

NEW ISSUE – BOOK ENTRY ONLY

RATINGS: See "RATINGS" herein

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain certifications and continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, (i) interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes; and (ii) interest on the Series 2025 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code") on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. See "TAX EXEMPTION" herein for a description of certain other federal tax consequences of ownership of the Series 2025 Bonds. Bond Counsel is further of the opinion that the Series 2025 Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes, and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX EXEMPTION" herein.



\$150,130,000*
SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA
SALES TAX REVENUE BONDS,
SERIES 2025

Dated: Date of Delivery

Due: October 1 in the years shown below

The School District of Seminole County, Florida (the "District"), acting through The School Board of Seminole County, Florida (the "Board"), its governing body, is issuing its Sales Tax Revenue Bonds, Series 2025 (the "Series 2025 Bonds"), in fully registered form without coupons, in denominations of \$5,000 and any integral multiple thereof. Interest on the Series 2025 Bonds will be payable semi-annually by check or draft mailed on each interest payment date (April 1 and October 1 of each year, commencing October 1, 2025). While the Series 2025 Bonds are registered through the book-entry only system described below, interest on the Series 2025 Bonds will be payable by check or draft of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Paying Agent, mailed to the registered owners thereof, or at the option of the Paying Agent, and at the request and expense of the registered owner thereof, by bank wire transfer for the account of such owner. Principal of the Series 2025 Bonds will be payable, when due, upon presentation and surrender thereof at the designated office of the Paying Agent. The Series 2025 Bonds initially will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be available to purchasers under the book-entry system maintained by DTC through brokers and dealers who are, or act through, Participants (as defined herein). Purchasers of the Series 2025 Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. Ownership by the Beneficial Owners of the Series 2025 Bonds will be evidenced by book-entry only. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal, interest and premium, if any, will be made directly to such registered owner which will in turn remit such payments to the Participants for subsequent disbursement to the Beneficial Owners. See "DESCRIPTION OF THE SERIES 2025 BONDS – Book-Entry Only System of Registration" herein.

The principal of and interest on the Series 2025 Bonds are payable solely from and secured by a prior lien upon and pledge of (i) the proceeds received by the District from the levy by Seminole County, Florida of a one cent local infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes, as amended, and any successor statute thereto, and distributed to the District pursuant to the herein defined Interlocal Agreement (the "Sales Tax Revenues") and (ii) until applied in accordance with the provisions of the Resolution (defined herein) all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution except for the Unrestricted Revenue Account and the Rebate Fund (collectively, the "Pledged Funds"). For a description of the security and sources of payment for the Series 2025 Bonds see "SECURITY FOR THE SERIES 2025 BONDS" herein.

The Series 2025 Bonds are being issued to provide funds, together with other available funds of the District, sufficient (i) to finance the cost of acquisition, construction and installation of certain educational facilities within the District, as described herein and (ii) to pay costs associated with the issuance of the Series 2025 Bonds. See "AUTHORITY AND PURPOSE OF ISSUANCE" herein.

THE SERIES 2025 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE DISTRICT AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE DISTRICT, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS IN ACCORDANCE WITH AND TO THE EXTENT SET FORTH IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2025 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2025 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2025 BOND FROM ANY MONEYS OF THE DISTRICT EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

The Series 2025 Bonds are not subject to optional redemption prior to maturity. See "DESCRIPTION OF THE SERIES 2025 BONDS – No Optional Redemption" herein.

Based on market conditions in existence at the time of pricing, the District will determine whether or not to purchase insurance on all of the Series 2025 Bonds, some of the Series 2025 Bonds or none of the Series 2025 Bonds. In the event the District deems it in its best interest to insure all or a portion of the Series 2025 Bonds, the scheduled payment of the principal of and interest on such insured Series 2025 Bonds, when due, will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the insured Series 2025 Bonds by Assured Guaranty Inc. ("AG" or the "Insurer").



This cover page and inside cover page contain certain information for quick reference only. They are not, and are not intended to be, a summary of the transaction. Investors must read the entire Official Statement, including the appendices hereto, to obtain information essential to the making of an informed investment decision.

SEE INSIDE COVER PAGE FOR THE MATURITY SCHEDULE.

The Series 2025 Bonds are offered when, as and if issued, subject to the legal opinion of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its Counsel, Karlene Cole-Palmer, Esq., and by Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Disclosure Counsel. George A Smith PLLC, Tallahassee, Florida is serving as Counsel to the Underwriters. PFM Financial Advisors LLC, Orlando, Florida is acting as Financial Advisor to the District in regard to the issuance of the Series 2025 Bonds. The Series 2025 Bonds are expected to be available for delivery through the facilities of DTC in definitive form on or about June 20, 2025.

Raymond James**BofA Securities****Jefferies**

This Official Statement is dated June __, 2025.

* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or filing under the securities laws of any such jurisdiction. This Preliminary Official Statement shall be deemed "final" by the District as of its date for purposes of Rule 15c2-12(b)(1) promulgated by the Securities and Exchange Commission, except for certain permitted omissions.

**MATURITIES, PRINCIPAL AMOUNTS,
INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS**

\$150,130,000⁽¹⁾ Serial Series 2025 Bonds

<u>Maturity (October 1)</u>	<u>Principal Amount⁽¹⁾</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>Initial CUSIP Number⁽²⁾</u>
2025	\$13,000,000				
2026	12,430,000				
2027	13,060,000				
2028	13,710,000				
2029	14,400,000				
2030	15,115,000				
2031	15,875,000				
2032	16,665,000				
2033	17,500,000				
2034	18,375,000				

⁽¹⁾ Preliminary, subject to change.

⁽²⁾ CUSIP is a registered trademark of American Bankers Association. CUSIP data herein is provided by S&P Global Market Intelligence, a division of S&P Global Inc. CUSIP data herein is provided for convenience of reference only. The District and the Underwriters and their agents take no responsibility for the accuracy of such data.

SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA
Sanford, Florida

SCHOOL BOARD MEMBERS

Kristine Kraus, Chair
Autumn Garick, Vice-Chair
Kelley Davis
Robin Dehlinger
Abby Sanchez

SUPERINTENDENT OF SCHOOLS
AND EX OFFICIO SECRETARY TO THE BOARD
Serita D. Beamon

CHIEF FINANCIAL OFFICER
John Pavelchak

DISTRICT COUNSEL
Karlene Cole-Palmer, Esq.

BOND COUNSEL
Greenberg Traurig, P.A.
Miami, Florida

DISCLOSURE COUNSEL
Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

FINANCIAL ADVISOR
PFM Financial Advisors LLC
Orlando, Florida

No dealer, broker, salesman or other person has been authorized by The School Board of Seminole County, Florida (the "Board") to give any information or to make any representation with respect to the Series 2025 Bonds other than those contained in this Official Statement, and if given or made, such information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell nor the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the Board, DTC and other sources which are believed to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of the Underwriters, and while not guaranteed as to completeness or accuracy, is believed to be correct. The information and expressions of opinion stated herein are subject to change without notice. The delivery of this Official Statement shall not, under any circumstances, create any implication that there has been no change in the affairs of the Board since the date hereof.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

Upon issuance, the Series 2025 Bonds will not be registered under the Securities Act of 1933, as amended, in reliance upon certain exemptions contained therein or under any state securities law and the Series 2025 Bonds will not be listed on any stock or other securities exchange.

CERTAIN STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT REFLECT NOT HISTORICAL FACTS BUT FORECASTS AND "FORWARD-LOOKING STATEMENTS." IN THIS RESPECT, THE WORDS "ESTIMATE," "PROJECT," "ANTICIPATE," "EXPECT," "INTEND," "BELIEVE" AND SIMILAR EXPRESSIONS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. ALL PROJECTIONS, FORECASTS, ASSUMPTIONS, EXPRESSIONS OF OPINIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

THIS OFFICIAL STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE DISTRICT OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2025 BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM OR WWW.EMMA.MSRB.ORG. THIS OFFICIAL STATEMENT SHOULD BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITES.

References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2025 Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements.

Assured Guaranty Inc. ("AG" or the "Insurer") makes no representation regarding the Series 2025 Bonds or the advisability of investing in the Series 2025 Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG, supplied by AG and presented under the heading "BOND INSURANCE OPTION" and "APPENDIX F - SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

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OFFICIAL STATEMENT

\$150,130,000* SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA SALES TAX REVENUE BONDS, SERIES 2025

INTRODUCTION

General

This Official Statement, including the cover page and the Appendices hereto, is furnished with respect to the sale of \$150,130,000* aggregate principal amount of School District of Seminole County, Florida Sales Tax Revenue Bonds, Series 2025 (the "Series 2025 Bonds") being issued by the School District of Seminole County, Florida (the "District"), acting through The School Board of Seminole County, Florida (the "Board"), its governing body.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page and Appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2025 Bonds is made only by means of this Official Statement and is subject in all respects to the information contained herein. For a complete description of the terms and conditions of the Series 2025 Bonds, reference is made to the Resolution in APPENDIX C of this Official Statement. Unless otherwise indicated, capitalized terms used in this Official Statement shall have the same meanings established in the Resolution. See "APPENDIX C - RESOLUTION" hereto.

The District

The District is coterminous with the boundaries of Seminole County, Florida (the "County") and is governed by the Board. For Fiscal Year 2024-25, the District includes 65 schools (consisting of 37 elementary schools, 12 middle schools, nine high schools, six specialty schools and one virtual school) and six charter schools which provide education for approximately 71,359 students in kindergarten through grade 12, exclusive of adult education programs, and inclusive of charter school students and Family Empowerment Scholarship (i.e., voucher) students. See "RECENT GOVERNMENTAL ACTIONS AFFECTING DISTRICT REVENUES – Legislative Changes Relating to School Choice" herein for information regarding the Family Empowerment Scholarship program and other State voucher programs.

