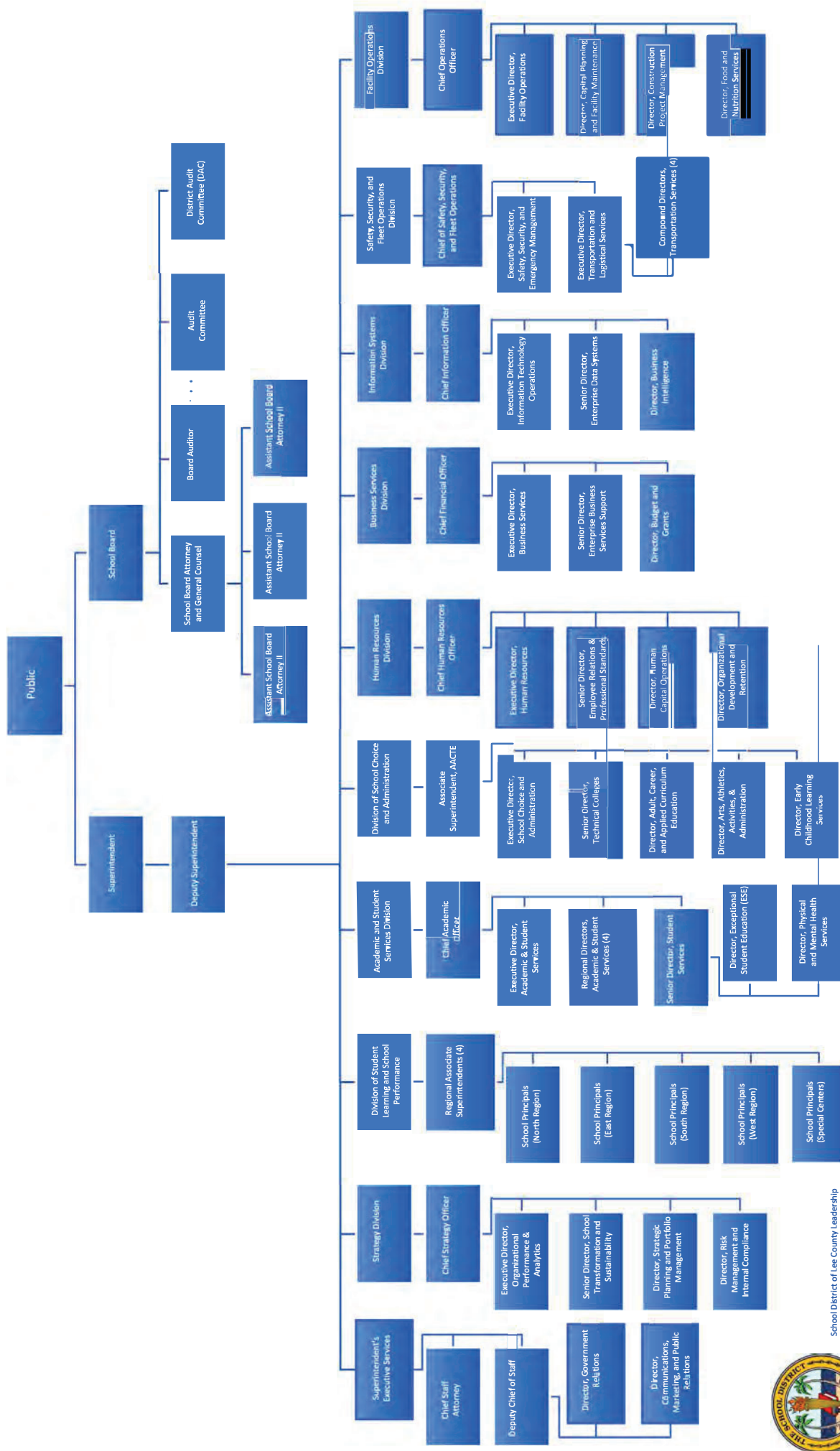
Mr. Dwayne Alton
Chief Information Officer
Information Technology

Dr. Shanna Johnston
Chief Human Resource Officer
Human Resources

Mr. Donald Neese
Chief Operations Officer
Operations

Mr. David Newlan
Chief Safety, Security, & Fleet Operations
Safety & Security

Holly Mathews
Deputy Chief of Staff
Superintendent's Office





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

School District of Lee County

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.**

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**School District of Lee County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION

Independent Auditor's Report

Honorable Chairperson and Members of
The School Board of Lee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Lee County, Florida (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the aggregate discretely presented component units, which represent 100% of the assets and deferred outflows of resources, net position and revenues of the aggregate discretely presented component units as of June 30, 2025. Those 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 aggregate discretely presented component units, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 21 to the financial statements, in the fiscal year ended June 30, 2025, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, pension and other postemployment benefit information, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards

Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison schedules and combining and individual fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the budgetary comparison schedules, and the combining individual fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2026, on our consideration of 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Tampa, Florida
March 25, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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, 2025. 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 \$1,607,063,587 at fiscal year ending June 30, 2025.
- Net position of the District increased by \$131,311,616 in comparison to the 2023-24 fiscal year.
- The District's Government-wide revenues totaled \$1,674,352,302, comprised of general revenues of \$1,550,866,813 or 92.6 percent of the total revenues. Program specific revenues from charges for services, operating grants and contributions, and capital grants and contributions, totaled \$123,485,489 or 7.4 percent of the total revenues.
- Expenses incurred by the District totaled \$1,543,040,686 for governmental related activities. Program specific revenues offset these expenses by \$123,485,489, and general revenues funded the difference.
- The District's governmental funds reported combined ending fund balances of \$1,031,515,255 or an decrease of \$13,436,772 or (1.3%) percent in 2024-25 fiscal year in comparison with the 2023-24 fiscal year.
- The unassigned fund balance of the General Fund representing the net current financial resources available for general appropriation by the Board, totaled \$136,751,432, at June 30, 2025, or 12.5 percent of total General Fund expenditures.
- The General Fund total fund balance as of June 30, 2025, totaled \$229,655,160, a (5.5) percent decrease in comparison to the 2023-24 fiscal year total of \$242,960,829. The decrease in other sources of revenue is what attributed to the reduction in the general fund.

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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:

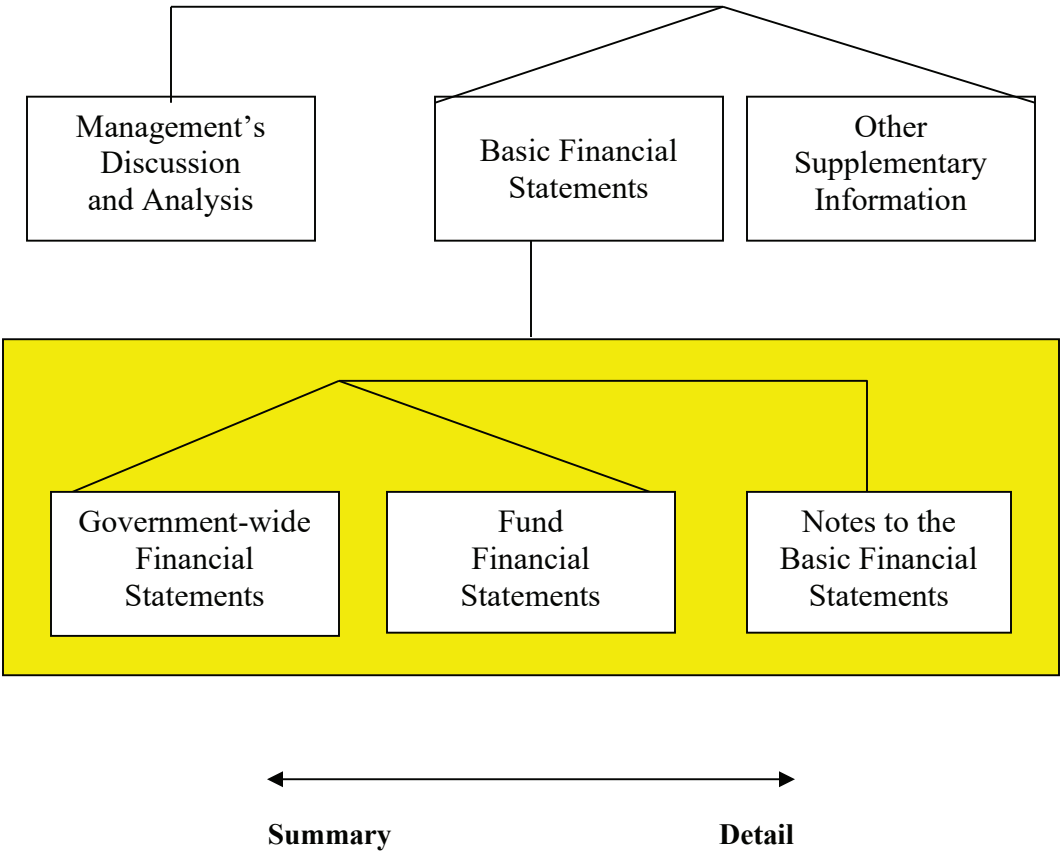
- The first two statements are *Government-wide Financial Statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *Fund Financial Statements* that focus on *individual parts* of the District, reporting the 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 *Statement of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual* is presented for the primary operating funds and ESSER funds 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
Scope	Entire District	The activities of the District that are not proprietary such as delivery of student instruction and building maintenance	Activities the District operates similar to private businesses
Required Financial Statements	Statement of Net Position	Balance Sheet	Statement of Net Position
	Statement of Activities	Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Revenues, Expenditures, and Changes in Net Position Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial 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
Type of inflow/outflow 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

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 17 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, 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, 2025, than the previous fiscal year; increasing \$131.3 million to \$1,607.0 million (see Figure A-3) primarily due to the increase in property tax revenue of \$38.9 million. By far, the largest portion of the District's net position, \$1,071.6 million (66.7 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, \$922.2 million (57.4 percent), represents resources that are subject to external restrictions on how they may be used. The unrestricted net position, a deficit amount of \$386.7 million (24.1 percent), was the result of accruing \$572.8 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
	<u>2024</u>	<u>2025</u>	
Current and Other Assets	\$ 1,362.7	\$ 1,356.7	(0.4)%
Capital Assets, Net	1,401.3	1,495.2	6.7%
Total Assets	<u>2,764.0</u>	<u>2,851.9</u>	3.2%
Deferred Outflows of Resources	<u>179.4</u>	<u>178.3</u>	(0.6)%
Long-term Debt Outstanding	1,195.3	1,031.8	(13.7)%
Other Liabilities	188.9	302.8	60.3%
Total Liabilities	<u>1,384.2</u>	<u>1,334.6</u>	(3.6)%
Deferred Outflows of Resources	<u>60.6</u>	<u>88.4</u>	45.9%
Net Position			
Net Investment in Capital Assets,	937.4	1,071.5	14.3%
Restricted	911.7	922.2	1.2%
Unrestricted	(350.5)	(386.7)	10.3%
Total Net Position	<u>\$ 1,498.6</u>	<u>\$ 1,607.0</u>	7.2%

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

- Property Tax revenue increased \$38.9 million due to an increase in the tax roll. This increase is due to the increase in property values in FY25.

Changes in Net Position. The District's total revenue decreased 3.2 percent to \$1,674.4 million (see Figure A-4). Property taxes, local sales tax, FEFP funding, and grants and state sources, accounted for most of the District's revenue (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 decreased 1.6 percent to \$1,543.0 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.

Total revenues surpassed expenses, increasing net position \$131.3 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
	2024	2025	
<i>Revenues</i>			
Program Revenues			
Charges for Services	\$ 17.1	\$ 17.8	4.1%
Operating Grants and Contributions	54.5	66.2	21.5%
Capital Grants and Contributions	56.8	39.5	(30.5)%
General Revenues			
Property Taxes	776.8	815.7	5.0%
Local Sales Tax	125.2	118.2	(5.6)%
Florida Education Finance Program	237.8	246.2	3.5%
Other Federal Sources	156.2	117.5	(24.8)%
Other State Sources	184.8	135.3	(26.8)%
Other Local Sources	55.8	53.9	(3.4)%
Investment Earnings	65.2	64.0	(1.8)%
Total Revenues	1,730.2	1,674.3	(3.2)%
<i>Expenses</i>			
Instruction	770.3	757.1	(1.7)%
Student Support Services	60.2	59.6	(1.0)%
Instructional Media Services	5.2	4.9	(5.8)%
Instruction & Curriculum Development Services	46.4	35.5	(23.5)%
Instructional Staff Training Services	22.1	21.0	(5.0)%
Instruction Related Technology	10.5	11.3	7.6%
Board	3.2	4.2	31.3%
General Administration	13.5	9.8	(27.4)%
School Administration	77.2	74.6	(3.4)%
Facilities Services	232.3	244.6	5.3%
Fiscal Services	6.5	6.6	1.5%
Food Services	72.0	69.1	(4.0)%
Central Services	20.7	17.6	(15.0)%
Student Transportation Services	61.0	61.0	0.0%
Operation of Plant	106.9	110.1	3.0%
Maintenance of Plant	23.6	21.9	(7.2)%
Administrative Technology Services	10.0	10.5	5.0%
Community Services	10.0	10.9	9.0%
Unallocated Interest on Long-Term Debt	15.9	12.7	(20.1)%
Total Expenses	1,567.5	1,543.0	(1.6)%
Increase (Decrease) in Net Position	162.7	131.3	(19.3)%
Net Position, Beginning	1,335.9	1,498.6	12.2%
Adjustments to Beginning Net Position 1		(22.9)	
Net Position, Beginning, Restated	1,335.9	1,475.7	10.5%
Net Position, Ending	\$ 1,498.6	\$ 1,607.0	7.2%

Figure A-5

Sources of Revenues for Fiscal Year 2025

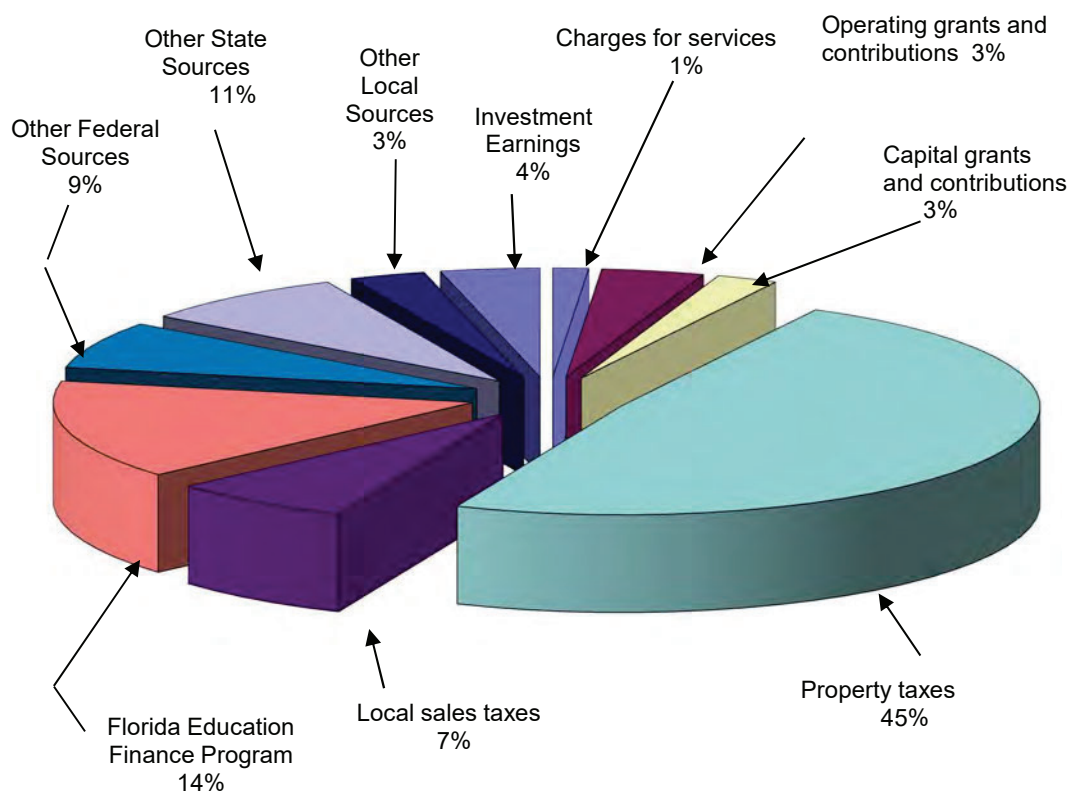
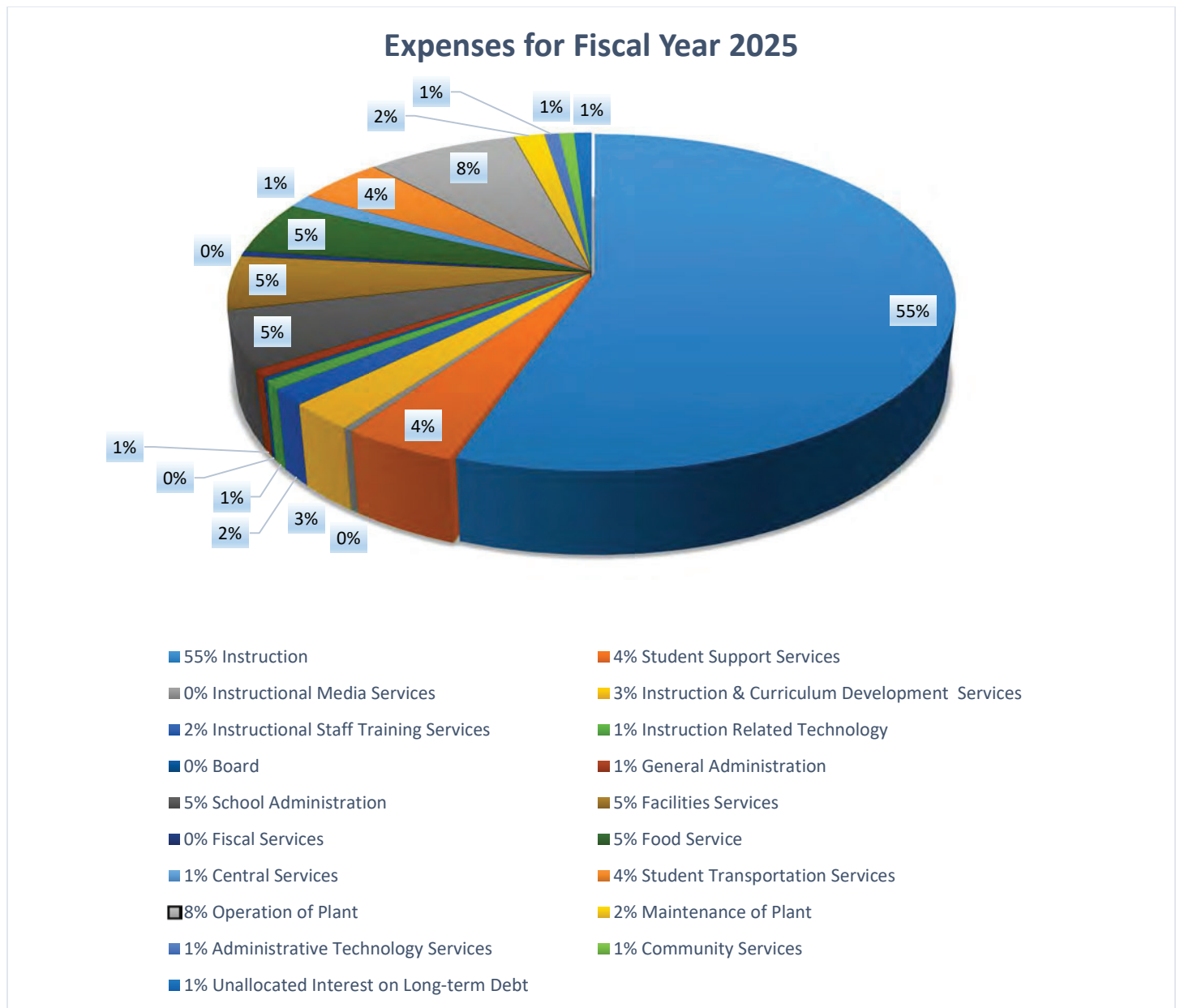


Figure A-6



Governmental Activities

Revenues for the District's governmental activities decreased 3.2 percent, while expenses decreased 1.6 percent. The increase in net position for governmental activities was \$131.3 million in 2025. The major impact to expense is the increase of 12.26 million to facilities services.

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 Change	Net Cost of Services		Percentage Change
	2024	2025		2024	2025	
Instruction	\$ 770.3	\$ 757.2	(1.7)%	\$ (754.9)	\$ (740.9)	(1.9)%
Student Support Services	60.2	59.6	(1.0)%	(60.2)	(59.6)	(1.0)%
Instructional Media Services	5.2	4.9	(6.1)%	(5.2)	(4.9)	(6.1)%
Instruction & Curriculum Development Services	46.4	35.5	(23.4)%	(46.4)	(35.5)	(23.4)%
Instructional Staff Training Services	22.1	21.0	(4.9)%	(22.1)	(21.0)	(4.9)%
Instruction Related Technology	10.5	11.3	8.0%	(10.5)	(11.3)	8.0%
Board	3.2	4.2	30.5%	(3.2)	(4.2)	30.5%
General Administration	13.5	9.8	(27.6)%	(13.5)	(9.8)	(27.6)%
School Administration	77.2	74.6	(3.4)%	(77.2)	(74.6)	(3.4)%
Facilities Services	232.3	244.6	5.3%	(175.6)	(205.1)	16.8%
Fiscal Services	6.5	6.6	1.1%	(6.5)	(6.6)	1.1%
Food Services	72.0	69.1	(4.0)%	(16.6)	(2.0)	(88.2)%
Central Services	20.7	17.6	(14.8)%	(20.7)	(17.6)	(14.8)%
Student Transportation Services	61.0	61.0	0.0%	(60.3)	(60.4)	0.2%
Operation of Plant	106.9	110.1	2.9%	(107.0)	(110.1)	2.9%
Maintenance of Plant	23.6	21.9	(7.3)%	(23.6)	(21.9)	(7.3)%
Administrative Technology Services	10.0	10.5	5.2%	(10.0)	(10.5)	5.2%
Community Services	10.0	10.9	8.8%	(10.0)	(10.9)	8.8%
Unallocated Interest and Fiscal Charges on Long-Term Debt	15.9	12.7	(19.9)%	(15.8)	(12.7)	(19.4)%
Total	\$ 1,567.5	\$ 1,543.1	(1.6)%	\$ (1,439.3)	\$ (1,419.6)	(1.4)%

The cost of all governmental activities this year was \$1,543.1 million.

Part of the cost was financed by the users of the District's programs (\$17.8 million).

The Federal and State governments subsidized certain programs with grants and contributions (\$105.7 million).

However, most of the District's costs (\$1,414.5 million) were financed by District and State taxpayers. This portion of governmental activities was financed with \$815.7 million from property taxes, \$118.2 million of local sales tax, \$117.5 million of other federal sources, \$135.2 of state sources and \$246.2 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 \$1,031.5 million, which is lower than last fiscal year's ending fund balances of \$1,044.9 million. Unassigned fund balance of \$136.7 million represents 13.2 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 \$9.7 million; 2) restricted by Federal law, State statute and local ordinance of \$875.7 million; 3) assigned for State and Local programs of \$9.2 million.

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 \$136.7 million, while total fund balance reached \$229.6 million. During the current fiscal year, the fund balance of the General Fund decreased by \$13.3 million. A key factor in this increase was the spending on the facilities services.

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 2025 was \$0.1 million.

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 2025 was \$27.9 million, an increase of \$1.0 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, 2025, the total fund balance was \$529.0 million, an increase of \$31.1 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 \$194.2 million, a decrease of \$40.7 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. In 2025 there was a 55.4 million dollar transfer out of Impact Fees and Sales Tax. This transfer was used to assist with paying our Certificates of Participation that matured.

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. 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.

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.

Capital Assets and Debt Administration

Capital Assets

By the end of the 2024-25 fiscal year, the District had an investment of \$1,495.2 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 \$93.9 million, or 6.7 percent, from the 2023-24 fiscal year. Additions to construction in progress, improvements other than buildings and motor vehicles amounted to \$71.8 million for the fiscal year. Total depreciation expense for the year was \$51.4 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>2024</u>	<u>2025</u>	
Land	\$ 195.1	\$ 193.2	(1.0)%
Construction in Progress	182.2	257.3	41.2%
Improvements Other Than Buildings	29.2	29.3	0.3%
Buildings	933.2	956.5	2.5%
Furniture, Fixtures and Equipment	18.5	20.4	10.0%
Motor Vehicles	37.5	34.1	(9.2)%
Audio Visual Materials and Software	5.6	4.4	(20.8)%
Total	<u>\$ 1,401.3</u>	<u>\$ 1,495.2</u>	6.7%

The District's approved five-year Capital Outlay Plan includes the construction of one new middle school, one new high school, three new elementary schools and one center K-8. In addition there will be remodel and renovations done as follows: one elementary, two middle schools, four high schools, and one technical center over the next five years. The District's student enrollment has grown over the last several years, 8.5 percent since 2020 for a present enrollment of 102,519 students.

The District's capital projects budget shows spending another \$897.4 million in the 2025-26 fiscal year for capital projects, principally in four areas:

- 1) \$23.3 million to purchase new school buses.
- 2) \$33.0 million to continue the upgrade of technology equipment.
- 3) \$281.9 million to continue the maintenance of existing schools.
- 4) \$376.6 million to remodel one elementary school, two middle schools, four high schools, one technical center, and begin the construction of three new elementary schools, one new middle school and one new high school and one K-8 Center.

Long-Term Debt

At fiscal year-end, the District had \$383.2 million in Certificates of Participation, Leases and Notes outstanding, a decrease of 12.8 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 7 to the Basic Financial Statements.)

Figure A-9

Outstanding Long-Term Debt (in millions of dollars)

	Total School District		Total Percentage Change
	<u>2024</u>	<u>2025</u>	
Certificates of Participation, Lease and Note Payables (financed with property taxes)	\$ 439.2	\$ 383.2	(12.8)%
Total	<u>\$ 439.2</u>	<u>\$ 383.2</u>	(12.8)%

The District continues to retire its outstanding debt as it becomes due, retiring \$55.9 million of outstanding Certificates of Participation, notes, and bonds during the 2024-25 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 three existing circumstances that could significantly affect its financial health in the future:

- Education is dependent on people to produce results for students, a labor-intensive profession where qualified people are essential for success. Recruitment and retention of employees is of paramount importance to provide a world class education to every child. Both recruitment and retention have been challenging in the current economic environment, and the difficulties of many employers have been well documented. The District continues to work on improving salary, compensation, and working conditions to create and maintain a high-quality workforce. The negotiation of salary schedules that will be palatable for all employees will be a challenge, as the current availability of funding is limited, and employee expectations may be high. Significant resources will be needed to invest in employee salary schedules.
- Family empowerment scholarships granted at the state level provide public funding for those attending private institutions. The impact it may have on current and future enrollment is unknown, but the law does have the potential of reducing funding for education for traditional public students in our county.
- The District's current growth projections call for building multiple new schools and maintenance of existing aging facilities over the next ten years. Projected capital revenue will not sustain the projected need, and alternatives must be explored related to additional funding sources and expense reduction.

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.

