

REQUIRED SUPPLEMENTAL INFORMATION

The Foundation for Osceola Education, Inc.

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND**

Year Ended June 30, 2024

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance - Positive (Negative)
Revenues				
Grants	\$ 515,000	\$ 565,842	\$ 565,842	\$ -
Contributions	525,000	3,302,273	3,302,273	-
Program services	18,000	3,000	3,000	-
Fundraising	330,000	700,493	700,493	-
Interest income	35,000	-	-	-
Other local revenues	293,000	445,641	445,641	-
Total revenues	<u>1,716,000</u>	<u>5,017,249</u>	<u>5,017,249</u>	<u>-</u>
Expenditures				
Current:				
Community services	1,704,136	4,890,944	4,890,944	-
Interest expense	-	3,989	3,989	-
Total expenditures	<u>1,704,136</u>	<u>4,894,933</u>	<u>4,894,933</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,864</u>	<u>122,316</u>	<u>122,316</u>	<u>-</u>
Other financing sources:				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	11,864	122,316	122,316	-
Fund balances at July 1, 2023	4,393,095	4,393,095	4,393,095	-
Fund balances at June 30, 2024	<u>\$ 4,404,959</u>	<u>\$ 4,515,411</u>	<u>\$ 4,515,411</u>	<u>\$ -</u>

See independent auditor's report.

The Foundation for Osceola Education, Inc.

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY -
LAST 10 FISCAL YEARS AS OF JUNE 30

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Florida Retirement System (FRS)										
Proportion of the net pension liability	0.008758187%	0.008267819%	0.011024854%	0.009771182%	0.008993789%	0.008594352%	0.009221939%	0.010752485%	0.011347608%	0.011958724%
Proportionate share of the net pension liability (asset)	\$ 4,102,606	\$ 3,902,967	\$ 943,164	\$ 4,434,977	\$ 3,458,283	\$ 2,993,805	\$ 3,017,330	\$ 2,762,960	\$ 1,546,472	\$ 729,658
Covered-employee payroll	\$ 4,603,419	\$ 4,196,060	\$ 5,428,321	\$ 5,178,877	\$ 4,530,534	\$ 4,161,455	\$ 4,374,489	\$ 5,133,503	\$ 4,893,367	\$ 5,132,969
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	89.12%	93.02%	17.37%	85.64%	76.33%	71.94%	68.98%	53.82%	31.60%	14.22%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Health Insurance Subsidy Program (HIS)										
Proportion of the net pension liability	0.012738739%	0.011510755%	0.015345694%	0.014910373%	0.013520478%	0.012735275%	0.013726899%	0.016110064%	0.015922593%	0.016670335%
Proportionate share of the net pension liability (asset)	\$ 2,364,344	\$ 1,676,124	\$ 1,895,028	\$ 1,880,830	\$ 1,835,493	\$ 1,703,806	\$ 1,728,863	\$ 1,920,814	\$ 1,697,653	\$ 1,578,500
Covered-employee payroll	\$ 4,603,419	\$ 4,196,060	\$ 5,428,321	\$ 5,178,877	\$ 4,530,534	\$ 4,161,455	\$ 4,374,489	\$ 5,133,503	\$ 4,893,367	\$ 5,132,969
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	51.36%	39.95%	34.91%	36.32%	40.51%	40.94%	39.52%	37.42%	34.69%	30.75%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the school and foundation will present information for only those years for which information is available.

See independent auditor's report.

The Foundation for Osceola Education, Inc.