Authority for Issuance

The Series 2025 Bonds are being issued under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly Chapter 1001, Florida Statutes, Sections 212.054 and 212.055, Florida Statutes, and other applicable provisions of law (collectively, the "Act"), the Interlocal Agreement among the County, the District and the municipalities within the County, certified on July 8, 2024 (the "Interlocal Agreement"), and Resolution No. 2025-03 duly adopted by the Board on May 13, 2025 (the "Resolution"). See "APPENDIX C – RESOLUTION" hereto.

* Preliminary, subject to change.

Description of the Series 2025 Project

The Series 2025 Bonds are being issued by the Board for the purposes of providing funds, together with other available funds of the District, sufficient (1) to finance the cost of acquisition, construction and installation of various educational facilities within the District as may be financed with the Sales Tax Revenues pursuant to the provisions of the Act, as described herein and (2) to pay costs associated with the issuance of the Series 2025 Bonds. The District currently expects to finance capital improvements at various educational facilities in the District with proceeds of the Series 2025 Bonds, as more particularly described in the Interlocal Agreement.

Description of the Series 2025 Bonds

Denominations. The Series 2025 Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

No Optional Redemption. The Series 2025 Bonds are not subject to optional redemption prior to maturity.

Registration and Transfers. Transfer of ownership in the Series 2025 Bonds will be effected by The Depository Trust Company ("DTC") book-entry system as described herein. As long as Cede & Co. is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner which will in turn remit such payments to the Participants (as hereinafter defined) for subsequent disbursement to the Beneficial Owners (as hereinafter defined). Interest on the Series 2025 Bonds is payable semi-annually on October 1 and April 1 of each year, commencing October 1, 2025.

For a more complete description of the Series 2025 Bonds and the basic documentation pursuant to which Series 2025 Bonds are issued, see "DESCRIPTION OF THE SERIES 2025 BONDS" herein.

Sources and Security of Payment for the Series 2025 Bonds

The Series 2025 Bonds are limited obligations of the District payable solely from and secured by a prior lien upon and pledge of (i) the proceeds received by the District from the levy by the County of a one cent local infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes, as amended, and any successor statute thereto and distributed to the District pursuant to the Interlocal Agreement (the "Sales Tax Revenues") and (ii) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof in the funds and accounts established pursuant to the Resolution other than the Unrestricted Revenue Account and the Rebate Fund (collectively, the "Pledged Funds"). Pursuant to the Resolution, Sales Tax Revenues shall not include Federal Subsidy Payments. The Series 2025 Bonds and the indebtedness evidenced thereby do not constitute a lien upon any property of the Board or District, but constitute a lien only on the Pledged Funds in the manner and to the extent provided in the Resolution. See "SECURITY FOR THE SERIES 2025 BONDS" herein for a more detailed description of the security for the Series 2025 Bonds.

No Funded Reserve Account

The Reserve Account Requirement for the Series 2025 Bonds is zero (\$0.00). As such, the Series 2025 Bonds will not be secured by any funds on deposit in the Reserve Account. See "SECURITY FOR THE SERIES 2025 BONDS – Reserve Account" herein.

Bond Insurance Option

Based on market conditions in existence at the time of pricing, the District will determine whether or not to purchase insurance on all of the Series 2025 Bonds, some of the Series 2025 Bonds or none of the Series 2025 Bonds. In the event the District deems it in its best interest to insure all or a portion of the Series 2025 Bonds, the scheduled payment of the principal and interest represented by such insured Series 2025 Bonds when due will be guaranteed under a municipal bond insurance policy (the "Policy") to be issued concurrently with the delivery of the Series 2025 Bonds by Assured Guaranty Inc. ("AG" or the "Insurer"). See "BOND INSURANCE OPTION" and "BOND INSURANCE RISK FACTORS" herein.

Additional Bonds

Pursuant to the Resolution, the District may issue Additional Bonds on a parity with the Series 2025 Bonds upon satisfaction of the conditions set forth therein. The Series 2025 Bonds and any Additional Bonds hereinafter issued pursuant to the Resolution are collectively referred to herein as "Bonds." See "SECURITY FOR THE SERIES 2025 BONDS – Additional Bonds" herein.

Tax Exemption

The legal opinion of Greenberg Traurig, P.A., Bond Counsel, will include an opinion to the effect that under existing laws, regulations and court decisions and assuming continuing compliance by the District with certain covenants set forth in the Resolution and with the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Series 2025 Bonds is (a) excludable from gross income for federal income tax purposes, and (b) not an item of tax preference for purposes of the alternative minimum tax of individuals; *however*, in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. See "TAX EXEMPTION" herein and "APPENDIX D – FORM OF OPINION OF BOND COUNSEL" hereto.