ASIC FINANCIAL STATEMENTS

THE SCHOOL DISTRICT OF LEE COUNTY
STATEMENT OF NET POSITION
June 30, 2025

	Primary Government	
	Governmental	Component
	Activities	Units
ASSETS		
Cash	\$ 63,367,139	\$ 21,390,842
Investments	1,181,269,181	3,756,083
Accounts Receivable	23,980,298	1,760,334
Lease Receivable	4,171,663	-
Taxes Receivable	18,820,731	-
Deposits Receivable	-	107,585
Due from Other Agencies	44,216,364	1,020,986
Inventory	4,750,912	-
Prepaid Expenses	5,044,825	3,233,868
Capital Credits Receivable	10,587,558	-
Restricted assets:		
Cash with Fiscal Agent	450,790	-
Investments		1,446,654
Capital assets:		
Non-depreciable	450,515,056	3,448,638
Depreciable, net	1,044,707,642	95,581,845
Total Assets	2,851,882,159	131,746,835
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	532,328	536,572
Deferred amount on OPEB	4,864,083	-
Deferred amount on pension	172,879,702	556,624
Total Deferred Outflow of Resources	178,276,113	1,093,196
LIABILITIES		
Salaries and Wages Payable	37,252,612	3,497,367
Payroll Deductions and Withholdings	6,500,702	-
Accounts Payable	53,638,577	4,110,361
Construction Contracts Payable	1,415,518	54,899
Construction Contracts Payable - Retainage	9,094,191	86,636
Matured Principal and Interest Payable	60,507,782	-
Accrued Interest Payable	16,519	-
Deposits Payable	2,661	-
Unearned Revenue	12,563,292	-
Due to Other Agencies	18,931,548	2,110,709
Noncurrent liabilities:		
Portion due within one year:		
Notes Payable	-	257,659
Bonds Payable	-	630,000
Lease Payable	1,490	4,051,757
Liability for Compensated Absences	5,614,606	152,649
Certificates of Participation Payable	80,940,000	-
Early Retirement Payable	41,800	-
Insurance Claims Payable	16,326,905	-
OPEB Payable	66,708	-
Portion due after one year:		
Notes Payable	-	3,019,252
Bonds Payable	-	34,222,592
Lease Payable	-	65,375,840
Liability for Compensated Absences	100,689,050	49,466
Certificates of Participation Payable	302,332,676	-
Early Retirement Payable	937,200	-
Insurance Claims Payable	9,613,300	-
Postemployment Benefits Payable	45,414,863	-
Net Pension Liability	572,784,226	940,149
Total Liabilities	1,334,686,226	118,559,336
DEFERRED INFLOWS OF RESOURCES		
Lease Revenue	3,900,840	-
Deferred amount on refunding	1,062,185	-
Deferred amount on OPEB	9,784,230	-
Deferred amount on pension	73,661,204	86,394
Total Deferred Inflow of Resources	88,408,459	86,394
NET POSITION		
Net Investment in Capital Assets	1,071,559,602	(4,844,281)
Restricted for:		
State Required Carryover Programs	18,531,922	-
Debt Service	79,980,491	1,302,490
Capital Projects	746,632,859	1,327,529
Food Service: Expendable	2,274,910	-
Food Service: Nonexpendable	1,047,292	-
Workforce Development	17,711,613	-
Hurricanes	43,330,757	-
School Funds	11,783,615	-
Other Purposes	939,191	8,381,025
Unrestricted	(386,728,665)	8,027,535
Total Net Position	\$ 1,607,063,587	\$ 14,194,298

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, 2025

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	\$ 757,167,002	\$ 16,312,966	\$ -	\$ -	\$ (740,854,037)	\$ -
Student Support Services	59,620,478	-	-	-	(59,620,478)	-
Instructional Media Services	4,882,239	-	-	-	(4,882,239)	-
Instruction and Curriculum Development Services	35,545,841	-	-	-	(35,545,841)	-
Instructional Staff Training Services	21,008,645	-	-	-	(21,008,645)	-
Instruction Related Technology	11,344,033	-	-	-	(11,344,033)	-
Board	4,176,894	-	-	-	(4,176,894)	-
General Administration	9,767,607	-	-	-	(9,767,607)	-
School Administration	74,585,602	-	-	-	(74,585,602)	-
Facilities Services	244,563,320	-	-	39,463,938	(205,099,382)	-
Fiscal Services	6,574,079	-	-	-	(6,574,079)	-
Food Services	69,104,603	912,411	66,238,919	-	(1,953,273)	-
Central Services	17,632,697	-	-	-	(17,632,697)	-
Student Transportation Services	60,996,397	557,255	-	-	(60,439,142)	-
Operation of Plant	110,050,078	-	-	-	(110,050,078)	-
Maintenance of Plant	21,881,816	-	-	-	(21,881,816)	-
Administrative Technology Services	10,521,553	-	-	-	(10,521,553)	-
Community Services	10,876,755	-	-	-	(10,876,755)	-
Unallocated Interest on Long-term Debt	12,741,047	-	-	-	(12,741,047)	-
Total Governmental Activities	1,543,040,686	17,782,632	66,238,919	39,463,938	(1,419,555,198)	
Total Primary Government	\$ 1,543,040,686	\$ 17,782,632	\$ 66,238,919	\$ 39,463,938	(1,419,555,198)	
Component Units:	\$ 107,842,861	\$ 2,021,775	\$ 10,058,970	\$ 10,235,305		(85,526,811)
Charter Schools/Foundation						
General Revenues:						
Taxes:						
Property Taxes, Levied for Operational Purposes					584,253,859	-
Property Taxes, Levied for Capital Projects					231,479,342	-
Local Sales Taxes					118,179,141	-
Florida Education Finance Program					246,248,063	-
Other Federal Sources Not Restricted to Specific Programs					117,467,273	397,839
Other State Sources Not Restricted to Specific Programs					135,275,477	81,299,482
Other Miscellaneous Sources Not Restricted to Specific Programs					53,991,150	3,824,531
Unrestricted Investment Earnings					63,972,509	751,628
Special Item					-	503,873
Total General Revenues					1,550,866,814	86,777,353
Proceeds from Issuance of Debt					102,998	102,998
Right - To - Use Notes Payable - Interest					(27,231)	(27,231)
Change in Net Position					131,311,617	1,326,309
Net Position - July 1, 2024					1,498,565,187	12,867,989
Adjustment for Change in Accounting Principle, GASB 101					(22,813,216)	-
Net Position - July 1, 2024, Restated					1,475,751,971	12,867,989
Net Position - June 30, 2025					\$ 1,607,063,587	\$ 14,194,298

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, 2025

44x

42x

	Special Revenue		Debt Service		Capital Projects		Capital Projects		Capital Projects		Capital Projects		Capital Projects		Capital Projects	
	General Fund	Federal Education Fund Stabilization	Fund	Participation	Fund	ARRA Economic Stimulus	Local Capital Improvement Tax	Fund	Participation/Impact Fees/State Grants	Fund	Nonmajor Governmental Funds	Total Governmental Funds	Fund	Participation/Impact Fees/State Grants	Fund	Total Governmental Funds
ASSETS																
Cash	\$ 26,736,786	\$ -	\$ -	\$ 127,049	\$ 173,718	\$ -	\$ 216,281	\$ -	\$ 29,087,509	\$ -	\$ 5,606,442	\$ 61,947,785				
Investments	223,965,786	-	-	60,588,357	27,094,914	-	564,675,303	-	167,236,270	-	33,942,555	1,077,483,187				
Accounts Receivable	19,196,646	447,325	-	-	-	-	-	-	-	-	617,304	20,261,275				
Lease Receivable	4,171,663	-	-	-	-	-	-	-	-	-	-	4,171,663				
Taxes Receivable	13,480,001	-	-	-	-	-	5,340,730	-	-	-	-	18,820,731				
Due from Other Funds	33,552,648	-	-	-	-	-	380,768	-	189,675	-	758,205	34,881,296				
Due from Other Agencies	2,047,643	34,630	-	-	639,284	-	-	-	22,228,493	-	19,286,314	44,216,384				
Restricted Cash with Fiscal Agent	150,790	-	-	-	-	-	-	-	-	-	-	150,790				
Inventory	3,428,035	-	-	-	-	-	-	-	-	-	1,322,877	4,750,912				
Prepaid Items	-	-	-	-	-	-	-	-	5,044,825	-	-	5,044,825				
Total Assets	\$ 326,730,000	\$ 481,955	\$ 60,695,406	\$ 27,907,916	\$ 27,907,916	\$ -	\$ 570,613,082	\$ -	\$ 223,786,772	\$ 61,513,697	\$ 1,271,728,828					
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES																
Liabilities																
Salaries and Wages Payable	\$ 37,252,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,252,612				
Payroll Deductions and Withholdings	6,500,702	-	-	-	-	-	-	-	-	-	-	6,500,702				
Accounts Payable	15,398,676	-	-	127,049	-	-	14,128,340	-	22,113,136	-	1,829,492	53,596,693				
Matured Principal Payable	-	-	-	52,012,000	-	-	-	-	-	-	-	52,012,000				
Matured Interest Payable	-	-	-	8,495,782	-	-	-	-	-	-	-	8,495,782				
Construction Contracts Payable	-	-	-	-	-	-	-	-	1,415,518	-	-	1,415,518				
Construction Contracts Payable - Retainage	32,732	8,269	-	-	-	-	4,020,818	-	5,032,372	-	199	9,094,191				
Deposits Payable	2,462	-	-	-	-	-	-	-	-	-	-	2,462				
Due to Other Agencies	18,931,548	-	-	-	-	-	-	-	-	-	-	18,931,548				
Due to Other Funds	15,170,670	473,686	-	-	-	-	23,487,053	-	1,067,543	-	8,812,075	49,011,027				
Total Liabilities	93,289,402	481,955	60,634,831	-	-	-	41,636,211	-	29,628,569	10,641,766	236,312,734					
Deferred Inflows of Resources																
Lease Revenue	3,785,438	-	-	-	-	-	-	-	-	-	-	3,785,438				
Unavailable Revenue	-	-	-	-	-	-	-	-	-	-	115,402	115,402				
Total Deferred Inflows of Resources	3,785,438	-	-	-	-	-	-	-	-	-	115,402	3,900,840				
Fund Balance																
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-				
Inventory	3,428,035	-	-	-	-	-	-	-	5,044,825	-	1,322,877	4,750,912				
Prepaid Items	-	-	-	-	-	-	-	-	-	-	-	5,044,825				
Restricted for:																
State Required Carryover Programs	18,531,922	-	-	-	-	-	-	-	-	-	-	18,531,922				
Other Purposes	61,681,561	-	-	-	-	-	-	-	-	-	11,508,030	73,189,591				
Debt Service	-	-	60,575	-	27,907,916	-	-	-	-	-	-	27,968,491				
Capital Projects	-	-	-	-	-	-	528,976,871	-	189,113,378	-	35,650,713	753,740,962				
Food Service	-	-	-	-	-	-	-	-	-	-	2,274,910	2,274,910				
Assigned to:																
Purchase Order Obligations for	9,262,210	-	-	-	-	-	-	-	-	-	-	9,262,210				
School Operations	136,751,432	-	-	-	-	-	-	-	-	-	-	136,751,432				
Unassigned	229,655,160	-	60,575	27,907,916	27,907,916	-	528,976,871	-	194,158,203	50,756,530	1,031,515,255					
Total Fund Balances	\$ 326,730,000	\$ 481,955	\$ 60,695,406	\$ 27,907,916	\$ 27,907,916	\$ -	\$ 570,613,082	\$ -	\$ 223,786,772	\$ 61,513,698	\$ 1,271,728,829					
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 326,730,000	\$ 481,955	\$ 60,695,406	\$ 27,907,916	\$ 27,907,916	\$ -	\$ 570,613,082	\$ -	\$ 223,786,772	\$ 61,513,698	\$ 1,271,728,829					

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, 2025

Total Fund Balance - Governmental Funds **\$ 1,031,515,255**

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	\$ 2,442,149,554	
Accumulated depreciation	(946,926,856)	
		1,495,222,698

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. 178,276,113

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. 10,587,558

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	(16,519)	
Certificates of participation payable	(383,272,676)	
Lease payable	(1,490)	
Estimated early retirement payable	(979,000)	
Net pension liability	(572,784,226)	
Estimated insurance claims payable	(25,940,206)	
Postemployment benefits payable	(45,481,571)	
Liability for compensated absences	(106,303,656)	
Subtotal, long-term liabilities		(1,134,779,344)

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. (84,507,619)

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 \$84,779,185. This includes \$29,534 in compensated absences and \$25,940,205 in estimated unpaid claims included above. The net amount is as follows:

110,748,926

Total net position - governmental activities **\$ 1,607,063,587**

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, 2025

	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	\$ 2,447,653	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,011,485	\$ 19,459,138
Federal Through State Sources	1,732,473	20,934,127	-	-	-	-	141,038,659	163,705,259
State Sources	373,494,928	-	-	-	-	8,555,495	9,819,767	391,870,190
Local Sources								
Taxes	584,253,859	-	-	-	231,479,342	-	-	815,733,201
Local Sales Taxes	-	-	-	-	-	118,179,141	-	118,179,141
Food Service Sales	-	-	-	-	-	-	895,337	895,337
Impact Fees	-	-	-	-	-	29,769,485	-	29,769,485
Miscellaneous	63,579,300	-	370,803	1,201,768	15,859,437	9,864,563	40,380,354	131,256,325
Total Revenues	1,025,508,213	20,934,127	370,803	1,201,768	247,338,779	166,368,784	209,145,602	1,670,868,076
EXPENDITURES								
Current								
Instruction	650,706,505	16,755,536	-	-	-	-	84,172,373	751,634,414
Student Support Services	49,446,462	410,159	-	-	-	-	9,255,391	59,112,012
Instructional Media Services	4,485,055	44	-	-	-	-	320,868	4,805,967
Instruction and Curriculum Development Services	13,554,676	431,472	-	-	-	-	21,262,496	35,248,644
Instructional Staff Training Services	12,083,306	1,039,720	-	-	-	-	7,772,182	20,865,188
Instruction Related Technology	11,061,107	63,373	-	-	-	-	74,807	11,219,287
Board	2,949,893	-	-	-	-	-	-	2,949,893
General Administration	6,200,282	1,235,323	-	-	-	-	3,480,729	10,916,334
School Administration	70,266,219	224,035	-	-	-	-	3,018,315	73,508,569
Facilities Services	33,244,584	-	-	-	100,606,341	87,164,368	917,657	221,932,950
Fiscal Services	5,837,484	-	-	-	-	-	-	5,837,484
Food Service	-	-	-	-	-	-	-	68,006,295
Central Services	17,290,410	44,413	-	-	-	-	128,384	17,463,207
Student Transportation Services	59,449,295	258,465	-	-	-	-	722,585	60,430,345
Operation of Plant	109,273,236	162	-	-	-	-	202,017	109,475,415
Maintenance of Plant	21,425,874	-	-	-	-	-	-	21,425,874
Administrative Technology Services	10,441,558	-	-	-	-	-	-	10,441,558
Community Services	10,429,971	-	-	-	-	-	-	10,895,127
Capital Outlay	-	-	-	-	-	-	-	-
Facilities Acquisition and Construction	1,067,016	-	-	-	63,884,640	64,493,022	53,432	129,498,110
Other Capital Outlay	1,952,619	471,425	-	-	6,020,631	2,955,445	776,396	12,176,516
Debt Service	-	-	52,012,000	-	-	-	-	52,028,474
Principal	16,474	-	17,656,608	203,864	-	-	4,815	17,865,299
Interest and Fiscal Charges	12	-	-	-	-	-	-	-
Total Expenditures	1,091,172,038	20,934,127	69,668,608	203,864	170,511,612	154,612,835	200,633,878	1,707,736,962
Excess (Deficiency) of Revenues Over (Under) Expenditures	(65,663,825)	-	(69,297,805)	997,904	76,827,167	11,755,949	8,511,724	(36,868,886)
OTHER FINANCING SOURCES (USES)								
Loss Recoveries	20,534,593	-	-	-	-	-	-	20,534,593
Sale of Capital Assets	-	-	-	-	-	2,897,521	-	2,897,521
Transfer In	31,823,563	-	69,264,261	3,291	-	-	-	101,091,115
Transfer Out	-	-	-	-	(45,707,720)	(55,383,395)	-	(101,091,115)
Total Other Financing Sources (Uses)	52,358,156	-	69,264,261	3,291	(45,707,720)	(52,485,874)	-	23,432,114
Net Change in Fund Balance	(13,305,669)	-	(33,544)	1,001,195	31,119,447	(40,729,925)	8,511,724	(13,436,772)
Fund Balance, Beginning	242,960,829	-	94,119	26,906,721	497,857,424	234,888,128	42,244,806	1,044,952,027
Fund Balance, Ending	\$ 229,655,160	\$ -	\$ 60,575	\$ 27,907,916	\$ 528,976,871	\$ 194,158,203	\$ 50,756,530	\$ 1,031,515,255

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, 2025**

Net change in fund balances- governmental funds **\$ (13,436,772)**

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 capital outlays net of noncapitalized outlays, and other additions exceed depreciation expense in the current period.

Capital outlays	\$ 148,100,600	
Depreciation expense	<u>(51,426,697)</u>	96,673,903

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 undepriciated cost of the disposed assets. (2,742,400)

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	4,452,392	
Repayments	<u>52,028,474</u>	56,480,866

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. 888,273

The net change in the early retirement benefit program liability is reported in the government-wide statements, but not in the governmental fund statements. 28,000

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. (1,361)

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. (5,422,390)

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	(549,608)	
OPEB expense	<u>(202,950)</u>	(752,558)

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	54,731,165	
HIS Pension contribution	12,338,744	
FRS Pension expense	(53,973,322)	
HIS Pension expense	<u>(8,245,611)</u>	4,850,976

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 \$(5,252,974) is reported with governmental activities. This includes \$1,946 in compensated absences included above. The net amount is as follows:

(5,254,920)

Change in net position of governmental activities **\$ 131,311,617**

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, 2025**

	General Fund			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct Sources	\$ 2,613,000	\$ 2,613,000	\$ 2,447,653	\$ 165,347
Federal Through State Sources	2,023,000	2,063,974	1,732,473	331,501
State Sources	363,096,712	378,011,893	373,494,928	4,516,965
Local Sources				
Taxes	583,260,698	583,260,698	584,253,859	(993,161)
Miscellaneous	31,231,110	36,498,192	63,579,300	(27,081,108)
Total Revenues	982,224,520	1,002,447,757	1,025,508,213	(23,060,456)
EXPENDITURES				
Current				
Instruction	742,123,831	750,873,177	650,706,505	100,166,672
Student Support Services	56,729,226	54,135,511	49,446,462	4,689,049
Instructional Media Services	5,275,978	4,722,699	4,485,055	237,644
Instruction and Curriculum Development Services	14,432,985	14,185,895	13,554,676	631,219
Instructional Staff Training Services	12,538,290	13,377,090	12,053,306	1,323,784
Instruction Related Technology	11,297,571	11,215,266	11,081,107	134,159
Board	31,267,790	3,269,687	2,949,893	319,794
General Administration	7,013,656	7,424,117	6,200,282	1,223,835
School Administration	70,755,394	72,215,577	70,266,219	1,949,358
Facilities Services	51,545,561	60,255,604	33,244,584	27,011,020
Fiscal Services	6,529,000	6,451,833	5,837,484	614,349
Central Services	17,634,203	20,463,182	17,290,410	3,172,772
Student Transportation Services	64,427,039	65,491,029	59,449,295	6,041,734
Operation of Plant	116,911,872	118,535,902	109,273,236	9,262,666
Maintenance of Plant	22,817,508	22,325,815	21,425,874	899,941
Administrative Technology Services	10,876,533	11,257,896	10,441,558	816,338
Community Services	17,816,256	13,819,103	10,429,971	3,389,132
Capital Outlay				
Facilities Acquisition and Construction	-	4,054,032	1,067,016	2,987,016
Other Capital Outlay	-	8,833,733	1,952,619	6,881,114
Debt Service				
Principal	-	16,486	16,474	12
Interest and Fiscal Charges	-	-	12	-
Total Expenditures	1,259,992,693	1,262,923,634	1,091,172,038	171,751,608
Excess (Deficiency) of Revenues Over (Under) Expenditures	(277,768,173)	(260,475,877)	(65,663,825)	(194,812,064)
OTHER FINANCING SOURCES				
Loss Recoveries	31,087	5,310,799	20,534,593	(15,223,794)
Transfer In	43,136,000	49,074,779	31,823,563	17,251,216
Total Other Financing Sources	43,167,087	54,385,578	52,358,156	2,027,422
Net Change in Fund Balance	(234,601,086)	(206,090,299)	(13,305,669)	(192,784,642)
Fund Balance, Beginning	244,960,073	242,960,829	242,960,829	53,191,659
Fund Balance, Ending	\$ 10,358,987	\$ 36,870,530	\$ 229,655,160	\$ (139,592,983)

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, 2025**

	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	\$ 21,542,091	\$ 20,934,010	\$ 20,934,127	\$ (117)
Total Federal Through State Sources	21,542,091	20,934,010	20,934,127	(117)
 Total Revenues	 21,542,091	 20,934,010	 20,934,127	 (117)
EXPENDITURES				
Current				
Instruction	17,910,792	16,755,535	16,755,536	(1)
Student Support Services	579,040	410,159	410,159	-
Instructional Media Services	-	44	44	-
Instruction and Curriculum Development Services	199,191	431,472	431,472	-
Instructional Staff Training Services	1,134,971	1,039,720	1,039,720	-
Instruction Related Technology	9,022	63,373	63,373	-
General Administration	884,115	1,235,323	1,235,323	-
School Administration	154,144	224,035	224,035	-
Facilities Services	127,968	-	-	-
Central Services	238,965	44,413	44,413	-
Student Transportation Services	284,717	258,465	258,465	-
Operation of Plant	4,987	162	162	-
Administrative Technology Services	2,698	-	-	-
Community Services	11,481	-	-	-
Capital Outlay				
Facilities Acquisition and Construction		127,923	-	127,923
Other Capital Outlay	-	343,547	471,425	(127,878)
 Total Expenditures	 21,542,091	 20,934,171	 20,934,127	 44
Excess of Revenues Over Expenditures	-	(161)	-	(161)
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ (161)	\$ -	\$ 161

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, 2025

	Governmental Activities- Internal Service Funds
ASSETS	
Current Assets	
Cash	\$ 1,419,354
Investments	103,785,994
Accounts Receivable	3,719,022
Due from Governmental Funds	14,129,731
Total Current Assets	<u>123,054,101</u>
Noncurrent Assets	
Restricted Cash with Fiscal Agent	<u>300,000</u>
Total Noncurrent Assets	<u>300,000</u>
 Total Assets	 <u>123,354,101</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	41,885
Unearned Revenue	12,563,292
Estimated Insurance Claims Payable	16,326,905
Liability for Compensated Absences	<u>29,534</u>
 Total Current Liabilities	 <u>28,961,616</u>
Noncurrent Liabilities	
Estimated Insurance Claims Payable	<u>9,613,300</u>
 Total Liabilities	 <u>38,574,916</u>
NET POSITION	
Restricted for Claims	300,000
Unrestricted	<u>84,479,185</u>
 Total Net Position	 <u>\$ 84,779,185</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, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2025**

	Governmental Activities- Internal Service Funds
OPERATING REVENUES	
Premium Revenue	\$ 156,928,570
Other Operating Revenues	22,801
Total Operating Revenues	156,951,371
OPERATING EXPENSES	
Salaries	319,523
Employee Benefits	159,147
Purchased Services	24,146,805
Insurance Claims	140,023,313
Total Operating Expenses	164,648,788
Operating Loss	(7,697,417)
NONOPERATING REVENUES (EXPENSES)	
Interest Income	2,444,443
Total Nonoperating Revenues (Expenses)	2,444,443
Changes in Net Position	(5,252,974)
Net Position - July 1, 2024	90,032,159
Net Position - June 30, 2025	\$ 84,779,185

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, 2025

	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers, Users and Participants	\$ 160,233,610
Cash Payments to Suppliers for Goods and Services	(24,235,720)
Cash Payments to Employees for Services	(480,616)
Cash Payments for Insurance Claims	(138,722,355)
Net Cash provided by Operating Activities	(3,205,081)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Pooled Investments	(6,375,679)
Interest on Investments	2,444,443
Net Cash used by Investing Activities	(3,931,236)
Net Decrease in Cash	(7,136,317)
Cash, Beginning	8,855,671
Cash, Ending	\$ 1,719,354
Reconciliation of Operating Loss to Net Cash provided by Operating Activities	
Operating Loss	\$ (7,697,417)
Adjustments to Reconcile Operating Income to Net Cash provided by Operating Activities:	
Change in Assets and Liabilities:	
Increase in Accounts Receivable	(641,093)
Decrease in Due from Governmental Funds	1,936,859
Increase in Accounts Payable	(12,514)
Decrease in Unearned Revenue	1,986,474
Increase in Estimated Insurance Claims Payable	1,222,611
Total Adjustments	4,492,337
Net Cash provided by Operating Activities	\$ (3,205,080)

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, 2025

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 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.

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 incomes thereon) that the Foundation holds and invests are restricted to the activities of the District by the donors.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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 sixteen 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 sixteen 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, 2025, 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, 2025, 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, 2025, 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, 2025, 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, 2025, 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-12 school. As of June 30, 2025, the school was a grade K-12 school. The school is located in Fort Myers, Florida.

The Heights Charter School – The school's charter was granted December 08, 2015, for a grade K-3 school. As of June 30, 2025, 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, 2025, the school was a grade K-8 school. The school is located in Cape Coral, Florida.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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, 2025, 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, 2025, 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, 2025, 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, 2025, 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, 2025, 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, 2025, 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, 2025, 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, 2025, the school was a grade K-8 school. The school is located in Fort Myers, Florida.

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

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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 and proprietary 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.
- *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 proprietary 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.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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 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.

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.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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.

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, 2025, 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 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,

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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, 2025, 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 asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, and 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.

Prepaid Items

Expenditures for goods and services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used (consumption method). Accordingly, prepaid expenses are equally offset by a non-spendable fund balance classification.

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 \$5,000 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:

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

<u>Assets</u>	<u>Years</u>
Improvements Other than Buildings	10-40
Buildings	10-50
Motor Vehicles	5-10
Furniture, Fixtures and Equipment	3-15
Audio Visual Materials	3-5
Software	5

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

Leases

Leases are defined by the District as the right to use an underlying asset. As lessee, the District recognizes a lease liability and an intangible right-of-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. Right-of-use lease assets are measured based on the net present value of the future lease payments at inception, using the weighted average cost of capital, which approximate the incremental borrowing rate. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

The District calculates the amortization of the discount on the lease liability and report that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As lessor, the District recognizes a lease receivable. The lease receivable is measured using the net present value of future lease payments to be received for the lease term and deferred inflow of receivables at the beginning of the lease term. Periodic amortization of the discount on the receivable are reported as interest revenue for that period. Deferred inflows of resources are recognized as inflows on a straight-line basis over the term of the lease. This recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. Any initial direct costs are reported as an outflow of resources for that period. Re-measurement of lease receivables occur when there are modifications, including but not limited to changes in the contract price, lease term, and adding or removing an underlying asset to the lease agreements. In the case of a partial or full lease termination, the carrying value of the lease receivable and the related deferred inflow of resources will be reduced and will include a gain or loss for the difference.

For lease contracts that are short term, the District recognizes short term lease payments as inflows of resources (revenues) based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period.

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Unearned Revenues

Unearned revenues represent revenues collected in advance of services performed and will be recognized when the services are rendered.

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 net change in the liability for postemployment health benefits is reported in the government-wide, but not in the governmental fund statements. The net change for fiscal year 2025 is (\$752,558).

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, and Medicare. The liability has been calculated using the criteria under GASB Statement 101. The District examined its past experience with accumulated sick leave and estimated the amount of accumulated leave that was more likely than not to be used by employees. Accumulated vacation leave is calculated using the employees accumulated vacation leave balance. 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.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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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 assets 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 11 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 assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has four 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 11 years. The fourth is the deferred amount on lease receivables. In governmental funds, revenues not received within sixty days of the year-end are deferred until collected as they do not meet the availability criteria. The District currently has unavailable revenue for lease receivables.

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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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.

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

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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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.

The Board adopted the 2024 tax levy on September 05, 2024. 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,

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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.

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, 2025, the carrying amount of the District's bank deposits was \$63,367,139 and the respective bank balances totaled \$85,318,887. The cash with fiscal agent is \$300,000.

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.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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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, 2025, are valued using a matrix pricing model (Level 2 inputs).