**SCHEDULE OF CONTRIBUTIONS -
LAST 10 FISCAL YEARS AS OF JUNE 30**

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Florida Retirement System (FRS)										
Contractually required contribution	\$ 464,221	\$ 344,679	\$ 361,744	\$ 419,999	\$ 324,653	\$ 278,872	\$ 244,932	\$ 243,440	\$ 262,216	\$ 291,592
Contributions in relation to the contractually required contribution	(464,221)	(344,679)	(361,744)	(419,999)	(324,653)	(278,872)	(244,932)	(243,440)	(262,216)	(291,592)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 5,057,001	\$ 4,025,821	\$ 4,196,060	\$ 5,428,321	\$ 5,178,877	\$ 4,530,534	\$ 4,161,455	\$ 4,374,489	\$ 5,133,503	\$ 4,893,367
Contributions as a percentage of covered-employee payroll	9.18%	8.56%	8.62%	7.74%	6.27%	6.16%	5.89%	5.56%	5.11%	5.96%
Health Insurance Subsidy (HIS)										
Contractually required contribution	\$ 100,992	\$ 68,554	\$ 69,636	\$ 90,202	\$ 85,922	\$ 75,078	\$ 69,064	\$ 72,647	\$ 82,574	\$ 64,150
Contributions in relation to the contractually required contribution	(100,992)	(68,554)	(69,636)	(90,202)	(85,922)	(75,078)	(69,064)	(72,647)	(82,574)	(64,150)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 5,057,001	\$ 4,025,821	\$ 4,196,060	\$ 5,428,321	\$ 5,178,877	\$ 4,530,534	\$ 4,161,455	\$ 4,374,489	\$ 5,133,503	\$ 4,893,367
Contributions as a percentage of covered-employee payroll	2.00%	1.70%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.61%	1.31%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the school and foundation will present information for only those years for which information is available.

See independent auditor's report.

The Foundation for Osceola Education, Inc.

**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OTHER POSTEMPLOYMENT BENEFITS
LIABILITY AND RELATED RATIOS -
LAST 10 FISCAL YEARS AS OF JUNE 30**

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>
<u>Other Postemployment Benefits (OPEB)</u>							
Service cost	\$ 15,285	\$ 20,478	\$ 22,277	\$ 19,910	\$ 24,066	\$ 21,400	\$ 22,456
Interest on the total OPEB liability	10,825	6,568	9,113	10,880	15,072	13,327	10,970
Changes on benefits terms	-	-	-	-	(47,858)	-	-
Difference between expected and actual experience	(34,763)	-	18,195	-	(1,890)	-	-
Changes of assumptions	40,128	(31,938)	(60,194)	11,347	(78,043)	(1,496)	(15,566)
Benefits payments	<u>(15,881)</u>	<u>(17,234)</u>	<u>(17,662)</u>	<u>(22,723)</u>	<u>(30,791)</u>	<u>(18,308)</u>	<u>(17,931)</u>
Net change in total OPEB liability	15,594	(22,126)	(28,271)	19,414	(119,444)	14,923	(71)
Total beginning OPEB liability	<u>244,516</u>	<u>266,642</u>	<u>294,913</u>	<u>275,499</u>	<u>394,943</u>	<u>380,020</u>	<u>380,091</u>
Total ending OPEB liability	<u>\$ 260,110</u>	<u>\$ 244,516</u>	<u>\$ 266,642</u>	<u>\$ 294,913</u>	<u>\$ 275,499</u>	<u>\$ 394,943</u>	<u>\$ 380,020</u>
Covered-employee payroll	\$ 5,586,956	\$ 5,613,048	\$ 5,333,811	\$ 4,986,791	\$ 4,841,544	\$ 4,906,154	\$ 4,296,575
Contributions as a percentage of covered-employee payroll	4.66%	4.36%	5.00%	5.91%	5.69%	8.05%	8.84%

Note 1: GASB 75 requires information for 10 years. However, until a full 10-year trend is compiled, the school and foundation will present information for only those years for which information is available.

See independent auditor's report.

The Foundation for Osceola Education, Inc.

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

June 30, 2024

NOTE A - BUDGETARY INFORMATION

Budgetary basis of accounting

Annual budgets are adopted for the entire operations and may be amended by the Board of Directors (the "Board"). The budgets presented for fiscal year ended June 30, 2024, have been amended according to Board procedures. Budgets are adopted on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general fund and each major fund for which a legally adopted budget exists.

NOTE B - OPEB SCHEDULE OF CHANGES IN THE TOTAL OTHER POSTEMPLOYMENT BENEFITS PLAN LIABILITY AND RELATED RATIOS

No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

The discount rate was changed from 3.69 percent as of the beginning of the measurement period to 3.86 percent as of June 30, 2023 to reflect changes in Fidelity's 20-Year Municipal GO AA Index.