Continuing Disclosure

The District has agreed and undertaken for the benefit of Series 2025 Bondholders, to provide certain financial information and operating data relating to the District and the Series 2025 Bonds on a continuing basis pursuant to Rule 15c2-12 of the Securities and Exchange Act of 1934. See "CONTINUING DISCLOSURE" herein.

Other Information

This Official Statement speaks only as of its date, and information contained herein is subject to change. Copies of the Resolution and other documents and information are available, upon request and upon payment to the Board of a charge for copying, mailing and handling, from the Chief Financial Officer, 400 E. Lake Mary Boulevard, Sanford, Florida 32773.

AUTHORITY FOR AND PURPOSE OF ISSUANCE

The Series 2025 Bonds are being issued by the District under the authority of and in full compliance with the Constitution and Statutes of the State of Florida, including particularly the Act, the Interlocal Agreement and the Resolution. See "SECURITY FOR THE SERIES 2025 BONDS - Infrastructure Sales Surtax" herein.

The Series 2025 Bonds are being issued to provide funds, together with other available funds of the District, sufficient (1) to finance the cost of acquisition, construction and installation of various educational facilities within the District, as described herein and (2) to pay costs associated with the issuance of the Series 2025 Bonds, including the Policy premium, if any. See "THE SERIES 2025 PROJECT" and "SOURCES AND USES OF FUNDS" herein.

DESCRIPTION OF THE SERIES 2025 BONDS

General

The Series 2025 Bonds shall be dated their date of delivery, shall be numbered consecutively from R-1 upward, and shall be issued in the denominations of \$5,000 or integral multiples thereof. The Series 2025 Bonds will mature on the dates and will bear interest at the rates set forth on the inside cover page of this Official Statement. Interest on the Series 2025 Bonds shall be payable semi-annually on April 1 and October 1 in each year (commencing October 1, 2025). While the Series 2025 Bonds are registered through the book-entry only system described below, interest on the Series 2025 Bonds will be payable by check or draft of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Paying Agent, mailed to the registered owners thereof, or at the option of the Paying Agent, and at the request and expense of the registered owner thereof, by bank wire transfer for the account of such owner. Principal of the Series 2025 Bonds will be payable upon presentation and surrender thereof at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Paying Agent. The Series 2025 Bonds initially will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be available to purchasers under the book-entry system maintained by DTC through brokers and dealers who are, or act through, Participants (as defined herein). Purchasers of the Series 2025 Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. Ownership by the Beneficial Owners of the Series 2025 Bonds will be evidenced by book-entry only. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal, interest and premium, if any, will be made directly to such registered owner which will in turn remit such payments to the Participants for subsequent disbursement to the Beneficial Owners. See "DESCRIPTION OF THE SERIES 2025 BONDS – Book-Entry Only System of Registration" below.

Book-Entry Only System of Registration

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DISTRICT BELIEVES TO BE RELIABLE, BUT THE DISTRICT TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of the Series 2025 Bonds and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also

facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Certificate ("Beneficial Owner") is in turn to be recorded on the Direct Participant and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct Participant and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements made among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as defaults, and proposed amendments to the Series 2025 documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to

whose accounts the Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Distributions and payments on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Board or the Trustee on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions, and payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board and/or the Trustee for the Series 2025 Bonds. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the Board or its agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2025 Bonds are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2025 Bonds will be printed and delivered to DTC.

Interchangeability, Negotiability and Transfer

So long as the Series 2025 Bonds are registered in the name of DTC or its nominee, the following paragraphs relating to registration, transfer and exchange of Series 2025 Bonds do not apply to the Series 2025 Bonds.

Series 2025 Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Series 2025 Bonds of the same maturity of any other authorized denominations.

The Series 2025 Bonds issued under the Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in the Resolution and in the Series 2025 Bonds. So long as any of the Series 2025 Bonds shall remain Outstanding, the District shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Series 2025 Bonds.

The transfer of any Series 2025 Bond shall be registered only upon the books of the District, at the office of the Registrar, under such reasonable regulations as the District may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the registration or transfer of any such Series 2025 Bond, the District shall issue, and cause to be authenticated, in the name of the transferee a new Series 2025 Bond or Series 2025 Bonds of the same aggregate principal amount and maturity as the surrendered Series 2025 Bond. The Board, the Registrar and any Paying Agent or fiduciary of the Board may deem and treat the Person in whose name any Outstanding Series 2025 Bond shall be registered upon the books of the District as the absolute owner

of such Series 2025 Bond, whether such Series 2025 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Series 2025 Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2025 Bond to the extent of the sum or sums so paid and neither the District nor the Registrar nor any Paying Agent or other fiduciary of the District shall be affected by any notice to the contrary.