As of June 30, 2025, the District had the following investments:

Investments by fair value level	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)
External Investment Pool:				
Florida Fixed Income Trust	\$ 218,493,209	\$ -	\$ 218,493,209	\$ -
Florida Cooperative Liquid Assets Security System	252,761,953	-	252,761,953	-
United States Treasury Securities	103,551,749	-	103,551,749	-
Obligations of United States Government				
Agencies and Instrumentalities	1,883,773	-	1,883,773	-
Municipal Obligations	5,663,594	-	5,663,594	-
Notes	4,729,088	-	4,729,088	-
Total investments by fair value level	<u>\$ 587,083,366</u>	<u>\$ -</u>	<u>\$ 587,083,366</u>	<u>\$ -</u>
Investments measured at amortized cost				
External Investment Pool:				
Florida PRIME ¹	\$ 372,652,234			
Florida Public Assets for Liquidity Management	157,121,768			
Money Market Funds	<u>64,411,813</u>			
Total investments measured at amortized cost	<u>594,185,815</u>			
Total District Investments, Governmental Activities	<u>\$ 1,181,269,181</u>			

Note (1) At June 30, 2025, investments totaling \$ 117,275,933 were held under trust agreements in connection with Certificates of Participation, Series 2011A-QSCB, 2014A/B, 2016A, 2017A/B, 2019A, 2020A and 2023A financing agreements. (See Note 7).

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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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 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, 2025, the WAM for Florida PRIME is 47 days, FLCLASS is 84 days, FLPALM is 44 days, FL-FIT Cash Pool is 85 days, and FL-FIT Enhanced Cash is 1 year.

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, 2025, the District had investments totaling \$372,652,234 in Florida PRIME which had an AAAM rating by Standard and Poor's and are reported at amortized cost; \$252,761,953 in FLCLASS which had an AAAM rating by Standard and Poor's and are reported at fair value; \$157,121,768 in FLPALM which had an AAAM rating by Standard and Poor's and are reported at amortized cost; and \$218,493,209 in FL-FIT which had an AAAM 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, 2025, the District held \$103,551,749 of US Treasuries which had an S&P rating of AA+ and a Moody's rating of Aa1 and Aa3.
- c. Obligations of U.S. Government agencies and instrumentalities are guaranteed by the United States Government. The maximum length to maturity for obligations of U.S. Government agencies and instrumentalities shall be five (5) years from the date of the purchase. As of June 30, 2025, the District held \$1,883,773 of obligations of U.S. Government agencies and instrumentalities which had an S&P rating of AA+ and a Moody's rating of Aa1.
- d. 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-

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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, 2025, the District held \$4,729,088 of corporate notes of which had an S&P rating between A and AA+ and a Moody's rating between Aa1 and Aa3.

- e. 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, 2025, the District held \$5,663,594 of municipal obligations of which had an S&P rating of between AA- and AAA and a Moody's rating of between Aaa and Aa3.
- f. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency. As of June 30, 2025, the District had investments in US Bank First American Government Obligation Class Y Money Market Funds with a fair value of \$60,571,659, which were rated AAAM by S&P, and Aaa-mf by Moody's and Fidelity Institutional Government Class I Money Market Fund with a fair value of \$3,840,154, which were rated AAAM by S&P and Aaa by Moody's.

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, 2025, 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

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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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, 2025, all District investments were in compliance with the District's Investment Policy and did not exceed portfolio allocation or issuer maximums.

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, 2025, the District has recorded due from other agencies as follows:

	General Fund	Debt Service Fund ARRA Economic Stimulus	Capital Projects- Local Capital Improvement Tax Fund	Capital Projects Fund Certificates of Participation/ Impact Fees/ State Grants	Special Revenue Fund Federal Education Stabilization	Nonmajor Governmental Funds	Total
Federal and State Sources							
Medicaid	\$ 1,462,532	-	-	-	-	-	\$ 1,462,532
CO - DS	-	-	-	-	-	4,457,863	4,457,863
Safe & Secur Sch Bldg Taps	-	-	-	1,470,966	-	-	1,470,966
Grants and Entitlements	506,651	-	-	-	-	1,561,263	2,067,914
Internal Revenue Service	-	639,284	-	-	-	-	639,284
Motor Vehicle License Tax	78,460	-	-	-	-	-	78,460
Public Education Capital Outlay	-	-	-	-	-	4,999,205	4,999,205
Meal Claims	-	-	-	-	-	893,632	893,632
Misc Federal-Direct	-	-	-	-	-	231,678	231,678
Local Sources							
Sales Tax	-	-	-	12,848,382	-	-	12,848,382
Impact fees	-	-	-	7,681,988	34,630	-	7,716,618
Other	-	-	-	227,158	-	7,122,671	7,349,829
Total	\$ 2,047,643	\$ 639,284	\$ -	\$ 22,228,494	\$ 34,630	\$ 19,266,312	\$ 44,216,363

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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JUNE 30, 2025

NOTE 4: CONSTRUCTION AND OTHER CONTRACT COMMITMENTS

Construction Commitments

The following is a summary of major construction commitments as of June 30, 2025.

PROJECTS	ORIGINAL CONTRACT	COMPLETED TO DATE 6/30/2025	BALANCE COMMITTED 6/30/2025
HVAC Cypress Lake High # 2148			
Contractor (HVAC Renovation Project)	28,246,306.84	3,012,280.76	25,234,026.08
Other	5,198,082.02	5,510.00	5,192,572.02
East Zone-Innovation School #7066			
Contractor	414,000.00	249,879.40	164,120.60
Other	7,826,767.00	2,445,298.77	5,381,468.23
Franklin Park Elem #7068			
Contractor	64,114,150.19	56,675,165.78	7,438,984.41
Other	19,031,599.27	13,174,122.08	5,857,477.19
VPAA remodel #7169/7171			
Contractor	13,125,094.44	13,125,094.44	-
Other	1,774,702.72	1,713,464.66	61,238.06
Hector Cafferata rebuild #7071			
Contractor	110,456,952.00	25,531,457.19	84,925,494.81
Other	129,780.91	104,218.95	25,561.96
Cypress Lake Middle rebuild #7072			
Contractor	85,575,942.31	12,515,434.21	73,060,508.10
Other	11,319,317.76	4,771,604.36	6,547,713.40
East High #7083			
Contractor	303,615.00	132,543.08	171,071.92
Other	6,429,854.00	1,648,710.02	4,781,143.98
East Middle #7170			
Contractor	310,000.00	279,102.71	30,897.29
Other	6,507,319.20	2,006,030.19	4,501,289.01
Ft Myers Beach Elem rebuild #7221			
Contractor	5,202,858.91	5,202,858.91	-
Other	524,517.31	490,552.56	33,964.75
RHS Remodel #7255			
Contractor	42,355,105.27	33,167,047.33	9,188,057.94
Other	63,226,650.30	53,909,576.37	9,317,073.93
CCTC Remodel #7259			
Contractor	20,566,929.99	548,708.24	20,018,221.75
Other	3,024,320.21	934,646.29	2,089,673.92
G. Weaver Hipps Pre K #7268			
Contractor	12,159,622.50	12,159,622.50	-
Other	4,102,650.76	3,357,963.23	744,687.53
Various school projects	17,324,992.21	5,086,137.77	12,238,854.44
Land Purchases	18,280.00	18,280.00	-
Various school renovations	10,563,390.30	5,054,288.41	5,509,101.89
School Security Upgrades	17,500.24	17,500.24	-
Total	539,850,301.66	257,337,098.45	282,513,203.21

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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, 2025, the District has recorded encumbrances as follows:

Funds	Encumbrances
Major Funds:	
General	\$ 23,989,035
Capital Projects:	
Local Capital Improvement Tax	268,515,277
Certificates of Participation/Impact	
Fees/State Grants	103,023,924
Non-major Governmental Funds	<u>834,340</u>
Total	<u>\$ 396,362,576</u>

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5: CAPITAL ASSETS

Capital asset balances and activities for the fiscal year ended June 30, 2025, were as follows:

	Balance July 1, 2024	Additions	Deductions	Balance June 30, 2025
Governmental Activities:				
<i>Capital Assets not being depreciated</i>				
Land	\$ 195,127,465	\$ 84,651	\$ (2,034,159)	\$ 193,177,957
Construction in Progress	182,190,056	132,466,375	(57,319,332)	257,337,099
Total Capital Assets not being depreciated	377,317,521	132,551,026	(59,353,491)	450,515,056
<i>Capital Assets being depreciated/amortized</i>				
Improvements other than Buildings	58,735,357	1,369,207	(86,993)	60,017,571
Buildings	1,683,919,105	58,473,853	-	1,742,392,958
Furniture, Fixtures and Equipment	53,097,001	8,531,671	(7,182,897)	54,445,775
Intangible right to use, Furniture, Fixtures and Equipment	107,672	-	(93,714)	13,958
Motor Vehicles	107,449,770	4,494,175	(3,051,938)	108,892,007
Audio Visual Materials	37,149	-	(5,990)	31,159
Software	25,841,070	-	-	25,841,070
Total Capital Assets being depreciated/amortized	1,929,187,124	72,868,906	(10,421,532)	1,991,634,498
<i>Less accumulated depreciation/amortization for:</i>				
Improvements other than Buildings	29,522,986	1,200,252	(3,731)	30,719,507
Buildings	750,731,959	35,116,045	-	785,848,004
Furniture, Fixtures and Equipment	34,604,010	6,070,634	(6,584,382)	34,090,262
Intangible right to use, Furniture, Fixtures and Equipment	89,808	16,384	(93,714)	12,478
Motor Vehicles	69,969,364	7,886,496	(3,025,474)	74,830,386
Audio Visual Materials	18,819	4,439	(5,990)	17,268
Software	20,276,504	1,132,447	-	21,408,951
Total accumulated depreciation/amortization	905,213,450	51,426,697	(9,713,291)	946,926,856
Capital Assets being depreciated/amortized, Net	1,023,973,674	21,442,209	(708,241)	1,044,707,642
Governmental Activities Capital Assets, Net	\$ 1,401,291,195	\$ 153,993,235	\$ (60,061,732)	\$ 1,495,222,698

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Depreciation/amortization expense was charged to Governmental Functions as follows:

Governmental Function	Amount
Instruction	\$ 779,179
Student Support Services	5,342
Instructional Media Services	101
Instruction and Curriculum Development Services	6,177
Instructional Staff Training Services	2,835
Instruction Related Technology	7,316
School Administration	20,979
Facilities Services	49,569,529
Fiscal Services	531
Food Services	614,345
Central Services	41,722
Student Transportation Services	122,753
Operation of Plant	13,713
Maintenance of Plant	203,114
Administrative Technology Services	8,090
Community Services	30,971
Total Depreciation Amortization Expense- Governmental Functions	<u>\$ 51,426,697</u>

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Funds	Interfund Receivable	Interfund Payable
Major Funds		
General	\$ 33,552,648	\$ 15,170,670
Special Revenue:		
Federal Education Stabilization	-	473,686
Capital Projects:		
Local Capital Improvement Tax	380,768	23,487,053
Certificates of Participation/Impact		
Fees/State Grants	189,675	1,067,543
Non-major Governmental Funds	758,205	8,812,075
Proprietary Funds	14,129,731	-
Total	<u>\$ 49,011,027</u>	<u>\$ 49,011,027</u>

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

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

Funds	Transfers In	Transfers Out
Major Funds		
General	\$ 31,823,563	\$ -
Debt Service Fund:		
Certificates of Participation	69,264,261	-
ARRA Economic Stimulus	3,291	-
Capital Projects:		
Local Capital Improvement Tax	-	45,707,720
Certificates of Participation/Impact Fees/State		
Grants	-	55,383,395
Total	<u>\$ 101,091,115</u>	<u>\$ 101,091,115</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.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7: NONCURRENT LIABILITIES

7-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 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); Series 2020A (original issue: \$45,760,000) and Series 2023A (original issue: \$136,410,000) 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 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 2048.

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

Series 2011A-QSCB

One Elementary School
One Middle School

Series 2014A

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

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

Series 2023A

One Elementary School
One School Addition
One School Rebuild

The lease payments are payable by the District semi-annually on December 31 and June 30 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:

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

Fiscal Year Ending June 30	Total	Certificates of Participation		Certificates of Participation from Direct Borrowings of Debt	
		Principal	Interest	Principal	Interest
2026	\$ 96,164,504	\$ 31,615,000	\$ 14,286,313	\$ 49,325,000	\$ 938,191
2027	61,174,319	40,460,000	12,830,563	7,705,000	178,756
2028	62,190,037	51,355,000	10,835,037	-	-
2029	14,003,200	5,630,000	8,373,200	-	-
2030	14,001,700	5,910,000	8,091,700	-	-
2031-2035	70,004,500	34,285,000	35,719,500	-	-
2036-2040	69,999,699	43,165,000	26,834,699	-	-
2041-2045	70,004,800	54,815,000	15,189,800	-	-
2046-2048	41,998,600	38,850,000	3,148,600	-	-
Total Minimum Lease Payments	499,541,359	306,085,000	135,309,412	57,030,000	1,116,947
Add: Unamortized Premium/Discount, net	20,157,676	20,157,676	-	-	-
Total Certificates of Participation Payable	<u>\$ 519,699,035</u>	<u>\$ 326,242,676</u>	<u>\$ 135,309,412</u>	<u>\$ 57,030,000</u>	<u>\$ 1,116,947</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, 2025, there was arbitrage rebate liability on our COPS Series 2020A.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

Changes in NonCurrent Liabilities

Noncurrent liability balances and activity for the year ended June 30, 2025, were as follows:

	Restated Balance			Balance	Amounts
	6/30/2024 *	Additions	Deductions	6/30/2025 *	Due Within
					One Year
Governmental Activities					
Certificates of Participation Payable	\$ 415,127,000	\$ -	\$ 52,012,000	\$ 363,115,000	\$ 80,940,000
Certificates of Participation Premium	24,068,097	-	3,910,421	20,157,676	-
Certificates of Participation, net of premium	439,195,097	-	55,922,421	383,272,676	80,940,000
Arbitrage Payable	-	127,049	-	127,049	-
Leases Payable	17,964	-	16,474	1,490	1,490
Notes Payable	-	-	-	-	-
Total Long-Term Debt	439,213,061	127,049	55,938,895	383,401,215	80,941,490
 Other Noncurrent Liabilities					
Estimated Early Retirement Payable	1,007,000	-	28,000	979,000	41,800
Net Pension Liability	608,258,204	189,986,336	225,460,314	572,784,226	-
Estimated Insurance Claims Payable	24,717,595	139,944,967	138,722,357	25,940,205	16,326,905
Postemployment Benefits Payable	44,064,090	3,631,050	2,213,569	45,481,571	66,708
Liability for Compensated Absences *	100,885,142	5,422,390	-	106,307,532	5,614,606
Total Other Liabilities	778,932,031	338,984,743	366,424,240	751,492,534	22,050,019
Total Noncurrent Liabilities	\$ 1,218,145,092	\$ 339,111,792	\$ 422,363,135	\$ 1,134,893,749	\$ 102,991,509

* The change in compensated absences is a net change for the year.

* 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, and net pension liability 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

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 \$31,480 liability for compensated absences in the Internal Service Fund is included in the above amounts.

NOTE 8: 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, 2025, the amount of defeased debt outstanding is \$15,195,000.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 9: LEASES

9-A Lease Payable

For the year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

The District has entered into various 36-month leases as Lessee for the use of equipment. An initial liability was recorded in the amount of \$107,672. As of June 30, 2025, the value of the lease liability is \$1,490. The District is required to make monthly fixed payments of various amounts. The interest ranges from zero percent to 9.19 percent and mature through 2026. The value of the right to use asset as of June 30, 2025, of \$13,958 with accumulated amortization of \$12,478 is included with buildings and capital assets on Note 5. The District has no extension options or termination periods.

Principal and interest requirements for the lease liability at June 30, 2025 are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
2026	\$ 1,492	\$ 1,490	\$ 2
Total Lease Payable	\$ 1,492	\$ 1,490	\$ 2

9-B Lease Receivables

The District leases land space to various vendors for cell towers. The agreements are non-cancellable and terminate no earlier than May 2037. These are five-year lease agreements with five five-year renewal options. Rental payments may increase due to a change in the Consumer Price Index (CPI) rate or other economic indicators.

The District implemented GASB No. 87 for the year ended June 30, 2022 and recorded \$4,837,162 balance for lease receivable and deferred inflows of resources as of July 1, 2021. The lease receivable balance was reduced and interest income recognized for \$183,190 and \$90,145 respectively.

Principal and interest requirements to maturity for the lease receivable at June 30, 2025 are as follows:

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
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<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 281,535	\$ 195,183	\$ 86,352
2027	289,981	207,667	82,314
2028	298,681	220,667	78,014
2029	307,640	234,193	73,447
2030	316,869	248,271	68,598
2031-2035	1,732,779	1,473,125	259,654
2036-2040	1,121,613	1,017,946	103,667
2041-2045	276,046	226,337	49,709
2046-2050	286,573	260,754	25,819
2051-2052	89,894	87,528	2,366
Total Lease Receivable	<u>\$ 5,001,611</u>	<u>\$ 4,171,671</u>	<u>\$ 829,940</u>

NOTE 10: NET POSITION-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, 2025, is shown in the table below:

Description	
Total Capital Assets, Net of Accumulated Depreciation	\$ 1,495,222,698
Less Related Debt, Net of Unspent Proceeds:	
Certificates of Participation Payable	\$ (383,272,676)
Leases Payable	(1,490)
Matured Certificates of Participation Payable	(52,012,000)
Construction Contracts Payable (net of non capitalized assets)	(1,415,518)
Retainage Payable (net of non capitalized assets)	(9,094,191)
Deferred Amount on Refunding	(529,858)
Unspent Proceeds	22,662,637
Total Related Debt, Net of Unspent Proceeds	<u>(423,663,096)</u>
Net Investment in Capital Assets	<u>\$ 1,071,559,602</u>

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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 \$9,795,737 that are classified as nonspendable.

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 \$875,705,876 and represented \$18,531,922 in State required carryover programs, \$61,981,561 in other externally restricted grants and donations, \$73,189,591 in other school restricted donations, \$2,274,910 in food service, \$27,968,491 in debt service and \$753,740,962 in capital projects.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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

The assigned fund balances total \$9,262,210. In accordance with GASB Statement No. 54, the District reports outstanding encumbrances, of \$9,262,210 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 \$136,751,432.

NOTE 12: SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2024-25 fiscal year:

Source	Amount
Florida Education Finance Program	\$ 246,248,063
Categorical Educational Programs:	
Class Size Reduction	101,000,328
Florida School Recognition Funds	3,299,811
Voluntary Prekindergarten Program	2,320,494
Public Education Capital Outlay (PECO)	4,600,000
Workforce Development Program	12,011,152
Charter School Capital Outlay Funding	8,212,376
Motor Vehicle License Tax (Capital Outlay and Debt Service)	4,528,084
Food Service Supplement	541,795
State License Tax	442,956
Sales Tax Distribution	223,250
Miscellaneous	8,441,881
Total	<u>\$ 391,870,190</u>

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THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 13: PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2024 tax roll in fiscal year 2024-2025:

	<u>Mills</u>	<u>Amount</u>
<u>General Fund:</u>		
Nonvoted School Tax		
Required Local Effort	3.038	\$ 510,635,549
Basic Discretionary Local Effort	0.748	120,036,263
<u>Capital Projects Funds:</u>		
Nonvoted School Tax		
Local Improvements	1.500	240,714,432
Total	<u>5.286</u>	<u>\$ 871,386,244</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 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 \$62,218,933 for the fiscal year ended June 30, 2025.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 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:

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
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JUNE 30, 2025

<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 2024-25 fiscal year were as follows:

Class	Employee Contribution (Percent of Gross Salary)	Employer Contribution (Percent of Gross Salary)
FRS, Regular	3.00	13.63
FRS, Elected County Officers	3.00	58.68
FRS, Senior Management Service	3.00	34.52
Deferred Retirement Option Program		
(Applicable to member from all of the above classes)	0.00	21.13
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 2.00 percent. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

The District's contributions to the Plan totaled \$54,731,165 for the fiscal year ended June 30, 2025. 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, 2025, the District reported a net pension liability of \$363,287,407 for its

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proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportionate share of the net pension liability was based on the District's 2023-24 fiscal year contributions relative to the total 2023-24 fiscal year contributions of all participating members. At June 30, 2024, the District's proportion was 00.939098349 percent, which was a decrease of 0.0030571829 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized the Plan pension expense of \$53,973,322. At June 30, 2025, 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	\$ 36,701,781	\$ -
Change of assumptions	49,791,861	-
Net difference between projected and actual earnings on pension plan investments	-	24,145,971
Changes in proportion and differences between District contributions and proportionate share of contributions	11,314,380	19,937,011
District contributions subsequent to the measurement date	54,731,165	-
Total	<u>\$ 152,539,187</u>	<u>\$ 44,082,982</u>

The deferred outflows of resources related to pensions, resulting from District contributions subsequent to the measurement date, totaling \$54,731,165, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026. 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
2026	\$ (6,233,013)
2027	59,656,286
2028	125,417
2029	(2,566,104)
2030	2,742,454
Thereafter	-
Total	<u>\$ 53,725,040</u>

Actuarial Assumptions. The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation

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Mortality rates were based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2021 details in valuation report.

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023. As a result of the 2023 actuarial experience study, the inflation rate assumption was unchanged at 2.40 percent, and the overall payroll growth rate assumption was increased from 3.25 to 3.50 percent. The long-term expected rate of return was unchanged at 6.70 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>Allocation¹</u>	<u>Return</u>	<u>Return</u>	<u>Deviation</u>
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real estate (Property)	10.3%	7.6%	6.6%	14.8%
Private Equity	11.1%	11.9%	8.8%	26.3%
Strategic Investments	3.8%	6.3%	6.1%	7.7%
Total	100%			
Assumed inflation - Mean			2.4%	1.4%

¹ As outlined in the Plan's investment policy

Discount Rate. The discount rate used to measure the total pension liability was unchanged at 6.70 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.

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 6.70 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 (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

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	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
District's proportionate share of the net pension liability	\$ 639,009,828	\$ 363,287,407	\$ 132,311,397

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, 2025, the District reported a payable of \$9,476,494 for the outstanding amount of contributions to the pension plan required for the fiscal year ended June 30, 2025.

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, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 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, 2025, the contribution rate was 2.00 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 \$12,338,744 for the fiscal year ended June 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, the District reported a net pension liability of \$209,496,819 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The District's proportionate share of the net pension liability was based on the District's 2023-24 fiscal year contributions relative to the total 2023-24 fiscal year contributions of all

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participating members. At June 30, 2024, the District's proportion was 1.396554511 percent, which was a decrease of 0.000527950 from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the District recognized the HIS Plan pension expense of \$8,245,611. 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	\$ 2,022,834	\$ 402,264
Change of assumptions	3,707,602	24,801,737
Net difference between projected and actual earnings on HIS pension plan investments	-	75,767
Changes in proportion and differences between District HIS contributions and proportionate share of contributions	2,271,335	4,298,454
District contributions subsequent to the measurement date	12,338,744	-
Total	<u>\$ 20,340,515</u>	<u>\$ 29,578,222</u>

The deferred outflows of resources relating to pensions, resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$12,338,744, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2026. 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
2026	\$ (4,023,434)
2027	(4,500,748)
2028	(5,773,923)
2029	(4,312,827)
2030	(2,354,868)
Thereafter	(610,652)
Total	<u>\$ (21,576,452)</u>

Actuarial Assumptions. The total pension liability in the July 1, 2024, 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
Municipal bond rate	3.65 percent

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2021.

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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 3.93 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 increased from 3.65 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 3.93 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
District's proportionate share of the net pension liability	<u>\$ 238,485,204</u>	<u>\$ 209,496,819</u>	<u>\$ 185,431,774</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, 2025, the District reported a payable of \$2,115,188 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2025.

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	\$ 363,287,407	\$ 152,539,187	\$ 44,082,982	\$ 53,973,322
HIS	209,496,819	20,340,515	29,578,222	8,245,611
Total	<u>\$ 572,784,226</u>	<u>\$ 172,879,702</u>	<u>\$ 73,661,204</u>	<u>\$ 62,218,933</u>

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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 2024-25 fiscal year were as follows:

Class	(Percent of Gross Compensation)
FRS, Regular	9.30
FRS, Elected County Officers	14.34
FRS, Senior Management Service	10.67

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, 2025, 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 guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

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The District's Investment Plan pension expense totaled \$17,681,866 for the fiscal year ended June 30, 2025.

Payables to the Investment Plan. At June 30, 2025, the District reported a payable of \$3,232,091 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended June 30, 2025.

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, 2025.

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.

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.

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The District reported a liability in its Statement of Net Position of \$979,000 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.

Employees Covered by Benefit Terms. At June 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	1,707
Inactive Employees Entitled to But Not Yet Receiving Benefits	-
Active Employees	10,092
Total	<u>11,799</u>

Total OPEB Liability

The District's total OPEB liability of \$45,481,571 was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023 and update procedures used to determine the total OPEB liability as of June 30, 2025.

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Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5 percent.
Salary increases	3.4-7.8 percent, average, including inflation.
Discount rate	3.93 percent.
Healthcare cost trend rates	7 percent for 2024, and gradually decreasing to an ultimate rate of 4 percent in 2050.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death."
Expenses	Administrative expenses are included in the per capita health costs.
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.

Demographic assumptions employed in the actuarial valuation were the same as those employed in the July 1, 2023, actuarial valuation of the FRS Defined Benefit Pension Plan. These demographic assumptions were developed by FRS from an actuarial experience study and therefore are appropriate for use in the OPEB Plan actuarial valuation. These include assumed rates of future termination, mortality, disability, and retirement. In addition, salary increase assumptions (for development of the pattern of the normal cost increases) were the same as those used in the July 1, 2023, actuarial valuation of the FRS Defined Benefit Pension Plan. Assumptions used in valuation of benefits for participants of the FRS Investment Plan are the same as for similarly situated participants of the FRS Defined Benefit Pension Plan.

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Changes in the Total OPEB Liability

	Amount
Balance at 6/30/24	\$ 44,064,090
Changes for the year:	
Service Cost	1,892,815
Interest	1,738,235
Differences Between Expected and Actual Experience	-
Changes in Assumptions or Other Inputs	(363,728)
Benefit Payments	(1,849,841)
Net Changes	1,417,481
Balance at 6/30/25	\$ 45,481,571

There were no changes of benefit terms during the year.

Changes in assumptions. The discount rate was changed from 3.86 percent in 2023 to 3.93 percent in 2024.

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 (2.93 percent) or 1 percentage point higher (4.93 percent) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	\$51,079,006	\$45,481,571	\$40,723,994

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 percent decreasing to 2.75 percent) or 1 percentage point higher (7 percent decreasing 4.75 percent) than the current healthcare cost trend rates:

	1% Decrease (6% decreasing to 3%)	Healthcare Cost Trend Rates (7% decreasing to 4%)	1% Increase (8% decreasing to 5%)
Total OPEB liability	\$40,258,733	\$45,481,571	\$52,050,923

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

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For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$2,535,691. At June 30, 2025, 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	\$ 917,779	\$ -
Change of assumptions or other inputs	2,163,171	9,784,230
Transactions subsequent to the measurement date	1,783,133	-
Total	<u>\$ 4,864,083</u>	<u>\$ 9,784,230</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$1,783,133 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, 2026. 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>
2026	\$ (1,095,359)
2027	(1,095,359)
2028	(706,083)
2029	(670,206)
2030	(659,961)
Thereafter	(2,476,312)
Total	<u>\$ (6,703,280)</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 \$10,587,558 at June 30, 2025, 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. This is the unretired portion of our equity in the Cooperative. The district receives annual payouts until paid in full. 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 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.

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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 \$14,129,731 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, 2025. A liability in the amount of \$11,810,474 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, 2025.