NOTE C - PENSIONS SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – FRS PENSION PLAN

The Florida Retirement System Actuarial Assumptions Conference performs an annual review of the actuarial assumptions for the FRS Pension Plan. The most recent study for the FRS Pension Plan was completed in 2014 for the period of July 1, 2008 through June 30, 2013. There were no changes in the Pension Plan benefit terms. The following were changes in actuarial assumptions in 2023:

- The inflation rate assumption remained at 2.4 percent.
- Payroll growth, including inflation, remained at 3.25 percent.
- The long-term expected rate of return remained at 6.7 percent.

A summary of key changes in plan provisions are described in the Florida Department of Management Services, GASB 68 Reporting Information, which can be found at:

<http://www.dms.myflorida.com/workforceoperations/retirement/publications/annual-reports>

A summary of key changes implemented since the latest valuation are described in the Florida Department of Management Services, Actuarial Valuations at:

<http://www.dms.myflorida.com/workforceoperations/retirement/publications/actuarial-valuations>

The Foundation for Osceola Education, Inc.

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

June 30, 2024

NOTE D - PENSIONS SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF CONTRIBUTIONS – HIS PENSION PLAN

The Florida Retirement System Actuarial Assumptions Conference performs an annual review of the actuarial assumptions for the FRS Pension Plan. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent study for the FRS Pension Plan was completed in 2014 for the period of July 1, 2008 through June 30, 2013. There were no changes in the HIS Program benefit terms. The following were changes in actuarial assumptions in 2024:

- The inflation rate assumption remained at 2.4 percent.
- Payroll growth, including inflation, remained at 3.25 percent.
- The long-term expected rate of return increased from 3.54 percent to 3.65 percent.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension liability for the program.

A summary of key changes in plan provisions are described in the Florida Department of Management Services, GASB 68 Reporting Information, which can be found at: <http://www.dms.myflorida.com/workforceoperations/retirement/publications/annual-reports>

A summary of key changes implemented since the last valuation are described in the Florida Department of Management Services, Actuarial Valuations at: <http://www.dms.myflorida.com/workforce-operations/retirement/publications/actuarial-valuations>



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.

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga

To The Board of Directors
The Foundation for Osceola Education, Inc.
Kissimmee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of The Foundation for Osceola Education, Inc., (the "Foundation"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Foundation's basic financial statements, and have issued our report thereon dated October 24, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation'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 Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation'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 weaknesses. 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 Foundation'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*.

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Purpose of this Report

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

Moss, Krusick & Associates, LLC

Winter Park, Florida

October 24, 2024



INDEPENDENT ACCOUNTANT'S REPORT

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga

To the Board of Directors
The Foundation for Osceola Education, Inc.
Kissimmee, Florida

We have examined The Foundation for Osceola Education, Inc.'s, (the "Foundation") compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended June 30, 2024. Management is responsible for the Foundation's compliance with those requirements. Our responsibility is to express an opinion on the Foundation'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 Foundation's compliance with those requirements is in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the Foundation's compliance with the requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Foundation's compliance with the requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Foundation's compliance with specified requirements.

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

In our opinion, the Foundation complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2024.

This report is intended solely for the information and use of the Foundation and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

Winter Park, Florida
October 24, 2024

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MANAGEMENT LETTER

Partners

W. Ed Moss, Jr.
Joe M. Krusick
Ric Perez
Cori G. Novinich
Renee C. Varga

To the Board of Directors
The Foundation for Osceola Education, Inc.
Kissimmee, Florida

Report on the Financial Statements

We have audited the financial statements of the Foundation for Osceola Education, Inc., (the "Foundation"), which is a component unit of the School District of Osceola County, Florida, as of and for the fiscal year ended June 30, 2024, and have issued our report thereon dated October 24, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States 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*. Disclosures in this report, which is dated October 24, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition and Management

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

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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.

Transparency

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

Purpose of This Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, 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.

Moss, Krusick & Associates, LLC

Winter Park, Florida
October 24, 2024