In all cases in which the privilege of exchanging Series 2025 Bonds or transferring Series 2025 Bonds is exercised, the Board shall execute and the Registrar shall authenticate and deliver such Series 2025 Bonds in accordance with the provisions of the Resolution. Execution of Series 2025 Bonds by the Chair and Superintendent of Schools and Ex Officio Secretary to the Board for purposes of exchanging, replacing or transferring Series 2025 Bonds may occur at the time of the original delivery of the Series 2025 Bonds. All Series 2025 Bonds surrendered in any such exchanges or registration of transfer shall be held by the Registrar in safekeeping until directed by the Board to be cancelled by the Registrar. For every such exchange or transfer of Series 2025 Bonds, the District or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer. The District and the Registrar shall not be obligated to make any such exchange or transfer of Series 2025 Bonds during the 15 days next preceding an Interest Date on the Series 2025 Bonds.

Series 2025 Bonds Mutilated, Destroyed, Stolen or Lost

In case any Series 2025 Bond shall become mutilated, or be destroyed, stolen or lost, the Board may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Series 2025 Bond of like tenor as the Series 2025 Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Series 2025 Bond upon surrender and cancellation of such mutilated Series 2025 Bond or in lieu of and substitution for the Series 2025 Bond destroyed, stolen or lost, and upon the Holder furnishing the District and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the District or the Registrar may prescribe and paying such expenses as the Board and the Registrar may incur. All Series 2025 Bonds so surrendered shall be cancelled by the Registrar. If any of the Series 2025 Bonds shall have matured or be about to mature, instead of issuing a substitute Series 2025 Bond, the Board may pay the same or cause the Series 2025 Bond to be paid, upon being indemnified as aforesaid, and if such Series 2025 Bonds be lost, stolen or destroyed, without surrender thereof.

No Optional Redemption

The Series 2025 Bonds are not subject to redemption prior to maturity.

SECURITY FOR THE SERIES 2025 BONDS

General

The principal of, and interest on the Series 2025 Bonds are payable solely from and secured by a prior lien upon and a pledge of (i) the Sales Tax Revenues and (ii) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof in the funds and accounts established pursuant to the Resolution other than the Unrestricted Revenue Account and the Rebate Fund (collectively, the "Pledged Funds"). Except as otherwise set forth in the Resolution, such lien and pledge of the Pledged Funds in favor of the Series 2025 Bonds shall be on a parity with all Bonds Outstanding under the Resolution, including, without limitation, any Additional Bonds subsequently issued pursuant to the Resolution.

THE SERIES 2025 BONDS SHALL NOT BE OR CONSTITUTE GENERAL OBLIGATIONS OR INDEBTEDNESS OF THE DISTRICT AS "BONDS" WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, BUT SHALL BE SPECIAL OBLIGATIONS OF THE DISTRICT, PAYABLE SOLELY FROM AND SECURED BY A LIEN UPON AND PLEDGE OF THE PLEDGED FUNDS IN ACCORDANCE WITH AND TO THE EXTENT SET FORTH IN THE RESOLUTION. NO HOLDER OF ANY SERIES 2025 BOND SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER TO PAY SUCH SERIES 2025 BOND, OR BE ENTITLED TO PAYMENT OF SUCH SERIES 2025 BOND FROM ANY MONEYS OF THE DISTRICT EXCEPT FROM THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

Infrastructure Sales Surtax

Chapter 212, Part I, Florida Statutes, as amended, imposes a 6% sales tax on the sales price of tangible personal property sold at retail in the State subject to certain exemptions therefrom. A similar tax is imposed on the sales price of tangible personal property when the property is not sold, but is used, or stocked for use in the State. The largest single source of tax receipts in the State is the sales and use tax.

Section 212.055(2), Florida Statutes, authorizes local governments to impose a discretionary sales surtax of 0.5 percent or one percent to finance, plan and construct infrastructure projects, among other purposes. However, local governments may not impose the surtax on long distance telephone service and the portion of any sales amount which exceeds \$5,000 on any item of tangible personal property. The levy of the surtax must be pursuant to an ordinance of the county's governing board or pursuant to uniform resolutions adopted by the governing bodies of municipalities representing a majority of a county's population. In either case, the levy of the surtax must be approved by a majority of the electors of the county voting in a referendum on the surtax. The surtax proceeds may be distributed pursuant to an interlocal agreement by and among the county, each municipality and the school district in such county.