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
2023-2024	\$ 15,298,753	\$ 7,579,936	\$ (7,542,857)	\$ 15,335,832
2024-2025	15,335,832	8,668,371	(9,874,472)	14,129,731

Health Insurance Self Insurance Fund:

	Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2023-2024	\$ 8,282,334	\$ 110,619,723	\$ (109,520,294)	\$ 9,381,763
2024-2025	9,381,763	131,276,594	(128,847,883)	11,810,474

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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: RESTATEMENT

Changes in Accounting Principal

Change in Compensated Absences Liability (Column A)

The District is implementing GASB Statement 101, in the financial statements of the current fiscal year. The District provides two forms of employee leave (vacation and sick). Sick leave is earned each month and carries over without limits at the end of the fiscal year. Previously, the District only accrued sick leave based on the District's vesting rules for payout of sick leaves upon termination. Under Statement 101, accumulated sick leave meets the first two criteria (attributable to past service and accumulates). The District therefore examined its past experience with accumulated sick leave and estimated the amount of accumulated leave that was more likely than not to be use by employees. This estimate is now to be reported as a liability in the government-wide and proprietary fund financial statements. The portion of this liability that existed at the beginning of the current year is recognized as a decrease in beginning net position resulting from adoption of a new accounting standard.

Implementing GASB 101 has led to a restatement of the beginning net position for the fiscal year ending June 30, 2025, as shown below:

	June 30, 2024 Net Position, as previously reported	Change in Accounting Principal (A)	June 30, 2024 Net Position, as restated
Government-Wide			
Governmental Activities	\$ 1,498,565,187	\$ (22,813,216)	\$ 1,475,751,971
Total Primary Government	<u>\$ 1,498,565,187</u>	<u>\$ (22,813,216)</u>	<u>\$ 1,475,751,971</u>

This restatement reflects the newly recognized liability for sick leave and associated salary-related payments that meet the GASB 101 requirements.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 22: SUBSEQUENT EVENTS

The District has evaluated events and transactions occurring subsequent to June 30, 2025 through the date the financial statements were available to be issued.

Certificates of Participation Issuance

In November 2025, the School District of Lee County issued approximately \$400 million in Series 2025 Certificates of Participation (COPs) to finance major capital projects, including school renovations and the construction of new educational facilities. Debt service on the COPs is subject to annual appropriation by the School Board and is payable from legally available non-ad valorem revenues.

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	2021	2022	2023	2024
Total OPEB Liability								
Service cost	\$ 2,685,667	\$ 2,461,752	\$ 2,323,472	\$ 2,404,392	\$ 2,733,872	\$ 2,607,637	\$ 1,862,040	\$ 1,892,815
Interest	1,586,448	1,827,266	1,857,397	1,579,789	1,301,046	1,022,841	1,573,319	1,738,235
Differences between expected and actual experience	-	-	1,473,558	-	177,348	-	259,765	-
Changes of assumptions or other inputs	(3,892,800)	(358,774)	(1,575,972)	2,251,057	(671,490)	(10,213,990)	1,103,463	(363,728)
Benefit payments	(3,718,992)	(2,597,226)	(5,023,511)	(4,968,847)	(2,897,706)	(3,593,330)	(3,019,644)	(1,849,841)
Net changes in total OPEB liability	(3,339,677)	1,333,018	(945,056)	1,266,391	643,070	(10,176,842)	1,778,943	1,417,481
Total OPEB Liability-beginning, as restated	53,504,243	\$ 50,164,566	\$ 51,497,584	\$ 50,552,528	\$ 51,818,919	\$ 52,461,989	\$ 42,285,147	\$ 44,064,090
Total OPEB Liability- ending	\$ 50,164,566	\$ 51,497,584	\$ 50,552,528	\$ 51,818,919	\$ 52,461,989	\$ 42,285,147	\$ 44,064,090	\$ 45,481,571
Covered employee payroll	\$ 522,477,873	\$ 535,169,541	\$ 545,004,178	\$ 553,081,335	\$ 493,312,820	\$ 520,692,665	\$ 667,220,244	\$ 700,488,403
Total OPEB Liability as a percentage of covered employee payroll	9.60%	9.62%	9.28%	9.37%	10.63%	7.09%	6.60%	6.82%

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

Note 2: For additional information see RSI notes

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 DISTRICTS PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-
FLORIDA RETIREMENT SYSTEM PENSION PLAN

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the FRS net pension liability	1.010277504%	0.944803387%	0.947570220%	0.984289781%	0.949750579%	0.916137214%	0.999480968%	1.027899900%	0.969670178%	0.939098349%
District's proportionate share of the FRS net pension liability	\$ 130,490,889	\$ 238,563,597	\$ 280,284,913	\$ 296,473,184	\$ 327,071,943	\$ 397,067,370	\$ 75,499,428	\$ 382,461,367	\$ 386,382,876	\$ 363,287,407
District's covered payroll	\$ 425,054,736	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456	\$ 493,312,820	\$ 520,692,665	\$ 553,660,848	\$ 591,406,820
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	30.70%	54.76%	62.16%	62.00%	68.44%	81.84%	15.30%	73.45%	69.79%	61.43%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	92.00%	84.88%	83.89%	84.26%	82.61%	78.85%	96.40%	82.89%	82.38%	83.70%

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

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required FRS contribution	\$ 23,040,537	\$ 24,667,586	\$ 28,051,468	\$ 29,449,121	\$ 30,439,180	\$ 38,075,907	\$ 43,862,359	\$ 46,647,372	\$ 53,177,696	\$ 54,731,165
FRS contributions in relation to the										
contractually required FRS contribution	23,040,537	24,667,586	28,051,468	29,449,121	30,439,180	38,075,907	43,862,359	46,647,372	53,177,696	54,731,165
FRS Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456	\$ 493,312,820	\$ 520,692,665	\$ 553,660,848	\$ 591,406,820	\$ 617,212,686
FRS contributions as a percentage of covered payroll	5.29%	5.47%	5.87%	6.16%	6.27%	7.72%	8.42%	8.43%	8.99%	8.87%

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

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
District's proportion of the HIS net pension liability	1.400910797%	1.409500592%	1.414366908%	1.463511500%	1.428583350%	1.376335040%	1.393189156%	1.428440819%	1.397082461%	1.396554511%
District's proportionate share of the HIS net pension liability	\$ 142,870,865	\$ 164,271,455	\$ 151,230,635	\$ 154,899,700	\$ 159,844,181	\$ 170,648,775	\$ 170,895,596	\$ 151,294,698	\$ 221,875,328	\$ 209,496,819
District's covered payroll	\$ 425,054,736	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456	\$ 493,312,820	\$ 520,692,665	\$ 553,660,848	\$ 591,406,820
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	33.61%	37.71%	33.54%	32.40%	33.45%	35.17%	34.64%	29.06%	40.07%	35.42%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	0.50%	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%

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

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually required HIS contribution	\$ 7,224,589	\$ 7,485,238	\$ 7,936,660	\$ 7,932,785	\$ 8,053,907	\$ 8,189,178	\$ 8,643,270	\$ 9,190,255	\$ 11,823,643	\$ 12,338,744
HIS contributions in relation to the										
contractually required HIS contribution	7,224,589	7,485,238	7,936,660	7,932,785	8,053,907	8,189,178	8,643,270	9,190,255	11,823,643	12,338,744
HIS Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 435,635,339	\$ 450,935,762	\$ 478,145,637	\$ 477,911,471	\$ 485,160,456	\$ 493,312,820	\$ 520,692,665	\$ 553,660,848	\$ 591,406,820	\$ 617,212,686
HIS contributions as a percentage of covered- employee payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	2.00%	2.00%

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

REQUIRED SUPPLEMENTARY INFORMATION

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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, 2024, 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 3.86 percent as of the beginning of the measurement period to 3.93 percent as of June 30, 2024 (based on the Long-term Municipal Bond rate).

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 remained the same, 6.70 percent.

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 increased from 3.65 percent to 3.93 percent.

OTHER SUPPLEMENTARY INFORMATION

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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:

Public Education Capital Outlay (PECO) Fund: To account for and report on funds received from the State for the construction and maintenance of schools.

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, 2025

	Special Revenue Funds					Capital Projects Fund		
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Contracted Programs	Food Service	Other Programs	Total Nonmajor Capital Projects Fund	Public Education Capital Outlay	Capital Outlay and Debt Service
ASSETS								
Cash	\$ 5,606,442	\$ 4,681,966	\$ -	\$ 1,487,700	\$ 3,194,266	\$ 924,476	\$ 3,400	\$ 921,076
Investments	33,942,555	8,604,293	-	-	8,604,293	25,338,262	-	25,338,262
Accounts Receivable	617,305	617,305	42,621	10,074	564,610	-	-	-
Due from Other Funds	758,205	758,205	723,574	34,631	-	-	-	-
Due from Other Agencies	19,266,314	9,809,246	8,915,613	893,633	-	9,457,068	4,999,205	4,457,863
Inventory	<u>1,322,877</u>	<u>1,322,877</u>	<u>-</u>	<u>1,047,292</u>	<u>275,585</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 61,513,698</u>	<u>\$ 25,793,892</u>	<u>\$ 9,681,808</u>	<u>\$ 3,473,330</u>	<u>\$ 12,638,754</u>	<u>\$ 35,719,806</u>	<u>\$ 5,002,605</u>	<u>\$ 30,717,201</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts Payable	\$ 1,829,492	\$ 1,798,701	\$ 792,925	\$ 150,637	\$ 855,139	\$ 30,791	\$ 30,791	\$ -
Matured Bonds Payable	-	-	-	-	-	-	-	-
Matured Interest Payable	-	-	-	-	-	-	-	-
Accrued Interest Payable	-	-	-	-	-	-	-	-
Construction Contracts Payable	-	-	-	-	-	-	-	-
Construction Contracts Payable - Retainage	-	-	-	-	-	-	-	-
Deposits Payable	199	199	199	-	-	-	-	-
Due to Other Funds	<u>8,812,075</u>	<u>8,773,773</u>	<u>8,773,282</u>	<u>491</u>	<u>-</u>	<u>38,302</u>	<u>38,302</u>	<u>-</u>
Total Liabilities	<u>10,641,766</u>	<u>10,572,673</u>	<u>9,566,406</u>	<u>151,128</u>	<u>855,139</u>	<u>69,093</u>	<u>69,093</u>	<u>-</u>
Deferred Inflows								
Unavailable Revenue	<u>115,402</u>	<u>115,402</u>	<u>115,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows	<u>115,402</u>	<u>115,402</u>	<u>115,402</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance								
Nonspendable								
Inventory	1,322,877	1,322,877	-	1,047,292	275,585	-	-	-
Restricted for:								
Other Purpose	11,508,030	11,508,030	-	-	11,508,030	-	-	-
Capital Projects	35,650,713	-	-	-	-	35,650,713	4,933,512	30,717,201
Food Service	<u>2,274,910</u>	<u>2,274,910</u>	<u>-</u>	<u>2,274,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>50,756,530</u>	<u>15,105,817</u>	<u>-</u>	<u>3,322,202</u>	<u>11,783,615</u>	<u>35,650,713</u>	<u>4,933,512</u>	<u>30,717,201</u>
Total Liabilities and Fund Balances	<u>\$ 61,513,698</u>	<u>\$ 25,793,892</u>	<u>\$ 9,681,808</u>	<u>\$ 3,473,330</u>	<u>\$ 12,638,754</u>	<u>\$ 35,719,806</u>	<u>\$ 5,002,605</u>	<u>\$ 30,717,201</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, 2025

	Special Revenue Funds					Capital Projects Fund		
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Funds	Contracted Programs	Food Service	Other Programs	Total Nonmajor Capital Projects Fund	Public Education Capital Outlay	Capital Outlay and Debt Service
Revenues								
Federal Direct Sources	\$ 17,011,485	\$ 17,011,485	\$ 17,011,485	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Through State Sources	141,038,659	141,038,659	75,341,535	65,697,124	-	-	-	-
State Sources	9,819,767	757,089	204,310	552,779	-	9,062,678	4,600,000	4,462,678
Local Sources								
Food Service Sales	895,337	895,337	-	895,337	-	-	-	-
Miscellaneous	40,380,354	39,665,484	-	142,354	39,523,130	714,870	-	714,870
Total Revenues	209,145,602	199,368,054	92,557,330	67,287,594	39,523,130	9,062,678	4,600,000	5,177,548
EXPENDITURES								
Current								
Instruction	84,172,373	84,172,373	47,331,777	-	36,840,596	-	-	-
Student Support Services	9,255,391	9,255,391	9,255,391	-	-	-	-	-
Instructional Media Services	320,868	320,868	320,868	-	-	-	-	-
Instruction and Curriculum	21,262,496	21,262,496	21,262,496	-	-	-	-	-
Development Services	-	-	-	-	-	-	-	-
Instructional Staff Training Services	7,772,162	7,772,162	7,772,162	-	-	-	-	-
Instruction Related Technology	74,807	74,807	74,807	-	-	-	-	-
General Administration	3,480,729	3,480,729	3,480,729	-	-	-	-	-
School Administration	3,018,315	3,018,315	861,976	-	2,156,339	-	-	-
Facilities Services	917,657	161,726	161,726	-	-	755,931	755,931	-
Fiscal Services	-	-	-	-	-	-	-	-
Food Service	68,006,295	68,006,295	-	68,006,295	-	-	-	-
Central Services	128,384	128,384	128,384	-	-	-	-	-
Student Transportation Services	722,585	722,585	722,585	-	-	-	-	-
Operation of Plant	202,017	202,017	202,017	-	-	-	-	-
Community Services	465,156	465,156	465,156	-	-	-	-	-
Capital Outlay								
Facilities Acquisition and Construction	53,432	53,432	53,432	-	-	-	-	-
Other Capital Outlay	776,396	776,396	463,824	312,572	-	-	-	-
Debt Service								
Principal	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	4,815	-	-	-	-	4,815	-	4,815
Total Expenditures	200,633,878	199,873,132	92,557,330	68,318,867	38,996,935	760,746	755,931	4,815
Excess (Deficiency) of Revenues								
Over (Under) Expenditures	8,511,724	(505,078)	-	(1,031,273)	526,195	9,016,802	3,844,069	5,172,733
Net Change in Fund Balance	8,511,724	(505,078)	-	(1,031,273)	526,195	9,016,802	3,844,069	5,172,733
Fund Balance, Beginning	42,244,806	15,610,895	-	4,353,475	11,257,420	26,633,911	1,089,443	25,544,468
Fund Balance, Ending	\$ 50,756,530	\$ 15,105,817	\$ -	\$ 3,322,202	\$ 11,783,615	\$ 35,650,713	\$ 4,933,512	\$ 30,717,201

**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, 2025**

	Certificates of Participation			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Interest Income	\$ -	\$ 66,062	\$ 370,803	\$ (304,741)
Total Local Sources	-	66,062	370,803	(304,741)
Total Revenues	-	66,062	370,803	(304,741)
EXPENDITURES				
Debt Service				
Principal	52,012,000	58,209,250	52,012,000	6,197,250
Interest and Fiscal Charges	17,044,265	11,470,331	17,656,608	(6,186,277)
Total Expenditures	69,056,265	69,679,581	69,668,608	10,973
Deficiency of Revenues Under Expenditures	(69,056,265)	(69,613,519)	(69,297,805)	(315,714)
OTHER FINANCING SOURCES				
Transfer In	69,056,265	69,900,226	69,264,261	635,965
Total Other Financing Sources	69,056,265	69,900,226	69,264,261	635,965
Net Change in Fund Balance	-	286,707	(33,544)	320,251
Fund Balance, Beginning	94,119	94,119	94,119	-
Fund Balance, Ending	\$ 94,119	\$ 380,826	\$ 60,575	\$ 320,251

**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, 2025**

	ARRA Economic Stimulus			Variance with Final Budget - Under
	Budgeted Amounts		Actual Amounts	(Over)
	Original	Final		
REVENUES				
Local Sources				
Interest Income	\$ -	\$ -	\$ 1,201,768	\$ (1,201,768)
Total Local Sources	-	-	1,201,768	(1,201,768)
Total Revenues	-	-	1,201,768	(1,201,768)
EXPENDITURES				
Debt Service				
Principal	1,800,600	1,800,600	-	1,800,600
Interest and Fiscal Charges	228,219	228,219	203,864	24,355
Total Expenditures	2,028,819	2,028,819	203,864	1,824,955
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,028,819)	(2,028,819)	997,904	(3,026,723)
OTHER FINANCING SOURCES				
Transfer In	2,028,819	2,028,819	3,291	2,025,528
Total Other Financing Sources	2,028,819	2,028,819	3,291	2,025,528
Net Change in Fund Balance	-	-	1,001,195	(1,001,195)
Fund Balance, Beginning	26,906,721	26,906,721	26,906,721	-
Fund Balance, Ending	\$ 26,906,721	\$ 26,906,721	\$ 27,907,916	\$ (1,001,195)

**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, 2025**

	Local Capital Improvement Tax			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Ad Valorem Taxes	\$ 231,085,855	\$ 231,085,855	\$ 231,479,342	\$ (393,487)
Interest Income	2,250,000	2,250,000	15,859,437	(13,609,437)
Local Grants and Other Local Sources	-	126,475,924	-	126,475,924
Total Local Sources	233,335,855	359,811,779	247,338,779	112,473,000
Total Revenues	233,335,855	359,811,779	247,338,779	112,473,000
EXPENDITURES				
Current				
Facilities Services	203,583,222	215,556,507	100,606,341	114,950,166
Capital Outlay				
Facilities Acquisition and Construction	215,617,362	297,502,674	63,884,640	233,618,034
Other Capital Outlay	-	31,046,819	6,020,631	25,026,188
Total Expenditures	419,200,584	544,106,000	170,511,612	373,594,388
Excess (Deficiency) of Revenues Over (Under) Expenditures	(185,864,729)	(184,294,221)	76,827,167	(261,121,388)
OTHER FINANCING USES				
Transfer Out	(57,375,028)	(62,862,081)	(45,707,720)	(17,154,361)
Total Other Financing Uses	(57,375,028)	(62,862,081)	(45,707,720)	(17,154,361)
Net Change in Fund Balance	(243,239,757)	(247,156,302)	31,119,447	(278,275,749)
Fund Balance, Beginning	497,954,032	371,381,500	497,857,424	(126,475,924)
Fund Balance, Ending	\$ 254,714,275	\$ 124,225,198	\$ 528,976,871	\$ (151,799,825)

**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, 2025**

	Certificates of Participation/Impact Fees/State Grants			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Under (Over)
	Original	Final		
REVENUES				
State Sources				
Charter School Capital Outlay	\$ 8,136,000	\$ 8,136,000	\$ 8,212,376	\$ (76,376)
State Grants and Other State Sources	499,000	2,638,798	343,119	2,295,679
Total State Sources	8,635,000	10,774,798	8,555,495	2,219,303
Local Sources				
Local Sales Taxes	122,591,859	122,591,859	118,179,141	4,412,718
Impact Fees	30,000,000	30,000,000	29,769,485	230,515
Interest Income	675,000	675,000	8,284,150	(7,609,150)
Local Grants and Other Local Sources	-	-	1,580,513	(1,580,513)
Total Local Sources	153,266,859	153,266,859	157,813,289	(4,546,430)
Total Revenues	161,901,859	164,041,657	166,368,784	(2,327,127)
EXPENDITURES				
Current				
Facilities Services	140,144,400	125,652,633	87,164,368	38,488,265
Capital Outlay				
Facilities Acquisition and Construction	90,373,688	154,266,461	64,493,022	89,773,439
Other Capital Outlay	5,031,766	5,213,270	2,955,445	2,257,825
Total Expenditures	235,549,854	285,132,364	154,612,835	130,519,529
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	(73,647,995)	(121,090,707)	11,755,949	(132,846,656)
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	2,897,521	(2,897,521)
Transfer Out	(56,846,056)	(63,106,979)	(55,383,395)	(7,723,584)
Total Other Financing Sources (Uses)	(56,846,056)	(63,106,979)	(52,485,874)	(10,621,105)
Net Change in Fund Balance	(130,494,051)	(184,197,686)	(40,729,925)	(143,467,761)
Fund Balance, Beginning	239,705,941	234,212,189	234,888,128	(675,939)
Fund Balance, Ending	\$ 109,211,890	\$ 50,014,503	\$ 194,158,203	\$ (142,791,822)

**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, 2025**

	Contracted Programs			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Direct Sources				
Miscellaneous Federal Direct	\$ 20,344,578	\$ 21,318,788	\$ 17,011,485	\$ 4,307,303
Total Federal Direct Sources	20,344,578	21,318,788	17,011,485	4,307,303
Federal Through State Sources				
Other Federal Through State Grants	45,992,983	103,548,254	75,341,535	28,206,719
Total Federal Through State Sources	45,992,983	103,548,254	75,341,535	28,206,719
State Sources:				
State Grants and Other State Sources	329,767	329,767	204,310	125,457
Total State Sources	329,767	329,767	204,310	125,457
Local Sources				
Child Care and Adult Course Fees	-	110,402	-	110,402
Total Local Sources	-	110,402	-	110,402
Total Revenues	66,667,328	125,307,211	92,557,330	32,749,881
EXPENDITURES				
Current				
Instruction	39,366,952	56,367,936	47,331,777	9,036,159
Student Support Services	6,850,442	11,459,124	9,255,391	2,203,733
Instructional Media Services	177,478	516,460	320,868	195,592
Instruction and Curriculum Development Services	6,369,329	27,030,956	21,262,496	5,768,460
Instructional Staff Training Services	8,136,921	11,511,075	7,772,162	3,738,913
Instruction Related Technology	272	75,932	74,807	1,125
Board	-	-	-	-
General Administration	3,091,536	4,055,192	3,480,729	574,463
School Administration	129,684	948,552	861,976	86,576
Facilities Services	22,182	8,623,605	161,726	8,461,879
Fiscal Services	8,397	-	-	-
Food Service	-	-	-	-
Central Services	282,586	225,244	128,384	96,860
Student Transportation Services	1,211,193	1,123,623	722,585	401,038
Operation of Plant	144,056	209,345	202,017	7,328
Maintenance of Plant	-	-	-	-
Administrative Technology Services	-	-	-	-
Community Services	876,300	813,054	465,156	347,898
Capital Outlay				
Facilities Acquisition and Construction	-	27,860	53,432	(25,572)
Other Capital Outlay	-	2,319,253	463,824	1,855,429
Total Expenditures	66,667,328	125,307,211	92,557,330	32,749,881
Excess of Revenues Over Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

**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, 2025**

	Food Service			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Federal Through State Sources				
Food Service	\$ 61,315,894	\$ 65,734,487	\$ 60,823,370	\$ 4,911,117
Donated Foods and Cash in Lieu of	200,000	229,200	4,873,754	(4,644,554)
Total Federal Through State Sources	61,515,894	65,963,687	65,697,124	266,563
State Sources				
Food Services	655,954	655,954	552,779	103,175
Total State Sources	655,954	655,954	552,779	103,175
Local Sources				
Food Service Sales	1,170,781	1,170,781	895,337	275,444
Interest Income	176,862	176,862	17,074	159,788
Local Grants and Other Local Sources	87,516	87,684	125,280	(37,596)
Total Local Sources	1,435,159	1,435,327	1,037,691	397,636
Total Revenues	63,607,007	68,054,968	67,287,594	767,374
EXPENDITURES				
Current				
Food Service	67,960,482	71,740,414	68,006,295	3,734,119
Capital Outlay				
Other Capital Outlay	-	668,029	312,572	355,457
Total Expenditures	67,960,482	72,408,443	68,318,867	4,089,576
Deficiency of Revenues Under Expenditures	(4,353,475)	(4,353,475)	(1,031,273)	(3,322,202)
Net Change in Fund Balance	(4,353,475)	(4,353,475)	(1,031,273)	(3,322,202)
Fund Balance, Beginning	4,353,475	4,353,475	4,353,475	-
Fund Balance, Ending	\$ -	\$ -	\$ 3,322,202	\$ (3,322,202)

**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, 2025**

	Other Programs			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
Local Sources				
Interest Income	\$ -	\$ -	\$ 228,124	\$ (228,124)
Local Grants and Other Local Sources	-	38,996,935	39,295,006	(298,071)
Total Local Sources	-	38,996,935	39,523,130	(526,195)
 Total Revenues	-	38,996,935	39,523,130	(526,195)
 EXPENDITURES				
Current				
Instruction	-	36,840,596	36,840,596	-
School Administration	-	2,156,339	2,156,339	-
Total Expenditures	-	38,996,935	38,996,935	-
 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	526,195	(526,195)
 Net Change in Fund Balance	-	-	526,195	526,195
 Fund Balance, Beginning	-	11,257,420	11,257,420	-
Fund Balance, Ending	\$ -	\$ 11,257,420	\$ 11,783,615	\$ 526,195

**THE SCHOOL DISTRICT OF LEE COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
CAPITAL PROJECTS FUND - PUBLIC EDUCATION CAPITAL OUTLAY (NONMAJOR GOVERNMENTAL FUND)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Public Education Capital Outlay			Variance with Final Budget - Under (Over)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUES				
State Sources:				
Public Education Capital Outlay	\$ 16,000	\$ 4,616,000	\$ 4,600,000	\$ 16,000
Total State Sources	16,000	4,616,000	4,600,000	16,000
Total Revenues	16,000	4,616,000	4,600,000	16,000
EXPENDITURES				
Current				
Facilities Services	-	-	755,931	(755,931)
Capital Outlay				
Facilities Acquisition and Construction	1,084,954	1,123,734	-	1,123,734
Total Expenditures	1,084,954	1,123,734	755,931	367,803
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,068,954)	3,492,266	3,844,069	(351,803)
Net Change in Fund Balance	(1,068,954)	3,492,266	3,844,069	(351,803)
Fund Balance, Beginning	1,089,443	1,089,443	1,089,443	(0)
Fund Balance, Ending	\$ 20,489	\$ 4,581,709	\$ 4,933,512	\$ (351,803)

**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, 2025**

	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	\$ 4,295,000	\$ (2,695,000)
Interest on Undistributed CO and DS	-	-	167,678	(167,678)
Total State Sources	1,600,000	1,600,000	4,462,678	(2,862,678)
Local Sources				
Interest Income	200,000	200,000	714,870	(514,870)
Total Local Sources	200,000	200,000	714,870	(514,870)
Total Revenues	1,800,000	1,800,000	5,177,548	(3,377,548)
EXPENDITURES				
Debt Service				
Interest and Fiscal Charges	-	-	4,815	(4,815)
Total Expenditures	-	-	4,815	(4,815)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,800,000	1,800,000	5,172,733	(3,372,733)
Net Change in Fund Balance	1,800,000	1,800,000	5,172,733	(3,372,733)
Fund Balance, Beginning	25,544,468	25,544,468	25,544,468	-
Fund Balance, Ending	\$ 27,344,468	\$ 27,344,468	\$ 30,717,201	\$ (3,372,733)

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, 2025

	Internal Service Funds		
	Self Insurance		
	Total	Health	Other
ASSETS			
Current Assets			
Cash	\$ 1,419,354	\$ 1,419,354	\$ -
Investments	103,785,994	103,785,994	-
Accounts Receivable	3,719,022	3,719,022	-
Due from Governmental Funds	14,129,731	-	14,129,731
Total Current Assets	<u>123,054,101</u>	<u>108,924,370</u>	<u>14,129,731</u>
Noncurrent Assets			
Restricted Cash With Fiscal Agent	300,000	-	300,000
Total Noncurrent Assets	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total Assets	<u>123,354,101</u>	<u>108,924,370</u>	<u>14,429,731</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	41,885	41,885	-
Unearned Revenue	12,563,292	12,563,292	-
Estimated Insurance Claims Payable	16,326,905	11,674,735	4,652,170
Liability for Compensated Absences	29,534	29,534	-
Total Current Liabilities	<u>28,961,616</u>	<u>24,309,446</u>	<u>4,652,170</u>
Noncurrent Liabilities			
Estimated Insurance Claims Payable	9,613,300	135,739	9,477,561
Total Liabilities	<u>38,574,916</u>	<u>24,445,185</u>	<u>14,129,731</u>
NET POSITION			
Restricted for Claims	300,000	-	300,000
Unrestricted	84,479,185	84,479,185	-
Total Net Position	<u>\$ 84,779,185</u>	<u>\$ 84,479,185</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, 2025