On June 11, 2024, the Board of County Commissioners of the County, by a majority, enacted Ordinance No. 2024-18 (the "Sales Tax Ordinance") which provided for the renewal of the levying and imposition, throughout the incorporated and unincorporated areas of the County, of an additional tax of one-cent on all transactions occurring in the County subject to the aforementioned 6% tax (the "Sales Surtax") the proceeds of which would be applied to pay the costs of improving local schools, reducing traffic, improving parks and recreational opportunities, reducing flooding, purchasing environmentally sensitive lands and improving public safety. At the November 5, 2024 general election, the renewal of the levy of the Sales Surtax was placed on the ballot and approved by a majority of the electors of the County who voted in the general election. The Sales Surtax is effective for a ten-year period that commenced January 1, 2025 and ends December 31, 2034. The renewal of the Sales Surtax in 2024 was the third renewal of the surtax, which was originally approved in 1991 and renewed in 2014. Pursuant to the Interlocal Agreement, the Sales Surtax proceeds are distributed to the District, the County and the municipalities, with the District receiving 25% of the Sales Surtax revenues. The Sales Surtax distributed to the District constitutes Sales Tax Revenues for purposes of the Resolution.

Pursuant to Section 212.055(2)(d)(1), Florida Statutes, as amended, the proceeds of the discretionary sales surtax and any interest accrued thereto are required to be expended to, among other things, finance, plan and construct Infrastructure (as defined below) and to acquire land for public recreation, conservation or protection of natural resources and to finance the closure of county-owned or municipally-owned solid waste landfills that are already closed or are required to close by order of the Department of Environmental Protection. **Except as otherwise provided in Section 212.055(2)(d) Florida Statutes, as amended, neither the proceeds nor any interest accrued thereto may be used for**

operational expenses of any infrastructure. The District does not currently share Sales Tax Revenues with charter schools in the District.

"Infrastructure" generally means any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction or improvement of public facilities which have a life expectancy of five (5) or more years, any related land acquisition, land improvement, design, and engineering costs and related costs required to bring public facilities into service.

Pursuant to Section 212.055(2)(e), Florida Statutes, as amended, school districts, counties and municipalities receiving discretionary sales surtax proceeds may pledge such proceeds for the purpose of servicing new bond indebtedness incurred pursuant to law.

The table below shows yearly Sales Tax Revenues received by the District from 2020 through 2024.

**School District of Seminole County, Florida
Sales Tax Revenue Receipts**

Fiscal Year Ending 6/30	Sales Tax Revenues
2020	\$17,961,786
2021	20,277,988
2022	24,445,059
2023	25,914,888
2024	27,297,311

Source: Annual Comprehensive Financial Report of The District School Board of Seminole County, Florida for the Fiscal Year Ended June 30, 2024.

Proforma Debt Service Coverage

Maximum Annual Debt Service	Sales Tax Revenues received by the District for Fiscal Year Ended June 30, 2024	Proforma Debt Service Coverage
\$19,296,500 ⁽¹⁾	\$27,297,311	1.41x

⁽¹⁾ Assumes the Series 2025 Bonds are issued in the aggregate principal amount of \$150,130,000 with a true interest cost of 3.51% and a final maturity of October 1, 2034.

THE AMOUNT OF SALES TAX REVENUES DISTRIBUTED TO THE DISTRICT IS SUBJECT TO INCREASE OR DECREASE DUE TO (I) INCREASES OR DECREASES IN THE DOLLAR VOLUME OF TAXABLE SALES WITHIN THE COUNTY, (II) LEGISLATIVE CHANGES RELATING TO THE SALES SURTAX, WHICH MAY INCLUDE CHANGES IN THE SCOPE OF TAXABLE SALES, AND (III) OTHER FACTORS WHICH MAY BE BEYOND THE CONTROL OF THE DISTRICT OR THE BONDHOLDERS. See "RISK FACTORS" herein.

Collection and Administration. Pursuant to Section 212.054, Florida Statutes, the Florida Department of Revenue ("FDOR") has the responsibility to administer, collect and enforce all surtaxes, including the Sales Surtax. The proceeds of discretionary sales surtax collections are transferred to the Discretionary Sales Surtax Clearing Trust Fund. A separate account in the trust fund is to be established

for each county imposing such a surtax. FDOR is authorized to deduct 3% of the total revenue generated for all counties levying a surtax for administrative costs. The amount deducted for administrative costs is required to be used only for those costs solely and directly attributable to the surtax. The total administrative costs are to be prorated among those counties levying the surtax on the basis of the amount collected for a particular county to the total amount collected for all counties. FDOR is required to submit annually, no later than March 1, a report detailing the expenses and amounts deducted for administrative costs to the President of the Senate, the Speaker of the House of Representatives, and the governing board of each county levying the surtax.

Pursuant to Section 212.15, Florida Statutes, vendors are required to remit sales tax receipts by the twentieth (20th) day of the month immediately following the month of collection. No statute prescribes a deadline for remitting surtax proceeds to the local governing bodies. However, according to the accounting division of FDOR, the FDOR consistently remits the surtax proceeds to such local governing bodies by the twenty-fifth (25th) day of the month immediately following receipt by the FDOR.

Disposition of Sales Tax Revenues

The Resolution provides that the District shall promptly deposit or credit the Sales Tax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the last day of each month, commencing in the month immediately following receipt of Sales Tax Revenues from the State, in the following manner and in the following order or priority:

(1) Interest Account. There shall be deposited or credited to the Interest Account an amount which, together with the balance in said Account, shall equal the interest on all Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the current calendar month (assuming that a year consists of twelve (12) months of thirty (30) days each). All Federal Subsidy Payments shall be deposited directly in the Interest Account upon receipt. Moneys in the Interest Account shall be used to pay interest on the Bonds as and when the same become due, whether by redemption or otherwise, and for no other purpose. Any Federal Subsidy Payments deposited to the Interest Account shall be deemed to have been applied to the payment of interest on the Federal Subsidy Bonds to which such Federal Subsidy Payments relate. The District shall adjust the amount of the deposit into the Interest Account not later than the month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date.

(2) Principal Account. Commencing in the month which is one (1) year prior to the first principal payment date, there shall be deposited or credited to the Principal Account an amount which, together with the balance in said Account, shall equal the principal on Serial Bonds Outstanding due and unpaid and that portion of the principal next due which would have accrued on said Bonds during the then current calendar month if such principal amounts were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding principal due date, or if there is no such preceding principal due date, from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be used to pay the principal of the Bonds as and when the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the Bond Year in which such Bonds mature and monthly deposits or credits into the Principal Account shall commence in the month which is one year prior to the date on which such Bonds mature. The District shall adjust the amount of deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the

Principal Account to pay the principal on Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner provided in the Resolution, and for no other purpose. The District shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

(4) Reserve Account. The District shall next deposit into the Reserve Account and the various subaccounts therein, if any, a sum sufficient to restore the funds on deposit in the Reserve Account and any subaccounts therein to an amount equal to the applicable Reserve Account Requirement, respectively. Moneys in the Reserve Account and any subaccounts therein shall be used only for the purpose of the payment of maturing principal of or interest or Amortization Installments on the Bonds which they secure when the other moneys in the Debt Service Fund are insufficient therefor, and for no other purpose. However, whenever the moneys on deposit in the Reserve Account or any subaccount therein exceed the Reserve Account Requirement thereof, such excess shall be withdrawn and deposited into the Interest Account. Sales Tax Revenues shall be applied in accordance with provisions of the Resolution described in this paragraph, on a pro-rata basis, to reimburse the issuer of the Reserve Fund Insurance Policy for amounts advanced under such instrument, replenish any cash deficiencies in the Reserve Account or a subaccount therein, and to pay the issuer of the Reserve Fund Insurance Policy interest on amounts advanced under such instrument.

The obligation to reimburse the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for any fees, expenses, claims or draws upon such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be subordinate to the payment of debt service on the Bonds. The right of the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit to payment of reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Account, and subject to the second and third succeeding sentences, its right to reimbursement for claims or draws shall be prior to the replenishment of the cash drawn from the Reserve Account or a subaccount therein. The Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit reimbursement will be further subordinated to cash replenishment of the Reserve Fund or subaccount therein to an amount equal to the difference

between the full original amount available under the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and the amount then available for further draws or claims. If (1) the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit becomes insolvent or (2) the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit defaults in its payment obligations thereunder or (3) the claims-paying ability of the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit does not equal at least a S&P "AA-" or Moody's "Aa3" or Fitch "AA-", the obligation to reimburse the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account or subaccount therein.

(5) Annual Funding. There shall be next deposited to the Interest Account, the Principal Account and the Bond Amortization Account, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest and principal (including any Amortization Installment) next coming due on all Outstanding Bonds during the current Bond Year.

(6) Unrestricted Revenue Account. (A) The balance of any moneys after the deposits described in paragraphs (1) through (5) above may be transferred, at the discretion of the District, to the Unrestricted Revenue Account or any other appropriate fund or account of the District and may be used for any lawful purpose. In the event moneys on deposit in the Interest Account, the Principal Account and the Bond Amortization Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due at such Interest Date, the District shall transfer moneys from the Unrestricted Revenue Account to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

The District, in its discretion, may use moneys in the Principal Account and the Interest Account to purchase or redeem Bonds coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the District's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased or redeemed.

No Funded Reserve Account

The Reserve Account Requirement for the Series 2025 Bonds is zero (\$0.00). As such, the Series 2025 Bonds will not be secured by any funds on deposit in the Reserve Account.