	Internal Service Funds		
	Total	Health	Other
OPERATING REVENUES			
Premium Revenue	\$ 156,928,570	\$ 130,546,266	\$ 26,382,304
Other Operating Revenues	22,801	22,801	-
Total Operating Revenues	156,951,371	130,569,067	26,382,304
OPERATING EXPENSES			
Salaries	319,523	293,918	25,605
Employee Benefits	159,147	144,352	14,795
Purchased Services	24,146,805	6,551,619	17,595,186
Insurance Claims	140,023,313	131,276,595	8,746,718
Total Operating Expenses	164,648,788	138,266,484	26,382,304
Operating Loss	(7,697,417)	(7,697,417)	-
NONOPERATING REVENUES (EXPENSES)			
Interest Income	2,444,443	2,444,443	-
Total Nonoperating Revenues (Expenses)	2,444,443	2,444,443	-
Changes in Net Position	(5,252,974)	(5,252,974)	-
Net Position - July 1, 2024	90,032,159	89,732,159	300,000
Net Position - June 30, 2025	\$ 84,779,185	\$ 84,479,185	\$ 300,000

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Fiscal Year Ended June 30, 2025

	Internal Service Funds		
	Total	Self Insurance	
		Health	Other
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers, Users and Participants	\$ 160,233,610	\$ 132,628,223	\$ 27,605,387
Cash Payments to Suppliers for Goods and Services	(24,235,720)	(6,545,205)	(17,690,515)
Cash Payments to Employees for Services	(480,616)	(440,216)	(40,400)
Cash Payments for Insurance Claims	(138,722,355)	(128,847,883)	(9,874,472)
Net Cash provided by Operating Activities	(3,205,081)	(3,205,081)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Pooled Investments	(6,375,679)	(6,375,679)	-
Interest on Investments	2,444,443	2,444,443	-
Net Cash used by Investing Activities	(3,931,236)	(3,931,236)	-
Net increase in Cash	(7,136,317)	(7,136,317)	-
Cash, Beginning	8,855,671	8,555,671	300,000
Cash, Ending	\$ 1,719,354	\$ 1,419,354	\$ 300,000
Reconciliation of Operating Income to Net Cash provided by Operating Activities			
Operating Loss	\$ (7,697,417)	\$ (7,697,417)	\$ -
Adjustments to Reconcile Operating Income to Change in Assets and Liabilities:			
Increase in Accounts Receivable	(641,093)	(641,093)	-
(Increase) decrease in Due from Governmental Funds	1,936,859	713,776	1,223,083
Increase in Accounts Payable	(12,514)	4,468	(16,982)
Decrease in Advanced Revenue	1,986,474	1,986,474	-
Increase in Estimated Insurance Claims Payable	1,222,611	2,428,712	(1,206,101)
Increase in Liability for Compensated Absences	-	-	-
Total Adjustments	4,492,337	4,492,337	-
Net Cash provided by Operating Activities	\$ (3,205,080)	\$ (3,205,080)	\$ -

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, 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, 2025

	Charter Schools					
	The 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
ASSETS						
Cash	\$ 245,767	\$ 2,010,626	\$ 642,906	\$ 551,818	\$ 238,523	\$ 5,631,581
Investments	-	324,443	-	-	-	702,258
Accounts Receivable	1,097	176,153	395,736	-	-	97,969
Deposits Receivable	-	19,798	-	-	-	45,983
Due from Other Agencies	179,918	88,321	-	74,328	14,361	212,402
Prepaid Expenses	-	120,502	-	-	64,524	333,375
Restricted investments	-	1,446,654	-	-	-	-
Capital assets:						
Land	-	-	-	-	335,654	-
Construction in Progress	-	-	-	-	2,814,060	-
Improvements other than Buildings	-	2,668,853	30,957	-	43,109	4,300,782
Less Accumulated Depreciation	-	(1,553,108)	(12,309)	-	(40,096)	(1,811,448)
Buildings	-	18,237,000	-	-	770,000	-
Less Accumulated Depreciation	-	(3,714,944)	-	-	(20,854)	-
Furniture, Fixtures and Equipment	-	4,458,847	154,135	607,854	298,626	8,114,725
Less Accumulated Depreciation	-	(4,217,826)	(125,886)	(502,832)	(148,655)	(7,276,222)
Intangible right to use	-	2,451,904	1,324,805	-	-	49,890,357
Less Accumulated Amortization	-	(292,823)	(249,746)	-	-	(18,339,036)
Software	-	-	-	-	-	-
Less Accumulated Amortization	-	-	-	-	-	-
Total Assets	426,782	22,224,400	2,160,598	731,168	4,369,252	41,902,726
DEFERRED OUTFLOW OF RESOURCES						
Deferred Amount on Refundings	-	-	-	-	-	-
Deferred amount on pension	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-
LIABILITIES						
Salaries and Wages Payable	262,061	584,924	-	-	92,532	1,056,694
Accounts Payable	166,226	278,512	693,700	263,258	11,095	747,400
Construction Contracts Payable	-	-	-	-	54,899	-
Construction Contracts Payable - Retainage	-	-	-	-	86,636	-
Due to Other Agencies	-	-	-	-	-	1,497,916
Noncurrent liabilities:						
Portion due within one year:						
Notes Payable	-	-	-	-	27,972	75,138
Bonds Payable	-	380,000	-	-	-	-
Lease Payable	-	205,006	105,054	-	-	2,047,613
Liability for Compensated Absences	-	39,841	-	-	-	60,103
Portion due after one year:						
Notes Payable	-	-	-	-	2,994,759	24,493
Bonds Payable	-	17,382,592	-	-	-	-
Lease Payable	-	2,504,796	963,939	-	-	35,515,612
Net Pension Liability	-	-	-	-	-	-
Liability for Compensated Absences	-	13,280	-	-	-	20,034
Total Liabilities	428,287	21,388,951	1,762,693	263,258	3,267,893	41,045,003
DEFERRED INFLOW OF RESOURCES						
Deferred Amount on Pension	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-
NET POSITION						
Net Investment in Capital Assets	-	(987,837)	46,897	105,022	1,029,113	(2,783,698)
Restricted for:						
Debt Service	-	-	-	-	-	-
Capital Projects	-	244,990	6,066	-	180,401	702,258
Other Purposes	-	132,882	-	-	-	190,745
Unrestricted	(1,505)	1,445,414	344,942	362,888	(108,155)	2,748,418
Total Net Position - Component Units	\$ (1,505)	\$ 835,449	\$ 397,905	\$ 467,910	\$ 1,101,359	\$ 857,723

	Charter Schools					
	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
ASSETS						
Cash	\$ 232,303	\$ 90,582	\$ 655,091	\$ 586,777	\$ 2,371,900	\$ 620,422
Investments	-	-	-	1,167,930	-	-
Accounts Receivable	33,774	-	-	9,508	53,486	76,812
Deposits Receivable	-	-	-	-	15,698	-
Due from Other Agencies	11,606	10,427	40,326	-	78,811	-
Prepaid Expenses	-	21,824	-	3,659	81,007	32,414
Restricted investments						
Capital assets:						
Land	-	-	-	-	-	-
Construction in Progress	-	-	-	-	298,924	-
Improvements other than Buildings	-	20,690	-	-	820,682	4,810
Less Accumulated Depreciation	-	(11,625)	-	-	(448,554)	(4,770)
Buildings	-	-	-	3,016,149	-	-
Less Accumulated Depreciation	-	-	-	(1,161,240)	-	-
Furniture, Fixtures and Equipment	123,475	53,960	472,652	357,308	2,220,322	285,700
Less Accumulated Depreciation	(89,739)	(41,375)	(381,617)	(357,308)	(1,944,154)	(168,960)
Intangible right to use	523,566	1,005,088	-	-	17,721,743	428,496
Less Accumulated Amortization	(310,682)	(769,700)	-	-	(8,085,547)	(285,317)
Software	-	-	-	-	-	16,733
Less Accumulated Amortization	-	-	-	-	-	(11,151)
Total Assets	524,303	379,871	786,452	3,622,783	13,184,318	995,189
DEFERRED OUTFLOW OF RESOURCES						
Deferred Amount on Refundings	-	-	-	-	-	-
Deferred amount on pension	-	-	-	556,624	-	-
Total Deferred Outflows of Resources	-	-	-	556,624	-	-
LIABILITIES						
Salaries and Wages Payable	90,455	145,787	-	20,945	392,486	48,544
Accounts Payable	-	11,469	245,904	9,753	427,846	299,501
Construction Contracts Payable	-	-	-	-	-	-
Construction Contracts Payable - Retainage	-	-	-	-	-	-
Due to Other Agencies	-	-	-	-	143,772	-
Noncurrent liabilities:						
Portion due within one year:						
Notes Payable	-	154,549	-	-	-	-
Bonds Payable	-	-	-	-	-	-
Lease Payable	101,945	-	-	-	642,022	69,450
Liability for Compensated Absences	4,249	-	-	-	24,193	-
Portion due after one year:						
Notes Payable	-	-	-	-	-	-
Bonds Payable	-	-	-	-	-	-
Lease Payable	129,700	235,388	-	-	11,777,782	86,082
Net Pension Liability	-	-	-	940,149	-	-
Liability for Compensated Absences	-	-	-	-	8,065	-
Total Liabilities	326,349	547,193	245,904	970,847	13,416,166	503,577
DEFERRED INFLOW OF RESOURCES						
Deferred Amount on Pension	-	-	-	86,394	-	-
Total Deferred Inflows of Resources	-	-	-	86,394	-	-
NET POSITION						
Net Investment in Capital Assets	14,975	21,650	91,035	1,854,909	(1,804,248)	122,362
Restricted for:						
Debt Service	-	-	-	-	-	(12,353)
Capital Projects	-	-	-	-	-	-
Other Purposes	-	-	-	1,313,812	89,860	-
Unrestricted	182,979	(188,972)	449,513	(46,555)	1,482,537	381,603
Total Net Position - Component Units	\$ 197,954	\$ (167,322)	\$ 540,548	\$ 3,122,166	\$ (231,851)	\$ 491,612

(Continued)

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2025

	Charter Schools				
	North Nicholas High School	Oak Creek Charter School of Bonita Springs, Inc.	Palm Acres Charter High School, Inc	Six Mile Charter Academy	Total Charter Schools
ASSETS					
Cash	\$ 595,909	\$ 2,528,686	\$ 857,910	\$ 999,260	\$ 18,860,061
Investments	-	-	-	-	2,194,631
Accounts Receivable	-	-	831,932	40,413	1,716,880
Deposits Receivable	-	-	-	26,106	107,585
Due from Other Agencies	47,320	216,773	-	46,393	1,020,986
Prepaid Expenses	-	10,000	28,936	56,253	752,494
Restricted investments	-	-	-	-	1,446,654
Capital assets:					
Land	-	-	-	-	335,654
Construction in Progress	-	-	-	-	3,112,984
Improvements other than Buildings	-	-	69,500	911,537	8,870,920
Less Accumulated Depreciation	-	-	(54,223)	(602,930)	(4,539,063)
Buildings	-	15,618,231	-	-	37,641,380
Less Accumulated Depreciation	-	(2,369,648)	-	-	(7,266,686)
Furniture, Fixtures and Equipment	484,941	1,322,365	214,823	2,297,324	21,467,057
Less Accumulated Depreciation	(318,660)	(709,116)	(147,212)	(1,983,243)	(18,412,805)
Intangible right to use	2,622,129	51,670	869,600	17,929,083	94,818,441
Less Accumulated Amortization	(349,618)	(26,829)	(121,636)	(8,180,145)	(37,011,079)
Software	-	-	11,151	-	27,884
Less Accumulated Amortization	-	-	(5,576)	-	(16,727)
Total Assets	3,082,021	16,642,132	2,555,205	11,540,051	125,127,251
	-	-	-	-	-
DEFERRED OUTFLOW OF RESOURCES					
Deferred Amount on Refundings	-	536,572	-	-	536,572
Deferred amount on pension	-	-	-	-	556,624
Total Deferred Outflows of Resources	-	536,572	-	-	1,093,196
LIABILITIES					
Salaries and Wages Payable	-	352,828	87,537	322,574	3,457,367
Accounts Payable	378,168	121,825	18,104	399,215	4,071,976
Construction Contracts Payable	-	-	-	-	54,899
Construction Contracts Payable - Retainage	-	-	-	-	86,636
Due to Other Agencies	-	129,474	-	339,547	2,110,709
Noncurrent liabilities:					
Portion due within one year:					
Notes Payable	-	-	-	-	257,659
Bonds Payable	-	250,000	-	-	630,000
Lease Payable	148,162	-	-	732,505	4,051,757
Liability for Compensated Absences	-	-	-	24,263	152,649
Portion due after one year:					
Notes Payable	-	-	-	-	3,019,252
Bonds Payable	-	16,840,000	-	-	34,222,592
Lease Payable	2,232,574	-	796,565	11,133,402	65,375,840
Net Pension Liability	-	-	-	-	940,149
Liability for Compensated Absences	-	-	-	8,087	49,466
Total Liabilities	2,758,904	17,694,127	902,206	12,959,593	118,480,951
DEFERRED INFLOW OF RESOURCES					
Deferred Amount on Pension	-	-	-	-	86,394
Total Deferred Inflows of Resources	-	-	-	-	86,394
NET POSITION					
Net Investment in Capital Assets	58,056	(1,158,098)	39,862	(1,494,281)	(4,844,281)
Restricted for:					
Debt Service	-	1,314,843	-	-	1,302,490
Capital Projects	-	193,814	-	-	1,327,529
Other Purposes	-	130,073	-	44,337	1,901,709
Unrestricted	265,061	(996,055)	1,613,137	30,402	7,965,652
Total Net Position - Component Units	\$ 323,117	\$ (515,423)	\$ 1,652,999	\$ (1,419,542)	\$ 7,653,099

	Charter Schools	
	The Foundation for Lee County Public Schools, Inc.	Total Component Units
ASSETS		
Cash	\$ 2,530,781	\$ 21,390,842
Investments	1,561,452	3,756,083
Accounts Receivable	43,454	1,760,334
Deposits Receivable	-	107,585
Due from Other Agencies	-	1,020,986
Prepaid Expenses	2,481,374	3,233,868
Restricted investments		1,446,654
Capital assets:		
Land	-	335,654
Construction in Progress	-	3,112,984
Improvements other than Buildings	-	8,870,920
Less Accumulated Depreciation	-	(4,539,063)
Buildings	-	37,641,380
Less Accumulated Depreciation	-	(7,266,686)
Furniture, Fixtures and Equipment	94,196	21,561,253
Less Accumulated Depreciation	(91,673)	(18,504,478)
Intangible right to use	-	94,818,441
Less Accumulated Amortization	-	(37,011,079)
Software	-	27,884
Less Accumulated Amortization	-	(16,727)
Total Assets	6,619,584	131,746,835
DEFERRED OUTFLOW OF RESOURCES		
Deferred Amount on Refundings	-	536,572
Deferred amount on pension	-	556,624
Total Deferred Outflows of Resources	-	1,093,196
LIABILITIES		
Salaries and Wages Payable	40,000	3,497,367
Accounts Payable	38,385	4,110,361
Construction Contracts Payable	-	54,899
Construction Contracts Payable - Retainage	-	86,636
Due to Other Agencies	-	2,110,709
Noncurrent liabilities:		
Portion due within one year:		
Notes Payable	-	257,659
Bonds Payable	-	630,000
Lease Payable	-	4,051,757
Liability for Compensated Absences	-	152,649
Portion due after one year:		
Notes Payable	-	3,019,252
Bonds Payable	-	34,222,592
Lease Payable	-	65,375,840
Net Pension Liability	-	940,149
Liability for Compensated Absences	-	49,466
Total Liabilities	78,385	118,559,336
DEFERRED INFLOW OF RESOURCES		
Deferred Amount on Pension	-	86,394
Total Deferred Inflows of Resources	-	86,394
NET POSITION		
Net Investment in Capital Assets		(4,844,281)
Restricted for:		
Debt Service	-	1,302,490
Capital Projects	-	1,327,529
Other Purposes	6,479,316	8,381,025
Unrestricted	61,883	8,027,535
Total Net Position - Component Units	\$ 6,541,199	\$ 14,194,298

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING SCHEDULE OF ACTIVITIES-COMPONENT UNITS
For the Fiscal Year Ended June 30, 2025

FUNCTIONS	Program Revenues				Charter Schools	Component Units Foundation for Lee County Public Schools	Total Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions			
Charter Schools							
Instruction	\$ 41,461,332	\$ -	\$ 2,174,178	\$ -	\$ (39,287,154)	\$ -	\$ (39,287,154)
Student Support Services	3,762,044	-	209,079	-	(3,552,965)	-	(3,552,965)
Instructional Media Services	-	-	-	-	-	-	-
Instruction and Curriculum Development Services	93,583	-	-	-	(93,583)	-	(93,583)
Instructional Staff Training Services	156,081	-	-	-	(66,101)	-	(66,101)
Instruction Related Technology	1,484,040	-	89,980	-	(1,484,040)	-	(1,484,040)
Board	1,939,194	-	-	-	(1,939,194)	-	(1,939,194)
General Administration	1,714,460	-	-	-	(1,714,460)	-	(1,714,460)
School Administration	12,232,758	67,548	111,756	-	(12,053,454)	-	(12,053,454)
Facilities Services	-	-	-	-	-	-	-
Fiscal Services	6,495,786	-	-	-	(6,495,786)	-	(6,495,786)
Food Services	3,408,342	485,112	3,080,532	-	157,302	-	157,302
Central Services	705,120	-	-	-	(705,120)	-	(705,120)
Student Transportation Services	6,782,771	-	144,225	-	(6,638,546)	-	(6,638,546)
Operation of Plant	11,946,544	-	325,075	-	(8,955,942)	-	(8,955,942)
Maintenance of Plant	2,897,819	-	-	2,665,527	(2,897,819)	-	(2,897,819)
Administrative Technology Services	238,617	-	248,781	-	10,164	-	10,164
Community Services	1,445,209	1,469,115	1,087,282	-	1,111,188	(257,805)	853,383
Interest and Fiscal Charges on Long-term Debt	7,026,466	-	544,964	5,986,619	(494,883)	-	(494,883)
Unallocated Depreciation Expense *	1,751,772	-	-	1,583,159	(168,613)	-	(168,613)
Total Charter Schools	105,541,938	2,021,775	8,015,852	10,235,305	(85,269,006)	(257,805)	(85,526,811)
The Foundation for Lee County Public Schools, Inc:							
Operations	2,300,923	-	2,043,118	-	-	-	-
Total Foundation	2,300,923	-	2,043,118	-	-	-	-
Total component units	\$ 107,842,861	\$ 2,021,775	\$ 10,058,970	\$ 10,235,305	(85,269,006)	(257,805)	(85,526,811)
General Revenues:							
Other Federal Sources not restricted to specific programs					387,839	-	387,839
Other State Sources not restricted to specific programs					70,246,007	-	70,246,007
Other Local Sources not restricted to specific programs					14,589,393	-	14,589,393
Unrestricted Investment Earnings					222,996	264,659	487,655
Special Item Transfers					970,335	-	970,335
Total General Revenues, Special Items, and Transfers					86,426,570	264,659	86,691,229
Proceeds from issuance of debt					102,998	-	102,998
Right-to-use notes payable - interest					(27,231)	-	(27,231)
Change in Net Assets					1,233,331	6,854	1,240,185
Net Assets-Beginning					1,952,574	6,534,345	8,486,919
Adjustment to Beginning Net Assets					996,755	-	996,755
Net Assets-Ending					\$ 4,182,660	\$ 6,541,199	\$ 10,723,859

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

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2025

	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	\$ 2,380,155	\$ 6,057,959	\$ 328,127	\$ 794,851
Student Support Services	-	572,512	102,457	314,833
Instruction and Curriculum Development Services	-	65	-	-
Instructional Staff Training Services	-	52,115	-	-
Instruction Related Technology	41,633	237,692	-	-
Board	276,767	150,292	21,803	18,317
General Administration	-	-	-	97,718
School Administration	283,018	1,113,843	434,928	1,163,670
Fiscal Services	10,986	444,720	-	25,868
Food Services	121,846	477,088	-	-
Central Services	-	134,085	40,450	-
Student Transportation Services	94,263	2,945,417	1,884	38,601
Operation of Plant	329,170	727,058	261,994	484,492
Maintenance of Plant	21,336	-	12,301	37,211
Community Services	6,605	95,148	-	-
Extracurricular activities	-	659,218	-	-
Unallocated Interest and Fiscal Charges on Long-term Debt	830,957	1,149,775	-	-
Unallocated Depreciation Expense *	327,461	-	-	-
Total Expenses	<u>\$ 4,724,197</u>	<u>\$ 14,816,987</u>	<u>\$ 1,203,944</u>	<u>\$ 2,975,561</u>
Program Revenues				
Charges for Services	\$ 152,171	\$ 444,962	\$ -	\$ -
Operating Grants and Contributions	92,830	1,526,052	53,252	71,116
Capital Grants and Contributions	538,791	1,583,159	55,311	180,183
Total Program Revenues	<u>783,792</u>	<u>3,554,173</u>	<u>108,563</u>	<u>251,299</u>
Net Program Revenues	<u>(3,940,405)</u>	<u>(11,262,814)</u>	<u>(1,095,381)</u>	<u>(2,724,262)</u>
General Revenues				
Other Federal Sources not restricted to specific programs	-	-	78,690	-
Other State Sources Not Restricted to Specific Programs	3,756,895	11,053,475	863,186	2,615,152
Other Miscellaneous Sources Not Restricted to Specific Programs	256,965	2,219	188,994	94,742
Unrestricted Investment Earnings	-	144,265	-	-
Transfers	-	-	-	-
Special Item	-	-	-	-
Total General Revenues	<u>4,013,860</u>	<u>11,199,959</u>	<u>1,130,870</u>	<u>2,709,894</u>
Changes in Net Position	73,455	(62,855)	35,489	(14,368)
Net Position - July 1, 2024	(74,960)	898,304	362,416	482,278
Net Position-June 30, 2025	<u>\$ (1,505)</u>	<u>\$ 835,449</u>	<u>\$ 397,905</u>	<u>\$ 467,910</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	The Heights Charter School
Governmental activities			
Expenses			
Instruction	\$ 784,064	\$ 13,070,890	\$ 1,629,069
Student Support Services	26,650	1,164,029	-
Instruction and Curriculum Development Services	-	-	79,299
Instructional Staff Training Services	12,640	54,116	-
Instruction Related Technology	78,492	523,438	126,886
Board	430,738	489,099	35,022
General Administration	-	-	-
School Administration	558,765	1,928,469	365,711
Fiscal Services	76,081	4,792,563	-
Food Services	-	1,096,952	251,525
Central Services	-	114,380	-
Student Transportation Services	151,468	1,975,591	-
Operation of Plant	329,590	3,104,233	74,734
Maintenance of Plant	16,964	1,416,096	-
Community Services	46,451	644,954	-
Extracurricular activities			
Unallocated Interest and Fiscal Charges on Long-term Debt	187,337	2,848,299	-
Unallocated Depreciation Expense *	51,097	-	-
Total Expenses	<u>\$ 2,750,337</u>	<u>\$ 33,223,109</u>	<u>\$ 2,562,246</u>
Program Revenues			
Charges for Services	\$ -	\$ 639,685	\$ 67,548
Operating Grants and Contributions	-	2,733,756	392,791
Capital Grants and Contributions	273,611	3,787,013	-
Total Program Revenues	<u>273,611</u>	<u>7,160,454</u>	<u>460,339</u>
Net Program Revenues	<u>(2,476,726)</u>	<u>(26,062,655)</u>	<u>(2,101,907)</u>
General Revenues			
Other Federal Sources not restricted to specific programs	-	-	-
Other State Sources Not Restricted to Specific Programs	2,286,733	25,831,912	2,173,333
Other Miscellaneous Sources Not Restricted to Specific Programs	165,316	-	9,067
Unrestricted Investment Earnings	-	754	865
Transfers	-	(159,508)	-
Special Item		503,873	
Total General Revenues	<u>2,452,049</u>	<u>26,177,031</u>	<u>2,183,265</u>
Changes in Net Position	(24,677)	114,376	81,358
Net Position - July 1, 2024	1,126,036	743,347	116,596
Net Position-June 30, 2025	<u>\$ 1,101,359</u>	<u>\$ 857,723</u>	<u>\$ 197,954</u>

* This amount excludes the depreciation that is included in the direct expenss

	Heritage Charter School, Inc.	Island Park Charter High School, Inc.	The Island School, Inc.
Governmental activities			
Expenses			
Instruction	\$ 1,213,105	\$ 747,031	\$ 1,420,201
Student Support Services	26,258	264,726	-
Instruction and Curriculum Development Services	-	-	-
Instructional Staff Training Services	-	-	-
Instruction Related Technology	41,075	-	-
Board	329,028	20,503	-
General Administration	-	96,922	507,302
School Administration	124,959	1,215,859	-
Fiscal Services	9,860	24,212	72,475
Food Services	138,655	-	-
Central Services	-	-	-
Student Transportation Services	120,943	26,702	-
Operation of Plant	279,807	500,298	140,638
Maintenance of Plant	46,337	56,560	18,139
Community Services	60	-	2,336
Extracurricular activities			
Unallocated Interest and Fiscal Charges on Long-term Debt	79,654	-	-
Unallocated Depreciation Expense *	223,439	-	-
Total Expenses	\$ 2,633,180	\$ 2,952,813	\$ 2,161,091
Program Revenues			
Charges for Services	\$ 27,776	\$ -	\$ 21,780
Operating Grants and Contributions	96,928	19,080	-
Capital Grants and Contributions	272,464	183,085	-
Total Program Revenues	397,168	202,165	21,780
Net Program Revenues	(2,236,012)	(2,750,648)	(2,139,311)
General Revenues			
Other Federal Sources not restricted to specific programs	-	-	-
Other State Sources Not Restricted to Specific Programs	1,913,674	2,692,828	604,360
Other Miscellaneous Sources Not Restricted to Specific Programs	281,338	43,742	1,412,558
Unrestricted Investment Earnings	35,803	-	129,282
Transfers	-	-	-
Special Item	-	-	-
Total General Revenues	2,230,815	2,736,570	2,146,200
Changes in Net Position	(5,197)	(14,078)	6,889
Net Position - July 1, 2024	(162,125)	554,626	3,115,277
Net Position-June 30, 2025	<u>\$ (167,322)</u>	<u>\$ 540,548</u>	<u>\$ 3,122,166</u>

* This amount excludes the depreciation that is included in the direct expens

	Mid Cape Global Academy
Governmental activities	
Expenses	
Instruction	\$ 4,423,563
Student Support Services	343,287
Instruction and Curriculum Development Services	949
Instructional Staff Training Services	37,210
Instruction Related Technology	202,366
Board	40,767
General Administration	-
School Administration	553,621
Fiscal Services	810,813
Food Services	477,840
Central Services	106,049
Student Transportation Services	443,133
Operation of Plant	1,620,250
Maintenance of Plant	455,135
Community Services	206,753
Extracurricular activities	238,617
Unallocated Interest and Fiscal Charges on Long-term Debt	398,716
Unallocated Depreciation Expense *	-
Total Expenses	\$ 10,359,069
Program Revenues	
Charges for Services	\$ 277,612
Operating Grants and Contributions	1,233,900
Capital Grants and Contributions	1,305,858
Total Program Revenues	2,817,370
Net Program Revenues	(7,541,699)
General Revenues	
Other Federal Sources not restricted to specific programs	-
Other State Sources Not Restricted to Specific Programs	9,015,608
Other Miscellaneous Sources Not Restricted to Specific Programs	8,494
Unrestricted Investment Earnings	94,941
Transfers	(330,867)
Special Item	-
Total General Revenues	8,788,176
Changes in Net Position	1,246,477
Net Position - July 1, 2024	(1,478,328)
Net Position-June 30, 2025	\$ (231,851)

(Continued)

* This amount excludes the depreciation that is included in the direct expens

THE SCHOOL DISTRICT OF LEE COUNTY
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2025

	Charter Schools		
	Northern Palms Charter High School	North Nicholas High School	Oak Creek Charter School of Bonita Springs, Inc.
Governmental activities			
Expenses			
Instruction	\$ 339,169	\$ 816,999	\$ 3,358,878
Student Support Services	75,793	291,954	-
Instruction and Curriculum Development Services	-	-	-
Instructional Staff Training Services	-	-	-
Instruction Related Technology	-	-	68,333
Board	15,875	22,868	13,805
General Administration	-	94,600	917,918
School Administration	504,615	1,534,098	523,315
Fiscal Services	-	26,527	193,697
Food Services	-	-	586,642
Central Services	37,050	-	65,675
Student Transportation Services	4,700	7,835	291,091
Operation of Plant	319,739	548,349	1,225,032
Maintenance of Plant	9,325	51,575	-
Community Services	-	-	251,632
Extracurricular activities			
Unallocated Interest and Fiscal Charges on Long-term Debt	-	117,253	1,201,384
Unallocated Depreciation Expense *	-	-	-
Total Expenses	<u>\$ 1,306,266</u>	<u>\$ 3,512,058</u>	<u>\$ 8,697,402</u>
Program Revenues			
Charges for Services	\$ -	\$ -	\$ 62,670
Operating Grants and Contributions	117,466	90,139	553,145
Capital Grants and Contributions	52,477	117,253	848,262
Total Program Revenues	<u>169,943</u>	<u>207,392</u>	<u>1,464,077</u>
Net Program Revenues	<u>(1,136,323)</u>	<u>(3,304,666)</u>	<u>(7,233,325)</u>
General Revenues			
Other Federal Sources not restricted to specific programs	59,863	-	-
Other State Sources Not Restricted to Specific Programs	841,596	3,167,030	6,084,551
Other Miscellaneous Sources Not Restricted to Specific Programs	277,522	76,746	614,717
Unrestricted Investment Earnings	-	-	-
Transfers	-	-	-
Special Item	-	-	-
Total General Revenues	<u>1,178,981</u>	<u>3,243,776</u>	<u>6,699,268</u>
	102,998		
	(27,231)		
Changes in Net Position	<u>118,425</u>	<u>(60,890)</u>	<u>(534,057)</u>
Net Position - July 1, 2024	373,187	384,007	18,634
Net Position-June 30, 2025	<u>\$ 491,612</u>	<u>\$ 323,117</u>	<u>\$ (515,423)</u>

* This amount excludes the depreciation that is included in the direct expens

	Charter Schools		
	Palm Acres Charter High School, Inc	Six Mile Charter Academy	Total Charter Schools
Governmental activities			
Expenses			
Instruction	\$ 823,730	\$ 3,273,541	\$ 41,461,332
Student Support Services	166,285	413,260	3,762,044
Instruction and Curriculum Development Services	-	13,270	93,583
Instructional Staff Training Services	-	-	156,081
Instruction Related Technology	-	164,125	1,484,040
Board	19,499	54,811	1,939,194
General Administration	-	-	1,714,460
School Administration	1,276,695	651,192	12,232,758
Fiscal Services	-	7,984	6,495,786
Food Services	-	257,794	3,408,342
Central Services	99,875	107,556	705,120
Student Transportation Services	6,840	674,303	6,782,771
Operation of Plant	338,279	1,662,881	11,946,544
Maintenance of Plant	10,003	746,837	2,897,819
Community Services	-	191,270	1,445,209
Extracurricular activities	-	-	897,835
Unallocated Interest and Fiscal Charges on Long-term Debt	-	703,648	7,517,023
Unallocated Depreciation Expense *	-	-	601,997
Total Expenses	\$ 2,741,206	\$ 8,922,472	\$ 105,541,938
Program Revenues			
Charges for Services	\$ -	\$ 327,571	\$ 2,021,775
Operating Grants and Contributions	103,765	931,632	8,015,852
Capital Grants and Contributions	153,563	884,275	10,235,305
Total Program Revenues	257,328	2,143,478	20,272,932
Net Program Revenues	(2,483,878)	(6,778,994)	(85,269,006)
General Revenues			
Other Federal Sources not restricted to specific programs	259,286	-	397,839
Other State Sources Not Restricted to Specific Programs	2,372,499	6,026,650	81,299,482
Other Miscellaneous Sources Not Restricted to Specific Programs	-	392,111	3,824,531
Unrestricted Investment Earnings	(27,297)	108,356	486,969
Transfers	-	-	(490,375)
Special Item	-	490,375	994,248
Total General Revenues	2,604,488	7,017,492	86,512,694
			102,998
			(27,231)
Changes in Net Position	120,610	238,498	1,319,455
Net Position - July 1, 2024	1,532,389	(1,658,040)	6,333,644
Net Position-June 30, 2025	\$ 1,652,999	\$ (1,419,542)	\$ 7,653,099

* This amount excludes the depreciation that is included in the direct expenss

	The Foundation for Lee County Public Schools, Inc.	Total Component Units
Governmental activities		
Expenses		
Instruction	\$ -	\$ 41,461,332
Student Support Services	-	3,762,044
Instruction and Curriculum Development Services	-	93,583
Instructional Staff Training Services	-	156,081
Instruction Related Technology	-	1,484,040
Board	-	1,939,194
General Administration	-	1,714,460
School Administration	-	12,232,758
Fiscal Services	-	6,495,786
Food Services	-	3,408,342
Central Services	-	705,120
Student Transportation Services	-	6,782,771
Operation of Plant	-	11,946,544
Maintenance of Plant	-	2,897,819
Community Services	2,300,923	3,746,132
Extracurricular activities	-	897,835
Unallocated Interest and Fiscal Charges on Long-term Debt	-	7,517,023
Unallocated Depreciation Expense *	-	601,997
Total Expenses	\$ 2,300,923	\$ 107,842,861
Program Revenues		
Charges for Services	\$ -	\$ 2,021,775
Operating Grants and Contributions	2,043,118	10,058,970
Capital Grants and Contributions	-	10,235,305
Total Program Revenues	2,043,118	22,316,050
Net Program Revenues	(257,805)	(85,526,811)
General Revenues		
Other Federal Sources not restricted to specific programs	-	397,839
Other State Sources Not Restricted to Specific Programs	-	81,299,482
Other Miscellaneous Sources Not Restricted to Specific Programs	-	3,824,531
Unrestricted Investment Earnings	264,659	751,628
Transfers	-	(490,375)
Special Item	-	994,248
Total General Revenues	264,659	86,777,353
		102,998
		(27,231)
Changes in Net Position	6,854	1,326,309
Net Position - July 1, 2024	6,534,345	12,867,989
Net Position-June 30, 2025	\$ 6,541,199	\$ 14,194,298

* This amount excludes the depreciation that is included in the direct expens

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STATISTICAL SECTION

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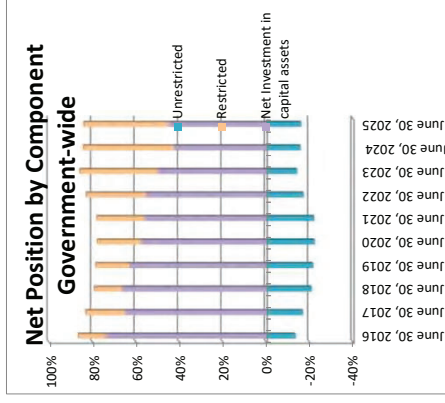
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Table 1

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Primary Government:										
Net Investment in capital assets	\$ 851,527,173	\$ 793,900,590	\$ 854,209,907	\$ 851,439,963	\$ 859,952,115	\$ 907,393,716	\$ 939,252,246	\$ 938,354,233	\$ 937,367,806	\$ 1,071,559,602
Restricted	143,874,783	220,617,390	163,129,824	204,723,404	296,061,844	351,637,775	468,354,711	667,226,562	911,720,087	922,232,650
Unrestricted	(157,404,251)	(206,685,715)	(270,111,963)	(292,854,489)	(334,427,174)	(359,853,957)	(295,050,661)	(269,666,646)	(351,405,772)	(386,728,665)
Total Primary Government net position	\$ 837,997,705	\$ 806,032,265	\$ 747,227,768	\$ 763,308,878	\$ 821,586,785	\$ 899,177,534	\$ 1,112,556,296	\$ 1,335,914,149	\$ 1,497,682,131	\$ 1,607,063,587



Source: District Records

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Expenses										
Primary Government Activities										
Instruction	\$ 477,957,931	\$ 508,830,499	\$ 538,744,228	\$ 544,623,856	\$ 584,978,346	\$ 581,545,886	\$ 590,254,952	\$ 686,274,420	\$ 770,314,463	\$ 757,167,002
Instructional Support Services	29,628,657	32,730,160	34,960,215	34,949,239	36,979,628	50,701,384	46,255,036	54,549,436	60,242,722	59,620,478
Instructional Media Services	4,170,590	4,229,828	3,719,122	3,700,853	3,700,329	3,657,111	3,585,460	4,070,741	5,150,001	4,882,239
Instruction and Curriculum Development Services	20,256,522	24,935,745	28,000,315	26,477,911	27,789,682	28,849,823	28,745,237	33,713,001	46,391,056	35,545,841
Instructional Staff Training Services	10,877,081	10,571,419	10,643,654	11,377,196	11,137,301	12,795,464	17,500,724	20,478,003	22,080,155	21,008,645
Instruction Related Technology	7,361,597	8,159,250	8,425,222	8,441,971	8,892,232	10,041,643	7,710,693	8,379,108	10,501,610	11,344,033
Board	927,293	1,133,922	1,353,424	1,223,697	1,655,508	1,506,602	1,557,756	2,366,474	3,202,738	4,176,894
General Administration	5,868,836	6,658,948	7,069,119	7,649,280	8,600,066	9,244,112	11,952,386	14,707,675	13,515,172	9,767,607
School Administration	44,847,942	50,889,724	52,382,426	51,090,499	56,588,900	58,130,724	53,814,074	64,238,055	77,223,736	74,585,602
Facilities Services	90,933,729	108,581,681	99,796,725	131,149,649	139,475,748	134,520,224	149,207,221	140,860,775	232,277,910	244,563,320
Fiscal Services	3,738,706	4,121,395	3,887,675	4,017,936	4,707,057	4,594,121	4,244,500	5,132,853	6,486,615	6,574,079
Food Services	39,628,416	44,410,500	49,193,898	49,157,928	49,851,474	51,748,761	57,514,575	66,355,244	72,049,374	69,104,603
Central Services	8,807,231	10,630,643	11,457,838	11,320,489	13,328,452	14,193,236	22,976,491	20,162,641	20,693,646	17,632,697
Student Transportation Services	51,487,889	57,211,045	55,303,442	56,464,391	55,295,306	52,482,755	52,599,746	56,508,064	61,046,469	60,996,397
Operation of Plant	64,678,201	68,390,472	77,601,080	75,203,370	75,322,877	74,539,882	76,345,700	90,182,209	106,978,521	110,050,078
Maintenance of Plant	15,577,105	17,083,172	17,488,441	16,683,172	18,591,807	18,262,533	17,670,887	21,547,143	23,639,435	21,881,816
Administrative Technology Services	5,537,292	6,047,231	6,938,292	6,874,439	8,000,352	7,483,458	8,638,166	9,098,067	9,951,866	10,521,553
Community Services	5,089,352	6,098,631	6,939,725	6,556,045	5,361,438	5,049,051	5,785,689	11,734,943	9,974,813	10,876,755
Unallocated Interest on Long-term Debt	13,580,969	16,384,698	15,196,488	14,149,284	16,208,431	14,869,509	12,541,242	11,701,661	15,870,965	12,741,047
Total Primary Government Expenses	900,955,339	987,098,963	1,029,101,329	1,061,105,793	1,126,464,934	1,134,216,279	1,168,900,535	1,322,060,513	1,567,591,267	1,543,040,686
Program Revenues										
Primary Government Activities										
Charges for Services										
Student Fees	9,875,087	10,822,584	11,130,248	12,069,353	10,095,114	8,706,328	12,050,710	13,157,177	15,435,153	16,312,966
Food Service	2,830,891	2,528,141	2,149,694	2,079,444	1,441,498	524,627	556,455	410,012	970,372	912,411
Bus Trips	517,086	583,876	716,391	695,064	659,795	382,716	726,712	551,210	666,063	557,255
Operating Grants & Contributions	38,758,768	42,282,889	43,501,187	49,374,595	42,640,661	44,886,913	63,464,714	58,717,114	54,481,416	66,238,919
Capital Grants & Contributions	11,335,181	12,471,936	13,510,779	24,012,381	20,922,985	22,037,912	39,704,938	36,481,958	56,786,331	39,463,938
Total Primary Government Program Revenues	63,317,013	68,689,426	71,008,299	88,230,837	75,760,053	76,548,496	116,503,529	109,317,471	128,339,335	123,485,489
Net Expense										
Total Primary Government Net Expense	(837,638,326)	(918,409,537)	(958,093,030)	(972,874,956)	(1,050,704,881)	(1,057,667,783)	(1,052,397,006)	(1,212,743,042)	(1,439,251,932)	(1,419,555,197)
General Revenues and Other Changes in Net Position										
Primary Government Activities										
Taxes										
Property Taxes:										
Levied for Operational Purposes	385,303,457	399,499,006	405,722,410	404,419,550	406,036,488	423,316,395	440,634,741	504,928,133	562,274,239	584,253,859
Levied for Capital Projects	99,905,824	110,255,520	117,509,870	123,776,642	131,064,070	139,309,916	150,524,279	186,687,750	214,524,027	231,479,342
Local Sales Taxes	-	-	-	36,453,161	79,534,198	88,730,152	115,800,155	116,257,039	125,188,440	118,179,141
Florida Education Finance Program	165,767,538	163,848,436	172,938,376	188,658,769	217,412,698	228,543,024	223,139,821	204,129,859	237,785,451	246,248,063
Other Federal Sources	74,666,159	76,935,631	82,171,199	80,389,250	84,517,221	94,773,302	174,731,150	214,156,628	155,365,898	117,467,273
Other State Sources	120,690,788	122,024,361	125,430,747	130,778,585	130,141,429	128,201,266	121,043,663	127,598,460	184,771,521	135,275,477
Other Miscellaneous Sources	11,582,589	10,815,979	12,192,287	12,671,915	39,664,076	30,426,950	43,334,453	53,013,446	55,848,772	53,991,150
Unrestricted Investment Earnings	3,349,036	3,065,164	5,384,868	11,808,194	11,108,467	1,957,527	(3,432,494)	29,329,580	65,261,566	63,972,509
Total Primary Government	861,265,391	886,444,097	921,349,757	988,565,066	1,099,478,647	1,135,258,532	1,265,775,768	1,436,100,895	1,601,019,914	1,550,866,814
Changes in Net Position										
Total Primary Government	\$ 23,627,065	\$ (31,965,440)	\$ (36,743,273)	\$ 16,081,110	\$ 48,773,766	\$ 77,590,749	\$ 213,378,762	\$ 223,357,853	\$ 161,767,982	\$ 131,311,617

* restated

Source: District Records

Table 3

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
General Fund										
Nonspendable	\$ 2,528,087	\$ 2,088,384	\$ 2,281,672	\$ 3,021,425	\$ 3,685,480	\$ 3,727,443	\$ 3,907,006	\$ 5,926,704	\$ 5,612,694	\$ 3,428,035
Restricted	19,736,496	32,206,280	32,410,350	29,689,423	38,151,177	43,504,562	41,651,801	44,165,642	85,790,400	80,213,483
Assigned	1,685,017	4,748,142	4,899,053	3,732,402	468,968	5,385,855	1,852,326	3,456,528	2,786,512	9,262,210
Unassigned	116,229,361	97,908,901	87,142,825	84,037,049	98,376,858	111,704,335	124,211,753	136,220,296	147,888,167	136,751,432
Total General Fund	\$ 140,178,961	\$ 136,951,707	\$ 126,733,900	\$ 120,480,299	\$ 140,682,483	\$ 164,322,195	\$ 171,622,886	\$ 189,769,170	\$ 242,077,773	\$ 229,655,160
All Other Governmental Funds										
Nonspendable	\$ 691,172	\$ 922,314	\$ 757,515	\$ 869,008	\$ 4,740,107	\$ 4,412,971	\$ 5,591,074	\$ 3,138,477	\$ 1,726,650	\$ 6,367,702
Restricted	123,147,115	187,388,796	150,621,132	179,944,416	373,897,728	344,511,528	441,673,938	717,489,968	793,438,050	795,492,393
Total All Other Governmental Funds	\$ 123,838,287	\$ 188,311,110	\$ 151,378,647	\$ 180,813,424	\$ 378,637,835	\$ 348,924,499	\$ 447,265,012	\$ 720,628,445	\$ 795,164,700	\$ 801,860,095

Source: District Records

Table 4

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Federal Direct Sources:										
Reserve Officers Training Corps (ROTC)	\$ 1,693,731	\$ 1,678,367	\$ 1,873,725	\$ 2,162,154	\$ 2,390,050	\$ 2,574,150	\$ 2,542,021	\$ 2,639,088	\$ 2,803,827	\$ 2,426,792
Impact Aid	33,010	23,965	26,332	39,709	7,120	12,455	4,957	14,703	78,810	20,861
Miscellaneous Federal Direct	19,619,329	19,272,370	21,233,227	13,583,639	12,734,878	12,443,667	14,891,351	17,021,145	15,679,310	17,011,485
Total Federal Direct	21,346,070	20,974,702	23,133,284	15,785,502	15,132,048	15,030,272	17,438,329	19,674,936	18,561,947	19,459,138
Federal Through State Sources:										
Medicaid	2,408,004	2,247,950	2,515,308	2,566,775	1,541,360	1,058,068	3,462,812	3,055,379	1,937,066	1,688,499
Food Service	37,899,971	41,517,823	42,761,243	48,659,396	41,925,977	48,082,351	59,381,066	51,895,778	49,905,045	60,823,370
Donated Foods and Cash in Lieu of	295,922	201,443	168,449	101,554	80,620	71,482	3,547,902	6,129,628	3,920,382	4,873,754
Other Federal Through State Grants	50,912,085	53,712,979	56,482,107	62,036,973	67,843,813	74,734,894	153,674,444	191,426,313	134,866,885	96,319,636
Total Federal Through State Sources	91,515,982	97,680,195	101,927,107	113,364,698	111,391,770	123,946,795	220,066,224	252,507,098	190,629,378	163,705,259
State Sources:										
Florida Education Finance Program (FEFP)	165,767,538	163,848,436	172,938,376	188,658,769	217,412,698	228,543,024	223,139,821	204,129,859	237,785,451	258,259,215
Workforce Development Program	10,026,007	10,064,226	9,697,421	10,148,157	10,397,178	10,517,091	10,515,091	10,742,677	11,578,674	5,620,305
Discretionary Lottery Funds	-	1,544,033	165,672	323,010	97,775	-	-	-	-	-
CO & DS Distributed to Districts	1,629,782	1,540,677	1,612,677	3,073,832	3,224,110	3,267,309	3,526,566	3,684,387	3,949,560	4,295,000
Interest on Undistributed CO & DS	10,635	59,174	44,958	68,370	109,922	59,931	27,839	68,453	107,531	167,678
CO & DS withheld for SBE/COBI Bonds	2,031,334	2,067,209	2,067,577	615,182	523,152	342,417	336,064	310,826	204,148	65,406
State License Tax	483,900	532,402	473,064	521,604	472,649	509,013	515,605	429,662	463,648	442,956
Food Services	562,875	563,623	621,995	643,645	634,064	683,148	691,311	691,708	655,989	552,779
SBE/COBI Bond Interest	376	549	12,060	1,206	652	19	23	780	581	-
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	1,277,972	1,926,462	1,293,490	4,638,473	-	-	-	-	18,794,392	4,600,000
Class Size Reduction Program	99,525,290	100,383,530	100,819,469	102,671,067	104,284,591	106,848,891	99,009,277	101,934,394	99,261,695	101,000,328
Charter School Capital Outlay	2,477,285	3,489,966	2,106,665	5,336,743	5,624,174	5,943,691	6,450,051	6,649,751	7,607,873	8,212,376
State Grants and Other State Sources	8,168,306	6,010,204	12,158,456	11,748,004	9,265,082	4,382,580	4,553,639	7,841,976	65,859,631	8,430,897
Total State Sources	292,194,550	292,253,741	304,235,130	328,671,312	352,269,277	361,320,364	348,988,537	336,707,723	446,492,423	391,870,190
Taxes and Miscellaneous Sources:										
Ad Valorem Taxes	485,209,281	509,754,526	523,232,280	528,196,192	537,100,558	562,626,311	591,159,020	691,615,883	776,798,266	815,733,201
Local Sales Taxes	-	-	-	36,453,161	79,534,198	88,730,152	115,800,155	116,257,039	125,188,440	118,179,141
Food Service Sales	2,830,891	2,528,141	2,149,694	2,079,444	524,627	524,627	556,455	410,012	970,372	895,337
Impact Fees	6,137,978	6,654,615	8,256,767	15,392,068	16,841,899	18,144,986	35,591,196	32,194,262	33,506,869	29,769,485
Lease Revenue	563,164	563,078	559,349	547,088	502,723	387,812	519,032	560,246	578,948	709,032
Child Care and Adult Course Fees	9,875,087	10,822,584	11,130,248	12,069,353	10,095,114	8,706,328	12,050,710	13,157,177	15,435,153	21,263,140
Interest Income	3,168,228	2,640,676	4,819,811	11,291,497	10,680,286	1,896,417	(3,554,862)	27,931,667	62,127,490	61,545,140
Gifts, Grants and Bequests	987,130	1,313,789	503,297	994,217	1,362,094	1,111,692	1,362,839	2,141,143	1,668,454	1,388,151
Local Grants and Other Local Sources	10,209,424	9,104,887	11,265,366	10,243,526	40,703,305	24,986,680	41,393,632	50,437,632	52,974,356	46,350,862
Total Taxes and Miscellaneous Sources	518,981,183	543,382,496	561,916,812	617,266,546	698,261,675	707,115,005	794,878,177	934,705,061	1,069,238,348	1,095,833,489
Total Revenues	924,037,765	954,291,134	991,212,333	1,075,088,058	1,177,054,770	1,207,412,436	1,381,371,267	1,543,594,818	1,724,922,096	1,670,868,076

Expenditures												
Instruction	478,381,855	488,006,506	519,559,871	529,660,052	551,987,584	554,332,610	621,654,492	689,905,233	712,744,195	751,634,414		
Student Support Services	29,975,388	31,253,938	33,329,072	33,921,124	34,572,275	48,381,624	49,241,385	55,018,963	54,762,752	59,112,012		
Instructional Media Services	4,112,761	3,976,544	3,580,456	3,598,887	3,428,461	3,444,696	3,929,688	4,159,767	4,682,246	4,805,967		
Instruction & Curriculum Development Services	20,384,407	23,742,954	26,810,786	25,403,022	25,513,195	27,031,686	30,860,105	34,134,150	41,921,579	35,248,644		
Instructional Staff Training Services	10,880,377	10,285,951	10,308,963	11,197,163	10,629,040	12,443,296	18,338,670	20,533,028	20,588,648	20,865,188		
Instruction Related Technology	7,295,095	7,791,033	7,937,786	8,082,843	8,275,561	9,359,613	8,289,891	8,430,632	9,325,459	11,219,287		
Board	954,337	1,048,033	1,234,220	1,210,011	1,476,485	1,371,528	1,731,582	2,341,214	2,739,506	2,949,893		
General Administration	5,804,461	6,462,157	6,828,492	7,505,940	8,244,179	8,871,978	12,569,112	14,673,705	12,587,546	10,916,334		
School Administration	45,148,863	47,934,075	49,440,261	49,085,984	51,612,757	53,934,288	57,379,493	64,182,629	68,591,142	73,508,569		
Facilities Services	45,450,241	61,930,947	53,678,568	88,321,819	97,082,093	98,574,068	99,949,961	119,117,546	176,506,461	295,034,055		
Fiscal Services	3,783,553	3,951,176	3,708,277	3,864,134	4,392,779	4,245,905	4,557,507	5,119,210	5,722,077	5,837,484		
Food Service	38,726,448	42,253,373	47,500,974	47,656,364	47,347,780	49,374,137	58,467,125	65,988,735	68,509,596	68,006,295		
Central Services	8,718,831	10,098,243	10,873,976	10,922,853	12,713,026	13,321,858	23,685,165	20,218,972	19,326,801	17,463,207		
Student Transportation Services	51,134,340	54,860,905	53,482,444	55,081,985	52,506,285	49,789,330	56,571,734	57,031,094	56,131,192	60,430,345		
Operation of Plant	64,170,207	67,051,631	76,048,846	74,364,324	73,477,188	72,897,077	78,856,512	90,574,066	103,033,935	109,475,415		
Maintenance of Plant	15,401,562	16,192,001	16,580,188	15,927,123	17,155,263	17,053,065	18,526,949	21,471,540	21,290,492	21,425,874		
Administrative Technology Services	5,493,704	5,690,703	6,526,645	6,507,664	7,538,615	6,958,950	9,111,937	9,284,932	9,107,641	10,441,558		
Community Services	5,125,124	5,923,833	6,716,042	6,367,007	5,011,335	4,698,345	6,015,764	11,550,354	9,088,424	10,895,127		
Capital Outlay												
Facilities Acquisition & Construction	1,116,341	21,100,943	51,417,463	9,813,949	54,356,604	78,814,371	27,597,220	64,911,312	130,561,084	65,373,081		
Other Capital Outlay	9,961,398	29,600,365	18,171,760	14,482,875	17,765,613	14,955,740	20,063,793	15,537,213	27,164,755	3,200,440		
Debt Service												
Principal	28,823,872	28,342,021	34,688,643	34,274,598	30,883,124	65,230,877	53,044,382	49,051,854	49,921,214	52,028,474		
Interest and Fiscal Charges	15,343,234	17,689,077	16,775,044	15,515,465	18,995,899	19,356,264	17,025,211	15,881,302	20,358,231	17,865,299		
Total Expenditures	894,186,399	985,186,409	1,055,138,777	1,052,764,986	1,134,965,141	1,214,641,306	1,276,467,678	1,439,013,451	1,624,674,976	1,707,736,962		
Excess of Revenues												
Over (under) Expenditures	29,851,386	(30,895,275)	(63,926,444)	22,323,072	42,089,629	(7,228,870)	104,903,589	104,581,367	100,247,120	(36,868,886)		
Other Financing Sources (Uses)												
Issuance of Refunding Bonds	-	60,177,000	32,085,000	-	81,000	-	-	-	-	-		
Premium on Refunding Bonds	-	-	-	-	4,372	-	-	-	-	-		
Certificates of Participation Issued	-	61,080,000	14,070,000	-	136,135,000	-	-	136,410,000	-	-		
Premium on Certificates of Participation Issued	-	10,557,060	-	-	24,456,449	-	-	7,443,256	-	-		
Issuance of Loans	-	20,000,000	-	-	-	-	-	-	-	-		
Lease Agreements	-	-	-	-	-	-	-	-	-	-		
Loss Recoveries	263,905	326,784	1,825,743	858,104	5,519,063	1,154,796	248,166	32,589	19,165,855	-		
Sale of Capital Assets	-	-	700,000	-	322,150	450	4,884,449	43,010,905	14,258,381	20,534,593		
Transfer In	54,315,049	56,064,515	78,004,697	71,066,435	103,163,607	92,937,487	92,683,259	92,107,312	75,990,899	2,897,521		
Payments to Refunded COPS/Bond Escrow Agent	-	(60,000,000)	(31,904,569)	-	(85,199)	-	-	-	-	101,091,115		
Transfer Out	(54,315,049)	(56,064,515)	(78,004,697)	(71,066,435)	(103,163,607)	(92,937,487)	(92,683,259)	(92,107,312)	(75,990,899)	(101,091,115)		
Total Other Financing Sources (Uses)	263,905	92,140,844	18,776,174	858,104	166,432,825	1,155,246	737,615	186,928,350	33,424,236	23,432,114		
Net Change in Fund Balances	\$ 30,115,291	\$ 61,245,569	\$ (47,150,270)	\$ 23,181,176	\$ 208,522,454	\$ (6,073,624)	\$ 105,641,204	\$ 291,509,717	\$ 133,671,356	\$ (13,436,772)		
Debt Service as a percentage of noncapital expenditures	4.8%	4.9%	5.2%	4.8%	4.7%	7.6%	5.7%	4.5%	4.8%	4.5%		

Source: District Records

Table 5

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 Value		Assessed Value as a percentage of Actual Value ¹
	Residential	Commercial					Value	Value	
2016	\$ 50,840,606	\$ 7,999,476	\$ 3,125,423	\$23,821,441	\$ 38,823,092	4.22	\$ 87,278,538	\$ 87,278,538	71.78%
2017	55,237,868	8,633,141	3,353,903	28,254,650	39,632,759	4.12	96,920,144	96,920,144	70.04%
2018	60,444,365	8,946,505	3,736,874	30,507,410	43,531,708	4.12	105,312,246	105,312,246	70.30%
2019	64,184,558	9,586,367	3,961,568	30,240,763	48,231,096	4.12	109,528,126	109,528,126	71.65%
2020	68,285,180	10,239,337	4,123,166	31,272,044	52,258,351	4.12	115,661,449	115,661,449	72.22%
2021	72,340,337	11,050,968	4,993,153	31,728,500	57,579,392	4.12	121,857,665	121,857,665	73.29%
2022	77,944,138	12,125,985	4,960,229	36,143,998	59,870,102	3.93	133,042,573	133,042,573	72.17%
2023	92,412,538	13,838,844	5,275,483	67,089,736	45,514,770	3.83	180,629,898	180,629,898	62.34%
2024	97,839,539	15,598,296	5,950,664	82,530,570	38,052,530	3.83	204,004,677	204,004,677	59.11%
2025	113,229,795	23,809,140	6,255,073	80,496,713	64,168,835	3.83	219,486,951	219,486,951	65.91%

Source: Lee County Tax Collector

¹ Includes tax-exempt property

Net Taxable Assessed Value and Estimated Actual Value
(with percentage increase (decrease))

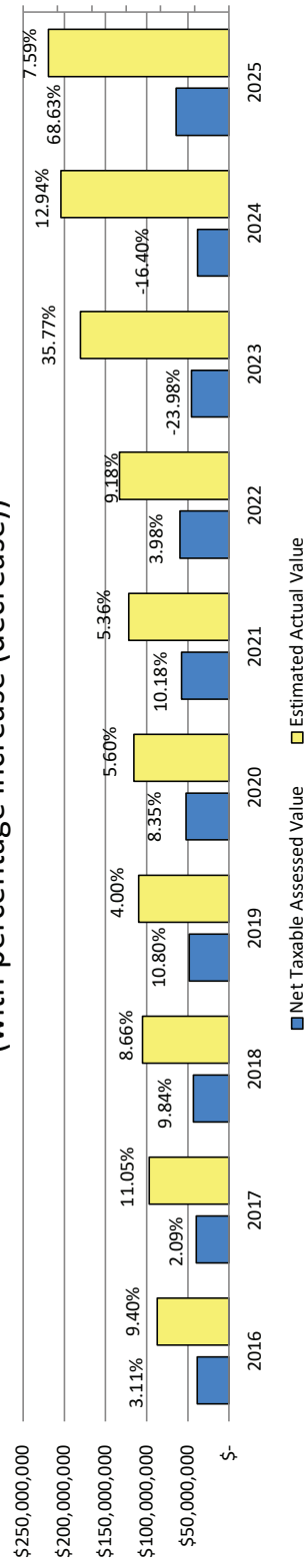


Table 6

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Lee County										
General Revenue	4.220	4.120	4.120	4.120	4.120	4.120	3.932	3.832	3.832	3.832
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	4.220	4.120	4.120	4.120	4.120	4.120	3.932	3.832	3.832	3.832
School District	7.285	6.989	6.679	6.401	6.147	6.058	5.891	5.557	5.430	5.286
Municipalities										
Cape Coral	6.957	6.750	6.750	6.750	6.490	6.375	6.250	5.369	5.369	5.219
Sanibel	2.311	2.301	2.280	2.219	2.186	2.182	2.158	2.152	2.693	2.637
Fort Myers	8.776	8.750	8.650	8.450	8.250	7.964	7.588	7.000	7.000	6.526
Fort Myers Beach	0.800	0.800	0.870	0.870	0.950	0.950	0.950	0.990	0.990	0.990
Bonita Springs	0.817	0.817	0.817	0.817	0.817	0.817	0.817	0.800	0.817	0.847
Total Municipalities Millage	19.661	19.419	19.366	19.106	18.693	18.288	17.763	16.312	16.869	16.217
Lee County Special Districts										
Lee County Hyacinth Control	0.026	0.026	0.025	0.024	0.023	0.022	0.024	0.023	0.022	0.020
Lee County Mosquito Control	0.240	0.240	0.280	0.264	0.254	0.244	0.244	0.230	0.230	0.220
South Fl. Water Management Dist.	0.355	0.331	0.310	0.294	0.280	0.268	0.257	0.230	0.230	0.230
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	1.318	1.318	1.355	1.266	1.233	1.215	1.186	1.122	1.274	1.196
Total Special Districts Millage	2.818	2.794	2.849	2.727	2.668	2.628	2.591	2.485	2.635	2.545
Other Special Districts ¹	.0549-4.000	.0650-4.000	.0572-3.900	.0575-3.750	.0661-3.800	.0471-3.600	.0520-3.200	.0478-4.100	.0495-4.799	.0320 - 5.500
Total Direct and Overlapping Rates ²	33.984	33.321	33.015	32.353	31.629	31.094	30.176	28.184	28.766	27.881

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

Table 7

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

Name	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
FL Power & Light	\$ 2,034,809,456	1	1.647%	\$ 915,695,388	1	1.570%
Lee County Electric Coop	503,420,629	2	0.410%	399,259,015	2	0.685%
Christian & Missionary Alliance Inc.	212,146,602	3	0.380%	198,372,408	3	0.340%
LNx 1 Properties LLC	132,536,385	4	0.134%			
Jamaica Bay Venture III LLC	119,972,136	6	0.123%			
Comcast of CO FL	12,355,518	5	0.109%	-		
Coconut Point Developers LLC	107,873,659	7	0.101%	158,470,675	5	0.272%
Legacy Gateway 60 LLC	107,017,655	8	0.098%			
GCTC Holdings LLC	-		0.000%	97,614,953	6	0.167%
Federal National Mortgage	-		0.000%	83,757,627	9	0.144%
Upward America Southeast	95,670,267	9	0.073%			
TP2-Land-Sub LLC	94,056,864	10	0.071%			
Embarq Florida, Inc				153,517,761	6	0.263%
Miromar Outlet west LLC				120,726,163	7	0.207%
Edison Mall Business Trust				74,282,546	8	0.127%
Bell Tower Shops LLC				62,724,531	10	0.108%
International Capital				-		0.000%
	<u>\$ 3,419,859,171</u>		<u>3.146%</u>	<u>\$ 2,264,421,067</u>		<u>3.883%</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
2016	\$ 503,609,120	\$ 501,939,146	99.67%	\$ 531,613	\$ 502,470,759	99.77%
2017	529,936,514	528,409,682	99.71%	389,309	528,798,991	99.79%
2018	547,501,768	543,773,247	99.32%	310,617	544,083,864	99.38%
2019	549,691,837	547,876,237	99.67%	313,951	548,190,188	99.73%
2020	558,443,610	556,913,143	99.73%	333,505	557,246,648	99.79%
2021	585,124,671	583,983,094	99.80%	984,999	584,968,093	99.97%
2022	617,277,787	612,177,523	99.17%	597,599	612,775,122	99.27%
2023	744,184,994	725,445,908	97.48%	2,387,703	727,833,611	97.80%
2024	787,818,035	790,112,516	100.29%	(2,171,347)	787,941,169	100.02%
2025	848,277,659	835,962,098	98.55%	-	835,962,098	98.55%

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.

0.035251663

Source: Lee County Tax Collector

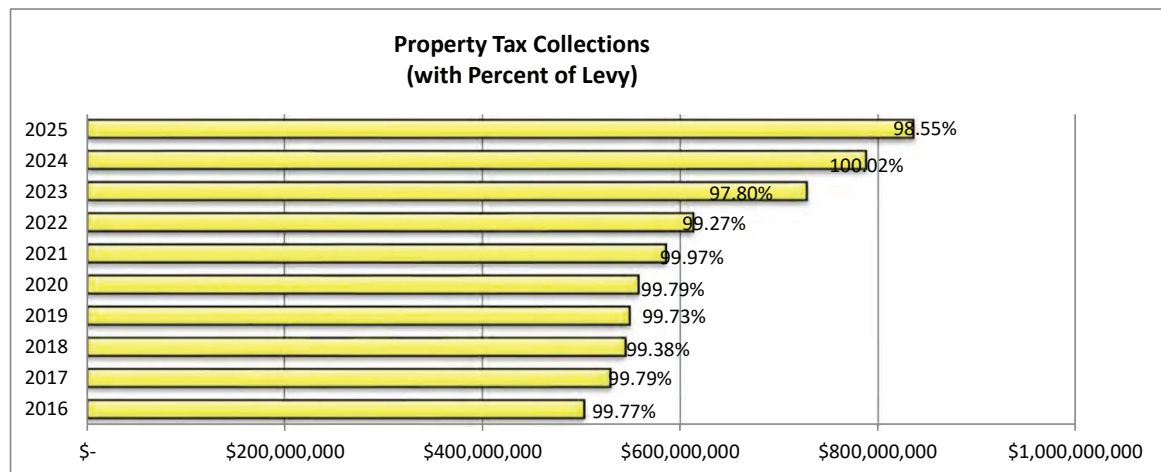


Table 9

**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		Leases		Notes Payable		Total Primary Government
	\$	\$	\$	\$	\$	\$	\$	\$	
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
2022	383,529	401,316,575	136,369	-	42,074	401,878,547	0.67%	0.93%	510.01
2023	139,000	492,838,518	67,178	-	-	493,044,696	1.08%	0.99%	599.48
2024	-	439,195,097	17,964	-	-	439,213,061	1.15%	0.84%	520.66
2025	-	383,272,676	1,490	-	-	383,274,166	0.60%	0.70%	445.17

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 2025.

² See Table 5 for property value data.

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

Source: District Records

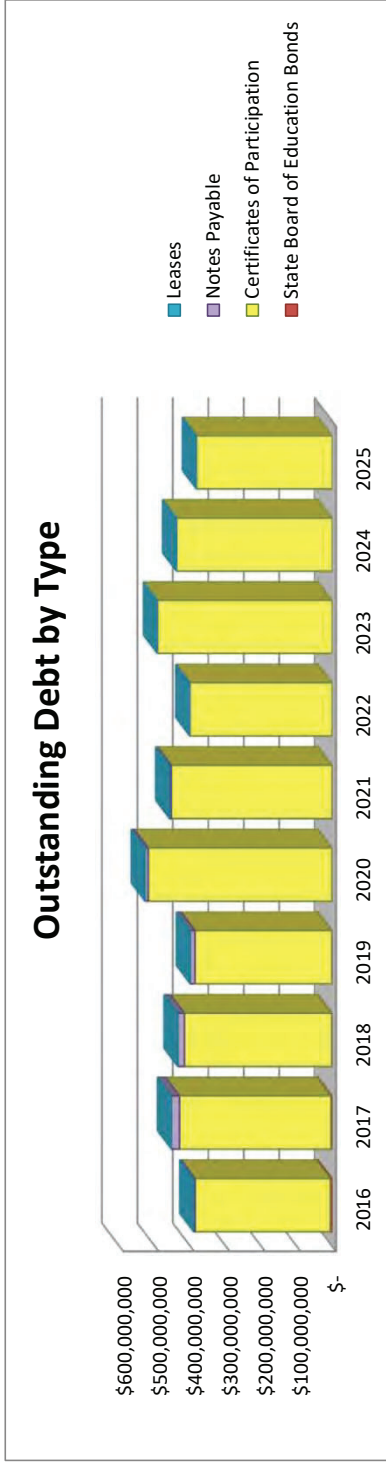


Table 10

**THE SCHOOL DISTRICT OF LEE COUNTY
COMPUTATION OF LEGAL DEBT MARGIN
LAST 9 FISCAL YEARS
(UNAUDITED)**

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Limit of bonded indebtedness, 10% of net assessed value of taxable property	\$ 3,882,309,200	\$ 3,963,275,900	\$ 4,353,170,800	\$ 4,823,109,600	\$ 5,225,835,100	\$ 5,757,939,200	\$ 5,987,010,200	\$ 4,551,477,000	\$ 3,805,253,000	\$ 6,416,883,500
Total bonded debt	5,495,000	3,701,000	1,816,000	1,313,000	889,000	634,000	378,000	139,000	-	-
Less amount available in Debt Service Funds	132,577	88,102	51,534	29,033	20,618	13,777	8,422	4,317	-	-
Total amount applicable to debt limit	5,362,423	3,612,898	1,764,466	1,283,967	868,382	620,223	369,578	134,683	-	-
Legal debt margin on bonded debt	<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>	<u>\$ 5,986,640,622</u>	<u>\$ 4,551,342,317</u>	<u>\$ 3,805,253,000</u>	<u>\$ 6,416,883,500</u>
Legal debt margin on bonded debt as a percentage of bonded debt limit	<u>99.86%</u>	<u>99.91%</u>	<u>99.96%</u>	<u>99.97%</u>	<u>99.98%</u>	<u>99.99%</u>	<u>99.99%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Note: Bond paid in full 12/1/2023.

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, 2025
(UNAUDITED)

FINANCIAL PARAMETERS	
Direct debt:	
State Board of Education Bonds ⁽¹⁾	\$ -
Lease	1,490
Certificates of Participation	<u>383,272,676</u>
Total Direct Debt	383,274,166
Overlapping debt ⁽²⁾	
Lee County ⁽³⁾	<u>221,705,000</u>
Total Direct and Overlapping debt	<u><u>\$ 604,979,166</u></u>
Population	860,959
Assessed property valuation (in thousands)	\$ 219,486,951
Net Assessed taxable property valuation (in thousands)	\$ 64,168,835
DEBT RATIOS	
Percent of assessed property valuation	
Direct debt	0.17%
Overlapping debt	0.10%
Direct and overlapping debt	0.28%
Percent of net assessed taxable property valuation	
Direct debt	0.60%
Overlapping debt	0.35%
Direct and overlapping debt	0.94%
Per Capita	
Direct debt	\$ 445
Overlapping debt	\$ 258
Direct and overlapping debt	\$ 703

(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, 2024.

(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

Table 12

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

Fiscal Year	State Board of Education Bonds				
	Motor Vehicle Tax ¹	Principal	Interest	Coverage	
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	
2022	278,125	256,000	27,400	0.98	
2023	250,898	239,000	16,700	0.98	
2024	141,842	139,000	6,950	0.97	
2025	-	-	-	-	

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.

Note 3: Bond paid in full 12/1/2023

Source: District Records

Table 13

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
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%
2022	787,976	43,260,834	54,707	48.8	97,579	2.9%
2023	822,453	49,552,254	62,885	49.5	98,987	3.1%
2024	843,573	52,281,287	63,568	49.1	100,297	3.2%
2025	860,959	54,979,729	65,878	48.4	102,519	4.5%

Sources:

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

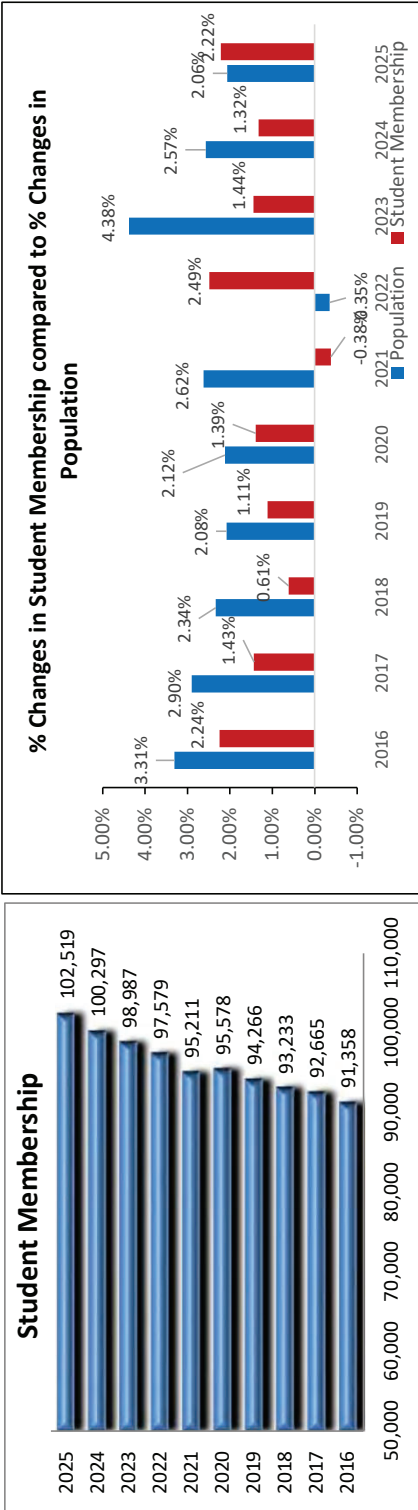


Table 14

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

Name	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Lee Memorial Health System	13,558	1	3.74%	10,900	1	3.53%
Lee County School Board	11,174	2	3.08%	10,600	2	3.43%
Lee County Government	9,377	3	2.59%	2,584	4	0.84%
Publix Super Markets	9,362	4	2.58%	5,007	3	1.62%
Chico's FAS, Inc	3,903	5	1.08%	1,642	8	0.53%
Wal-Mart Stores, Inc.	3,689	6	1.02%	2,507	5	0.81%
Herc Rentals	2,400	7	0.66%			
Amazon	2,200	8	0.61%			
Gartner, Inc	2,100	9	0.58%			
FGCU, Office of the President	1,778	10	0.49%			
Home Depot	-		0.00%	1,783	6	0.58%
Lee County Sheriff's Office	-		0.00%	1,585	9	0.51%
City of Cape Coral	-		0.00%	1,654	7	0.53%
U.S. Postal Service	-		0.00%	1,477	10	0.48%
Total	59,541		16.41%	39,739		12.85%

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

Table 15

**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
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
2022	5,783	412	3,942	10,137
2023	5,695	433	3,989	10,117
2024	5,681	468	4,186	10,335
2025	5,814	479	4,316	10,609

- (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

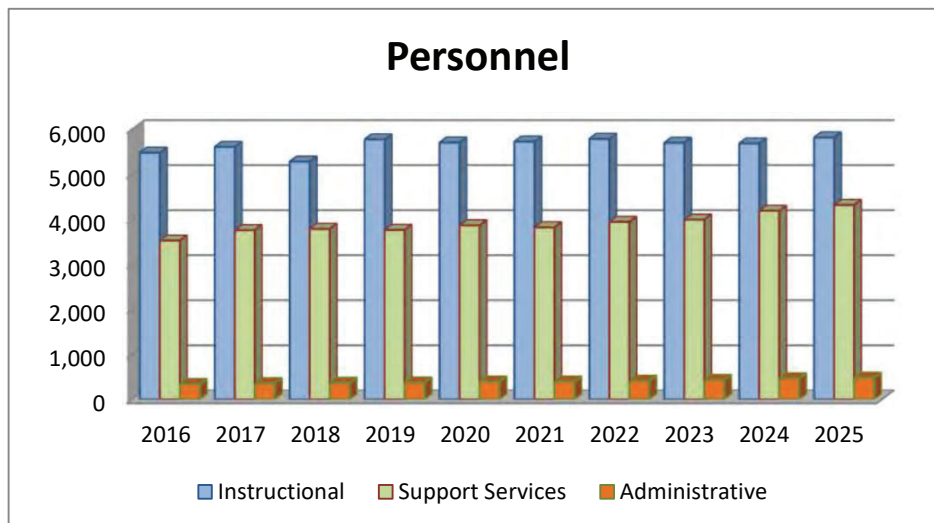


Table 16

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

Fiscal Year	Minimum Salary	Maximum Salary	Average Salary
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
2022	47,500	104,446	53,900
2023	48,250	111,014	55,860
2024	50,000	120,975	58,800
2025	50,500	124,531	64,423

Source: District Records

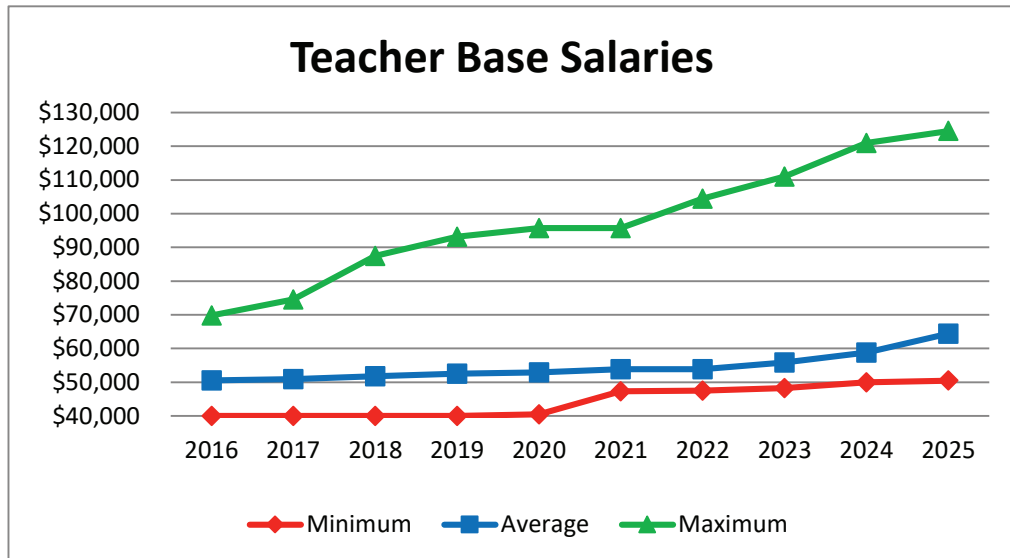


Table 17

**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
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%
2022	1,276,467,678	97,579	13,081	2.54%	5,783	16.87	90.36%
2023	1,439,013,451	98,987	14,537	11.13%	5,695	17.38	91.14%
2024	1,624,674,976	100,297	16,199	11.43%	5,681	17.65	90.44%
2025	1,707,736,962	102,519	16,658	2.83%	5,814	17.63	93.54%

Source: District Records

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

	June 30, 2016 ¹	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020 ²	June 30, 2021 ³	June 30, 2022	June 30, 2023 ⁴	June 30, 2024	June 30, 2025 ⁵
Days Meals were Served	180	180	173	180	130	180	180	167	180	178
Average Number of Free and Reduced Meals Served Daily	53,491	50,075	55,243	47,493	44,957	4,921	34,086	68,919	65,957	78,448
Number of Free and Reduced Meals Served	9,628,290	9,013,571	9,556,954	8,548,683	5,844,441	885,741	6,135,398	11,509,433	11,872,327	13,963,687
Average Daily Subsidy Received	\$ 213,502	\$ 232,066	\$ 244,258	\$ 265,793	\$ 318,481	\$ 255,532	\$ 323,303	\$ 274,860	\$ 267,934	\$ 326,276
Total Subsidy Received	\$ 38,430,442	\$ 41,771,877	\$ 42,256,618	\$ 47,842,651	\$ 41,402,485	\$ 45,995,686	\$ 58,194,603	\$ 45,901,543	\$ 48,228,136	\$ 58,077,117
Average Number of Meals Served Daily	78,247	80,444	81,772	84,896	86,766	37,358	81,847	83,167	86,890	82,643
Number of Total Meals Served	14,084,411	14,479,868	14,146,641	15,281,336	11,279,636	6,724,432	14,732,420	13,888,926	15,640,205	14,710,390
Average Daily Revenues	\$ 231,282	\$ 248,950	\$ 264,170	\$ 286,022	\$ 339,578	\$ 274,231	\$ 356,537	\$ 355,198	\$ 309,437	\$ 377,316
Total Revenues	\$ 41,630,724	\$ 44,811,030	\$ 45,701,381	\$ 51,484,039	\$ 44,145,159	\$ 49,361,608	\$ 64,176,734	\$ 59,318,052	\$ 55,698,685	\$ 67,162,314
Average Daily Costs	\$ 221,638	\$ 234,741	\$ 274,572	\$ 264,758	\$ 372,865	\$ 274,301	\$ 309,091	\$ 388,359	\$ 383,875	\$ 383,814
Total Costs	\$ 39,894,897	\$ 42,253,373	\$ 47,500,974	\$ 47,656,364	\$ 48,472,427	\$ 49,374,137	\$ 55,636,383	\$ 64,855,886	\$ 69,097,495	\$ 68,318,867

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.

⁴ Due to Hurricane Ian, the District was closed for 13 day.

⁵ Due to Hurricane Milton, the District was closed for 2 day.

Source: District Records

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Elementary Schools										
Allen Park ES (1957)										
Square Feet	129,052	129,052	129,052	129,052	129,052	106,699	106,699	106,699	106,699	106,699
Capacity (students)	1,028	1,028	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010
Enrollment	959	970	997	1,019	973	934	922	881	913	914
Alva School (K-8) (1886) ^r										
Square Feet	144,444	144,444	144,444	144,444	144,444	144,444	131,135	131,135	131,135	131,135
Capacity (students)	1,089	1,089	1,089	1,104	1,104	1,104	1,117	1,117	1,117	1,157
Enrollment	985	1,014	1,042	1,084	1,098	1,101	1,199	1,220	1,216	1,190
Amanecer ES (2023)										
Square Feet	-	-	-	-	-	-	-	-	92,704	92,704
Capacity (students)	-	-	-	-	-	-	-	-	984	984
Enrollment	-	-	-	-	-	-	-	-	1,014	1,030
Bayshore ES (1966)										
Square Feet	91,368	91,368	91,368	91,368	91,368	86,507	86,507	86,507	86,507	86,507
Capacity (students)	693	693	656	656	656	656	656	656	656	656
Enrollment	602	630	640	638	660	573	628	601	560	666
Bonita Springs ES (1916)										
Square Feet	50,352	50,352	50,352	50,352	52,586	52,586	52,586	52,586	52,586	52,586
Capacity (students)	396	396	396	396	396	396	396	396	396	396
Enrollment	499	517	513	528	563	544	566	559	569	500
Caloosa ES (2000)										
Square Feet	133,604	133,604	133,604	133,557	133,557	133,557	133,557	133,557	133,557	133,557
Capacity (students)	1,085	1,085	992	992	992	992	992	992	992	992
Enrollment	913	938	947	961	965	950	974	994	969	520
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	838	838	838	838	856	856	856	856
Enrollment	742	736	694	692	692	709	713	774	762	783
Colonial ES (1978)										
Square Feet	114,983	114,983	114,983	114,983	114,983	105,161	105,161	105,161	105,161	105,161
Capacity (students)	922	922	882	882	882	882	882	882	882	882
Enrollment	796	787	847	887	871	798	836	766	573	699
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	982	982	982	982	982	982	982	982
Enrollment	932	938	974	992	1,015	986	1,000	1,074	1,062	1,061
Edgewood Renaissance (1924)										
Square Feet	113,208	113,208	113,208	113,208	113,208	69,641	69,641	89,641	89,641	89,641
Capacity (students)	741	741	736	736	736	726	726	726	726	726
Enrollment	527	565	599	599	548	497	472	468	593	564
Edison Park ES (1926)										
Square Feet	72,843	72,843	72,843	72,843	72,843	72,003	72,003	72,003	72,003	72,003
Capacity (students)	455	455	455	455	455	439	439	439	439	439
Enrollment	352	355	349	356	402	402	405	404	424	440
Franklin Park ES (1954) ^l										
Square Feet	89,228	89,228	89,228	89,228	89,228	77,536	77,536	-	125,353	125,353
Capacity (students)	579	579	579	579	579	579	579	579	677	677
Enrollment	454	474	482	455	461	455	397	360	416	526

(Continued)

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Elementary Schools										
Ft Myers Beach ES (1938) ^h										
Square Feet	30,634	30,634	30,634	30,634	27,109	27,109	27,109	27,109	8,429	8,429
Capacity (students)	220	220	204	204	223	223	223	223	116	116
Enrollment	120	121	108	102	94	83	76	49	55	59
G. Weaver Hipps ES (2009)										
Square Feet	106,693	106,693	106,813	106,813	106,813	103,827	103,827	103,827	133,530	133,530
Capacity (students)	758	758	730	730	730	752	752	752	1,112	1,112
Enrollment	779	798	794	831	811	829	845	822	651	1,029
Gateway ES (1991)										
Square Feet	114,113	114,113	114,273	114,273	114,273	97,317	97,317	97,317	97,317	97,317
Capacity (students)	736	736	713	713	713	735	735	735	735	735
Enrollment	719	736	750	750	776	801	840	880	851	839
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	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Enrollment	1,044	1,044	1,075	1,116	1,096	1,140	1,221	1,238	1,187	1,176
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	964	964	964	964	964	964	964	964
Enrollment	845	871	883	891	866	747	760	782	836	834
Hans Marsh Elementary (2005)										
Square Feet	124,793	124,793	124,831	124,831	124,831	119,643	119,643	119,643	119,643	119,643
Capacity (students)	912	912	912	912	912	894	894	894	894	894
Enrollment	1,011	1,021	1,048	1,025	1,043	944	1,013	1,054	1,169	1,110
Hector Cafarata Jr. Elementary (2006) ^h										
Square Feet	74,927	74,927	75,711	75,937	75,937	75,937	75,937	75,937	75,937	3,859
Capacity (students)	883	883	862	862	862	862	862	862	862	-
Enrollment	695	677	674	687	654	659	717	575	622	586
Heights ES (1963)										
Square Feet	158,152	158,152	158,152	158,152	147,558	147,558	147,558	147,558	147,558	147,558
Capacity (students)	1,306	1,306	1,295	1,295	1,277	1,277	1,277	1,277	1,277	1,277
Enrollment	1,197	1,199	1,196	1,170	1,162	1,091	1,135	1,067	1,114	1,052
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	584	584	584	584	584	584	584	584
Enrollment	513	461	445	461	445	394	460	445	552	520
James Stephens Int'l Academy (1958) ^b										
Square Feet	175,579	175,579	175,579	175,579	175,579	151,786	151,786	151,786	151,786	151,786
Capacity (students)	1,095	1,095	1,095	1,095	1,095	674	734	734	734	734
Enrollment	730	358	424	515	482	429	453	444	689	749
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	1,038	1,038	1,038	1,038	1,038	1,038	1,038	1,038
Enrollment	1,179	1,195	1,237	1,198	1,183	1,133	1,186	1,245	1,278	1,026
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	736	736	736	736	736	736	736	736
Enrollment	549	530	537	564	541	486	506	541	612	657

(Continued)

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Elementary Schools										
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	940	940	940	940	940	940	940	940
Enrollment	937	900	888	883	916	851	808	748	673	731
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)	1,071	1,071	960	960	960	960	960	960	960	960
Enrollment	1,110	1,203	1,125	1,116	1,119	1,098	1,257	1,305	1,258	1,293
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	1,367	1,367	1,367	1,367	1,405	1,405	1,405	1,405
Enrollment	1,120	1,117	1,104	1,126	1,153	1,076	1,101	1,088	1,180	1,408
Orange River ES (1957)										
Square Feet	100,799	100,799	99,095	99,095	99,095	99,095	99,095	99,095	99,095	99,095
Capacity (students)	817	817	762	762	762	762	762	762	762	762
Enrollment	817	854	856	853	820	788	828	826	782	796
Orangewood ES (1954)										
Square Feet	91,612	91,612	91,612	91,612	91,612	78,930	78,930	78,930	79,124	79,124
Capacity (students)	614	614	606	606	606	606	606	606	606	606
Enrollment	581	579	578	586	613	599	613	613	610	677
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)	1,046	1,046	984	984	984	984	984	984	984	984
Enrollment	687	721	733	747	785	734	792	824	874	993
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	1,287	1,287	1,287	1,287	1,287	1,287	1,287	1,287
Enrollment	950	938	976	993	961	897	960	929	946	977
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	355	355	355	355	355	355	355	355
Enrollment	217	235	237	234	249	216	228	234	258	220
Pinewoods ES (1992)										
Square Feet	145,752	145,752	145,752	145,752	124,464	124,464	124,464	124,464	124,544	124,544
Capacity (students)	1,060	1,060	980	980	980	980	980	980	980	980
Enrollment	1,080	1,114	1,123	1,139	1,163	1,068	1,119	1,102	1,045	1,033
Ray V. Pottorf Elementary (2005)										
Square Feet	124,900	124,900	124,900	124,900	124,900	121,259	121,259	121,259	121,259	121,259
Capacity (students)	864	864	864	864	864	864	864	864	864	864
Enrollment	727	704	718	759	701	704	773	754	669	741
Rayma Page Elementary (2004)										
Square Feet	119,637	119,637	119,637	119,637	118,839	118,839	118,839	118,839	118,839	118,839
Capacity (students)	846	846	846	846	846	846	846	846	846	846
Enrollment	849	845	826	866	852	818	856	862	752	692
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	966	966	966	966	966	966	966	966
Enrollment	960	1,017	1,014	1,049	1,042	990	995	1,016	911	908

(Continued)

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

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Elementary Schools										
San Carlos Park ES (1978)										
Square Feet	120,665	120,665	120,825	120,825	120,378	120,378	120,378	120,378	120,378	120,378
Capacity (students)	1,026	1,026	982	982	974	974	974	974	974	974
Enrollment	996	999	971	942	852	679	692	613	662	659
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	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282
Enrollment	908	957	1,048	1,039	1,028	961	992	1,015	1,066	1,200
Spring Creek ES (1981)										
Square Feet	95,575	95,575	95,575	95,575	114,328	114,328	114,328	114,328	112,978	112,978
Capacity (students)	735	735	709	709	709	722	722	722	722	722
Enrollment	770	757	769	781	713	656	657	577	637	679
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	1,036	1,036	1,036	1,036	1,036	1,036	1,036	1,036
Enrollment	1,185	1,201	1,185	1,150	1,138	1,137	1,282	1,349	1,398	1,459
Tanglewood Riverside ES (1970)										
Square Feet	108,195	108,195	108,195	108,195	108,195	104,523	104,523	104,523	104,523	104,523
Capacity (students)	786	786	764	764	764	764	764	764	764	764
Enrollment	766	781	753	731	772	749	766	707	750	698
The Sanibel School (K-8) (1962)										
Square Feet	80,981	80,981	80,981	80,981	71,415	71,415	71,415	71,415	69,229	69,229
Capacity (students)	423	423	423	423	427	427	427	427	427	427
Enrollment	315	314	290	266	306	273	271	216	215	214
Three Oaks ES (1987)										
Square Feet	93,886	93,886	93,886	93,886	81,070	81,070	81,070	81,070	81,070	81,070
Capacity (students)	731	731	694	694	694	694	694	694	694	694
Enrollment	900	933	915	942	968	990	1,031	1,012	905	938
Tice ES (1927)										
Square Feet	106,028	106,028	106,028	106,028	106,028	106,028	106,028	106,028	106,028	106,028
Capacity (students)	616	616	616	616	616	616	616	616	616	616
Enrollment	567	614	606	597	611	601	602	537	529	515
Tortuga Preserve ES (2012)										
Square Feet	129,936	129,936	129,936	129,936	129,936	131,230	131,230	131,230	131,230	131,230
Capacity (students)	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056	1,056
Enrollment	941	1,014	1,000	1,008	1,007	1,034	1,081	1,140	1,137	1,213
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	936	936	936	936	936	936	936	936
Enrollment	805	795	797	802	826	821	902	930	905	900
Treeline ES (2008)										
Square Feet	129,597	129,597	129,597	129,597	129,597	129,597	129,597	129,597	129,597	131,097
Capacity (students)	1,029	1,029	994	994	994	994	994	994	994	994
Enrollment	1,041	1,088	1,076	1,089	1,100	1,091	1,138	1,190	1,115	1,059
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	968	968	968	968	968	968	968	968
Enrollment	972	975	970	937	929	841	837	833	843	809

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	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Elementary Schools										
Veterans Park Academy K-8 (2004) ^a										
Square Feet	247,972	247,972	250,055	250,055	250,055	250,055	332,501	202,080	202,108	202,108
Capacity (students)	1,945	1,945	1,898	1,898	1,898	1,909	2,958	2,958	1,934	1,934
Enrollment	1,580	1,608	1,651	1,721	1,778	1,799	1,973	2,074	1,789	1,956
Villas ES (1961)										
Square Feet	115,515	115,515	115,515	115,515	115,515	108,476	108,476	108,476	108,476	108,476
Capacity (students)	881	881	842	842	842	842	842	842	842	842
Enrollment	843	867	860	879	905	896	821	866	843	776
										(Continued)

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	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Middle Schools										
Bonita Springs MS (1976)										
Square Feet	129,498	129,498	128,766	128,766	129,999	129,999	129,999	129,999	129,999	129,999
Capacity (students)	990	990	1,012	1,012	1,029	1,029	1,029	1,029	1,029	1,029
Enrollment	866	903	914	927	928	871	869	796	785	698
Caloosa MS (2000)										
Square Feet	166,253	166,253	173,040	173,040	173,081	173,081	173,081	173,081	173,081	173,081
Capacity (students)	1,159	1,159	1,159	1,159	1,159	1,159	1,170	1,170	1,170	1,170
Enrollment	885	883	831	884	922	912	967	930	924	1,045
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	1,378	1,378	1,378	1,378
Enrollment	1,047	1,046	1,035	1,078	1,108	1,123	1,113	1,133	1,130	985
Cypress Lake MS (1961)										
Square Feet	137,523	137,523	137,523	137,523	137,523	134,693	134,693	134,693	134,693	27,856
Capacity (students)	941	941	978	978	978	974	974	974	974	242
Enrollment	814	829	865	918	922	887	785	784	726	760
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	1,104	1,104	1,104	1,104
Enrollment	840	823	835	857	881	857	904	897	935	1,079
Ft Myers Middle Academy (1951)										
Square Feet	128,511	128,511	128,511	128,511	128,511	121,255	121,255	121,255	121,255	121,255
Capacity (students)	952	952	952	952	952	980	980	980	980	980
Enrollment	570	520	501	572	668	641	673	589	513	645
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	1,029	1,029	1,029	1,029
Enrollment	793	787	786	810	838	806	817	777	823	894
Harnes Marsh MS (2012)										
Square Feet	164,662	164,662	164,664	164,664	164,664	164,664	164,664	164,664	164,664	164,664
Capacity (students)	1,325	1,325	1,357	1,357	1,357	1,377	1,377	1,377	1,377	1,377
Enrollment	1,040	1,145	1,225	1,334	1,394	1,389	1,369	1,450	1,313	892
Lehigh Acres MS (2022) ^a										
Square Feet	130,421	130,421	130,421	130,421	130,421	130,421	179,933	179,933	179,933	179,933
Capacity (students)	1,177	1,177	1,177	1,177	1,177	1,046	1,546	1,546	1,546	1,546
Enrollment	1,157	1,223	1,302	1,346	1,442	1,357	1,247	1,357	1,337	1,521
Lemuel Teal MS (2023)										
Square Feet	-	-	-	-	-	-	-	-	129,956	129,956
Capacity (students)	-	-	-	-	-	-	-	-	1,180	1,180
Enrollment	-	-	-	-	-	-	-	-	759	1,006
Lexington Middle School (2005)										
Square Feet	172,672	172,672	172,672	172,672	167,519	167,519	167,519	167,519	167,519	167,519
Capacity (students)	1,146	1,146	1,146	1,146	1,190	1,190	1,190	1,190	1,190	1,190
Enrollment	1,036	1,084	1,113	1,132	1,107	1,072	1,124	1,104	1,110	1,005

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	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Middle Schools										
Mariner MS (2004)										
Square Feet	151,198	151,198	151,244	151,244	151,244	151,244	151,244	151,244	151,244	151,244
Capacity (students)	1,294	1,294	1,294	1,294	1,309	1,309	1,309	1,309	1,309	1,309
Enrollment	883	890	875	1,011	1,038	1,027	1,060	981	977	715
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	1,405	1,372	1,372	1,372	1,372	1,372	1,372
Enrollment	1,163	1,324	1,410	1,513	1,577	1,520	1,561	1,582	1,411	1,240
Paul Laurence Dunbar MS (1962)										
Square Feet	157,828	157,828	157,828	157,828	157,828	154,736	154,736	154,736	154,736	154,736
Capacity (students)	1,124	1,124	1,124	1,124	1,124	1,131	1,131	1,131	1,131	1,131
Enrollment	855	943	985	1,022	1,031	998	996	1,023	1,043	990
Three Oaks MS (1991)										
Square Feet	152,119	152,119	152,119	152,119	130,226	130,226	130,226	130,226	130,226	130,226
Capacity (students)	1,096	1,096	1,096	1,096	1,101	1,101	1,101	1,101	1,101	1,101
Enrollment	969	991	1,035	1,056	1,073	1,035	1,068	1,086	1,089	1,061
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	1,101	1,101	1,101	1,101	1,101	1,101
Enrollment	908	906	895	907	949	924	978	977	971	965
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	1,217	1,217	1,217	1,217
Enrollment	1,055	1,146	1,227	1,315	1,348	1,305	1,304	1,322	1,257	1,010

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(UNAUDITED)

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
High Schools										
Bonita Springs HS (2019)										
Square Feet	-	-	-	205,112	212,153	212,153	212,153	212,153	212,153	212,153
Capacity (students)	-	-	-	1,596	1,592	1,592	1,592	1,592	1,592	1,592
Enrollment	-	-	-	680	1,068	1,417	1,503	1,441	1,512	1,458
Cape Coral Sr HS (1978)										
Square Feet	272,847	272,847	272,908	272,908	272,908	272,908	272,908	272,908	272,908	272,908
Capacity (students)	1,843	1,843	1,830	1,830	1,830	1,830	1,850	1,850	1,850	1,850
Enrollment	1,549	1,566	1,539	1,563	1,622	1,622	1,764	1,841	1,904	1,943
Cypress Lake Sr HS (1967)										
Square Feet	269,378	269,378	270,647	270,647	270,647	268,866	268,866	268,866	268,866	268,866
Capacity (students)	1,700	1,700	1,690	1,690	1,690	1,880	1,680	1,680	1,680	1,680
Enrollment	1,532	1,564	1,576	1,503	1,495	1,402	1,444	1,463	1,422	1,341
Dunbar HS (2000)										
Square Feet	255,430	255,430	255,430	255,430	255,430	255,430	255,430	255,430	255,430	255,430
Capacity (students)	1,912	1,912	1,866	1,866	1,866	1,866	1,864	1,864	1,864	1,864
Enrollment	1,718	1,773	1,904	1,959	1,810	1,689	1,700	1,750	1,679	1,483
East HS (2006)										
Square Feet	312,333	312,333	316,893	316,893	316,893	316,893	316,893	316,893	316,893	316,893
Capacity (students)	2,057	2,057	2,035	2,035	2,035	2,035	2,030	2,030	2,030	2,030
Enrollment	1,822	1,996	1,788	1,697	1,791	1,701	1,695	1,821	1,937	2,066
Estero Sr HS (1985)										
Square Feet	272,710	272,710	272,710	272,710	263,669	263,669	263,669	263,669	263,669	263,669
Capacity (students)	1,704	1,704	1,719	1,719	1,729	1,729	1,729	1,729	1,729	1,729
Enrollment	1,708	1,773	1,727	1,583	1,473	1,288	1,332	1,129	1,472	1,509
Fl Myers Sr HS (1921)										
Square Feet	264,335	264,335	264,048	264,048	264,048	266,379	271,637	271,637	271,637	271,637
Capacity (students)	1,963	1,963	1,963	1,963	1,963	1,751	1,938	1,938	1,938	1,938
Enrollment	1,814	1,889	1,938	1,929	1,943	1,848	1,846	1,860	1,839	1,818
Gateway HS (2022)										
Square Feet	-	-	-	-	-	-	256,110	256,110	256,110	256,110
Capacity (students)	-	-	-	-	-	-	2,034	2,034	2,034	2,034
Enrollment	-	-	-	-	-	-	1,269	1,854	2,280	1,753
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	1,993	1,993	1,993	1,993	1,996	1,996	1,996	1,996
Enrollment	1,718	1,764	1,758	1,712	1,791	1,684	1,788	1,791	2,065	2,091
Island Coast HS (2008)										
Square Feet	268,866	268,866	268,866	268,866	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	2,058	2,058	2,058	2,058
Enrollment	1,545	1,536	1,529	1,530	1,619	1,464	1,479	1,568	1,343	1,392
Lehigh Sr HS (1994)										
Square Feet	289,278	289,278	289,278	325,696	325,696	325,696	325,696	325,696	325,696	325,696
Capacity (students)	1,824	1,824	1,824	2,546	2,549	2,549	2,549	2,549	2,549	2,549
Enrollment	1,718	1,954	2,119	2,264	2,533	2,414	2,308	2,375	2,466	2,453
Mariner Sr HS (1986)										
Square Feet	258,181	258,181	258,181	258,872	258,872	258,872	258,872	258,872	258,872	258,872
Capacity (students)	1,725	1,725	1,715	1,715	1,715	1,715	1,712	1,712	1,712	1,712
Enrollment	1,481	1,486	1,495	1,514	1,530	1,492	1,621	1,772	1,083	1,730

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	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
High Schools										
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	1,794	1,794	1,794	1,794	1,812	1,812	1,812	1,812
Enrollment	1,612	1,695	1,827	1,839	1,863	1,783	1,743	1,835	1,814	1,884
Riverdale High 6-12 (1972)										
Square Feet	250,303	250,303	257,634	257,634	257,634	257,634	257,634	257,634	284,218	270,102
Capacity (students)	2,040	2,040	2,024	2,024	2,036	2,036	2,036	2,036	2,386	2,430
Enrollment	1,975	2,058	2,256	2,268	2,269	2,185	1,999	1,755	1,829	1,796
South HS (2006)										
Square Feet	309,096	309,096	310,208	310,208	310,208	307,991	307,991	307,991	307,991	307,991
Capacity (students)	2,127	2,127	2,107	2,107	2,107	2,097	2,097	2,097	2,097	2,097
Enrollment	1,912	1,904	1,889	1,821	1,748	1,706	1,744	1,719	1,636	1,550
										(Continued)

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	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Special Schools										
ALC West (2008) ^f										
Square Feet	22,566	-	-	-	-	-	-	-	-	-
Capacity (students)	265	-	-	-	-	-	-	-	-	-
Enrollment	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	90	87	81	88	88	68	59	47	47	67
Cape Coral Technical College (1991) ^e										
Square Feet	64,798	64,798	64,410	64,410	64,410	64,410	64,410	64,410	64,410	64,410
Capacity (students)	324	324	342	342	342	342	319	319	319	319
Enrollment ^d	-	-	-	-	-	-	-	-	-	-
Ft. Myers Technical College (1966) ^e										
Square Feet	184,255	184,255	184,255	184,255	184,255	184,255	184,255	184,255	186,614	186,614
Capacity (students)	654	654	654	654	654	654	640	640	698	698
Enrollment ^d	-	-	-	-	-	-	-	-	-	-
Lee County Public Service Academy (1964) ^e										
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	145,018	145,018	145,018	168,745	168,745	168,745	168,745	168,745
Capacity (students)	636	636	678	678	683	909	909	909	909	909
Enrollment	227	320	335	405	318	246	333	196	103	219
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	155	168	171	170	171	146	147	124	96	99

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	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Ancillary Facilities										
Dunbar Community (1910)	21,153	21,153	21,153	21,153	21,153	21,153	21,153	21,153	21,153	21,153
Square Feet										
Food Service Warehouse (1960)	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Square Feet										
Gwynne Building (1911)	20,395	20,395	20,395	20,395	20,395	20,395	20,395	20,395	20,395	20,395
Square Feet										
Maintenance (1972)	62,762	62,762	62,762	62,762	62,762	90,670	90,670	90,670	90,670	90,670
Square Feet										
New Administrative Complex (1986) ^a	310,001	310,001	310,253	310,253	310,253	309,860	309,860	309,860	309,860	309,860
Square Feet										
R&R Building (1975)	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984	9,984
Square Feet										
Supply (1960)	18,417	18,417	18,417	18,417	18,417	18,417	18,417	18,417	18,417	18,417
Square Feet										
Transportation Central (1960)	28,909	28,909	28,909	28,909	28,909	30,052	30,052	30,052	30,052	30,052
Square Feet										
Transportation East (2004)	9,361	9,361	9,361	9,361	9,361	8,342	8,342	8,342	8,342	8,342
Square Feet										
Transportation Leonard (2009)	24,699	24,699	24,699	24,699	24,699	24,699	24,699	24,699	24,699	24,699
Square Feet										
Transportation West (1995)	28,685	28,685	28,685	28,685	28,685	28,685	28,685	28,685	28,685	28,685
Square Feet										
Transportation 6 Mile Cypress (2004)	39,729	39,729	39,729	39,729	39,729	39,729	39,729	39,729	39,729	39,729
Square Feet										

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 Alva Middle was combined with Alva Elementary and renamed Alva School K-8 beginning 2015.^g ALC West was closed at the end of 2016.^h Veterans Park Academy K-8 acquired old Lehigh Middle in 2022. Old Lehigh Middle was moved to a new location in 2022.ⁱ Fort Myers Beach Elementary and Hector Cafferata Jr. Elementary were destroyed by Hurricane Ian. The students have been housed in other schools or portables since 2023. Both schools were demolished in Spring 2023.^j Franklin Park Elementary was demolished in January 2023 to make way for a new school building. Students are currently housed in temporary portable until their new school is constructed.

THE SCHOOL DISTRICT OF LEE COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2025

Federal Grantor/Pass-Through/Grantor/Program Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Total Expenditures
Clustered			
Child Nutrition Cluster			
United States Department Of Agriculture:			
Florida Department Agriculture and Consumer Services:			
School Breakfast Program	10.553	23002	\$ 12,893,504
National School Lunch Program	10.555	23001, 23003	47,833,978
Summer Food Service Program for Children	10.559	22006, 22007, 23006, 23007	1,127,911
Total Child Nutrition Cluster			61,855,394
United States Department of Housing and Urban Development			
CDBG - Entitlement Grants Cluster			
Lee County Board of County Commissioners			
Community Development Block Grants/Entitlement Grants	14-218	DR10156	57,764
Student Financial Assistance Cluster			
United States Department Of Education:			
Federal Pell Grant Program	84.063	N/A	2,683,686
Special Education Cluster:			
United States Department Of Education:			
Florida Department of Education:			
Special Education-Grants To States	84.027	262, 263	26,377,983
Special Education-Preschool Grants	84.173	266, 267	626,660
Total Special Education Cluster			27,004,643
United States Department Of Health & Human Services:			
Head Start Cluster:			
Head Start	93.600	N/A	10,835,788
Total United States Department of Health & Human Services			10,835,788
Not Clustered			
United States Department Of Agriculture:			
Florida Department of Health:			
Child and Adult Care Food Program	10.558	A-4895	3,593,366
Total United States Department of Agriculture			3,593,366
United States Department Of Defense:			
Competitive Grants: Promoting K-12 Student Achievement at Military-Connected Schools			
	12.556	N/A	2,426,792
United States Department of Justice			
United States Department Of Justice:			
STOP School Violence	16.839	N/A	292,408
Coronavirus State & Local Fiscal Recovery Funds			
United States Department Of Treasury:			
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	88,305
United States Department Of Education:			
Impact Aid			
Magnet Schools Assistance	84.041	N/A	20,861
School Safety National Activities	84.165	N/A	3,030,215
	84.184S	N/A	169,388
Florida Department of Education:			
Adult Education -Basic Grants to States	84.002	191, 193	1,586,006
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	33,204,472
Migrant Education - State Grant Program	84.011	217	390,299
Career and Technical Education - Basic Grants to States	84.048	161	1,670,063
Education for Homeless Children and Youth	84.196	127	111,007
Twenty-First Century Community Learning Centers	84.287	244	911,964
English Language Acquisition State Grants	84.365	102	3,121,149
Supporting Effective Instruction State Grant	84.367	224	4,158,330
Student Support and Academic Enrichment Program	84.424	241	2,137,801
Student Support and Academic Enrichment Program	84.424F	242	1,047,779
		Subtotal ALN 84.424	3,185,580
Education Stabilization Fund	84.425U	121	20,578,687
Education Stabilization Fund	84.425W	122	139,212
		Subtotal ALN 84.425	20,717,899
Total United States Department of Education			72,277,233
United States Department Of Homeland Security			
Disaster Grants - Public Assistance			
	97.036	N/A	20,974
Total Expenditures of Federal Awards			\$ 181,136,352

Notes to the Schedule of Expenditures of Federal Awards

- (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, 2025. 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/fund balance, or cash flows of the District.
- (2) Summary of Significant Accounting Policies. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) Indirect Cost Rate. The District has elected not to use the de minimis cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance.
 - a. National School Lunch Program – includes \$4,399,429 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
 - b. Child Care Food Program - includes \$225,961 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-2024-192902.
- (6) Head Start. Expenditures include \$774,013.25 for grant number/program year 04HP00874-01 and \$42,733.85 for grant number/program year 04HP000293-05. \$9,503,504.52 for grant number/program year 04CH011657-05, and \$487,326.67 for grant number/program year 04CH011657-04.
- (7) Subrecipients. Of the federal expenditures presented in the SEFA The School District of Lee County has provided \$0 to subrecipients.

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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

Honorable Chairperson and Members of
The School Board 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 (*Government Auditing Standards*), 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 Board of Lee County, Florida (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated March 25, 2026. Our report includes an emphasis of matter paragraph for the adoption of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinions are not modified with respect to this matter.

Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 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 weakness. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, 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*.

urpose of his 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.

Forvis Mazars, LLP

**Tampa, Florida
March 25, 2026**

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Honorable Chairperson and Members
The District School Board of Lee County, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the District School Board of Lee County, Florida (the "District") compliance with the types of compliance requirements identified as subject to audit in the *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, 2025. 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.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Honorable Chairperson and Members
The District School Board of Lee County, Florida

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Forvis Mazars, LLP

**Tampa, Florida
March 25, 2026**

The District School Board of Lee County, Florida
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards

4. Internal control over major federal program:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

5. Type of auditor’s report issued on compliance for major federal program:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

7. Identification of major federal programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
ALN 10.558	Child and Adult Care Food Program
ALN 84.010	Title 1 Grants to Local Educational Agencies
ALN 84.365	English Language Acquisition
ALN 84.367	Supporting Effective Instruction
ALN 84.424	Student Enrichment Program

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

9. Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

Reference Number	Finding
	No Matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No Matters are reportable.

The District School Board of Lee County, Florida
Schedule of Prior Audit Findings
Year Ended June 30, 2025

Reference Number	Summary of Finding	Status
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No matters are reportable.

Independent Auditor's Management Letter

Honorable Chairperson and Members of
The School Board of Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Lee County District School Board, Florida, as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated March 25, 2026.

Auditor's Responsibility

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; 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 in Accordance with the Uniform Guidance, Schedule of Findings and Questioned Costs, and our Independent Accountant's Report 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 March 25, 2026, should be considered in conjunction with this management letter.

rior 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 audit report. In connection with the preceding audit, there were no such findings.

Financial Condition and Management

Section 10.804(1)(f)2., *Rules of the Auditor General*, requires us to communicate whether or not the Lee County District School Board has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Lee County District School Board 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 Lee County District School Board. It is management's responsibility to monitor the Lee County District School Board's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

ransparency

Section 10.804(1)(f)6., Rules of the Auditor General, requires that we communicate the results of our determination as to whether Lee County District School Board maintains on its Web site 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 communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

urpose of this etter

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, District School Board members, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Forvis Mazars, LLP

**Tampa, Florida
March 25, 2026**

Independent Accountant's Report

Honorable Chairperson and Members of
The School Board of Lee County, Florida

We have examined the District School Board of Lee County, Florida's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the year ended June 30, 2025. 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 complied, in all material respects, with the aforementioned requirements referenced above. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the District's compliance with the specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2025.

Forvis Mazars, LLP

**Tampa, Florida
March 25, 2026**