Additional Bonds

The District may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing the Cost of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the District. No such Additional Bonds shall be issued unless the following conditions are complied with:

(A) Except as otherwise provided in paragraph (C) below, there shall have been obtained and filed with the Board a statement of the Chief Finance Officer: (1) stating that the books and records of the District relating to the Sales Tax Revenues have been reviewed by such officer; (2) setting forth the amount of the Sales Tax Revenues which have been received by the District during any twelve (12) consecutive months designated by the District within the eighteen (18) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made (which amounts need not be audited); and (3) stating that the amount of the Sales Tax Revenues received during the aforementioned 12-month period equals at least 1.35 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such report of the

Chief Finance Officer may be partially based upon certification of certain matters related to the calculation of Maximum Annual Debt Service by the District's financial advisor.

(B) Each Supplemental Resolution authorizing the issuance of Additional Bonds will recite that all of the covenants contained in the Resolution applicable to the Additional Bonds, will be applicable to such Additional Bonds and shall require that the debt service requirements of such Additional Bonds be included in the determination of the Maximum Annual Debt Service for purposes of meeting the applicable Reserve Account Requirement, if any.

(C) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of paragraph (A) above shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase of aggregate debt service in any Bond Year. The conditions of paragraph (A) above shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph (C).

(D) The District shall not be in breach of the covenants and obligations assumed under the Resolution, and all payments required by the Resolution have been made into the funds and accounts, as provided therein, shall have been made to the full extent required.

Books and Records

The District will keep books and records of the receipt of the Sales Tax Revenues in accordance with generally accepted accounting principles and any Credit Facility Provider, Insurer or holder or holders of at least \$1,000,000 aggregate principal amount of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the District relating thereto.

Receipt of Sales Tax Revenues

The District covenants in the Resolution to do all things necessary or required on its part by the Act, or otherwise to maintain the levy, collection and receipt of the Sales Tax Revenues. The District will exercise all legally available remedies to enforce such levy, collection or receipt available under law. The District will not take any action or enter into any agreement that shall result in reducing the level of Sales Tax Revenues received by the District from that level prevailing at the time the District takes such action or entered into such agreement.

Investments

Moneys on deposit in the Project Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Project Fund, the Restricted Revenue Account and the Debt Service Fund other than the Reserve Account, if any, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account, if any, may be invested and reinvested in Authorized Investments which shall mature not later than the maturity date of the Series 2025 Bonds. All investments shall be valued at least annually at the current market value.

Any and all income received by the District from the investment of moneys in each account of the Project Fund, the Interest Account, the Principal Account, the Series 2025 Bond Amortization Account, the Restricted Revenue Account and the Reserve Account, if any (to the extent the amount on deposit therein is no less than the applicable Reserve Account Requirement, if any), shall be retained in such respective

Fund, Account or subaccount; provided that amounts in the Reserve Account, if any, in excess of the applicable Reserve Account Requirement, if any, shall be transferred to the Interest Account.

Separate Accounts

The moneys required to be accounted for in the funds, accounts and sub-accounts established in the Resolution may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established in the Resolution may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as provided in the Resolution.

The designation and establishment of the various funds, accounts and subaccounts in and by the Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as provided in the Resolution.

THE SERIES 2025 PROJECT

The Series 2025 Project consists of the acquisition, construction and installation of certain capital improvements and educational facilities within the District as may be financed by the Act. Pursuant to the Interlocal Agreement and the Resolution, the Board identified approximately \$325.1 million of capital improvement needs within the District to be funded from Sales Tax Revenues. The Board will apply the proceeds of the Series 2025 Bonds to a portion of the capital improvement program specified in Exhibit D to the Resolution. See "APPENDIX C – RESOLUTION" hereto.

BOND INSURANCE OPTION

THE INFORMATION IN THIS SECTION CONCERNING THE POLICY AND AG HAS BEEN OBTAINED FROM AG. NEITHER THE DISTRICT NOR THE UNDERWRITERS TAKE RESPONSIBILITY FOR THE ACCURACY THEREOF.

All or a portion of the scheduled payment of the principal of and interest on the Series 2025 Bonds when due may be guaranteed under the Policy to be issued concurrently with the delivery of the Series 2025 Bonds by AG. The District will make the determination whether to purchase a Policy to insure all or a portion of the Series 2025 Bonds, if any, at the time the Series 2025 Bonds are priced. See "BOND INSURANCE RISK FACTORS" herein.

Bond Insurance Policy

In the event any of the Series 2025 Bonds are insured, concurrently with the issuance of the Series 2025 Bonds, AG will issue its Policy for the insured Series 2025 Bonds. The Policy guarantees the scheduled payment of principal of and interest on the insured Series 2025 Bonds when due as set forth in the form of the Policy included as an Appendix F to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL" and together with its subsidiaries, "Assured Guaranty"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO." AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG ("AGM"), merged with and into AG, with AG as the surviving company (such transaction, the "Merger"). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On October 18, 2024, KBRA announced it had affirmed AG's insurance financial strength rating of "AA+" (stable outlook).

On July 10, 2024, Moody's, following Assured Guaranty's announcement of the Merger, announced that it had affirmed AG's insurance financial strength rating of "A1" (stable outlook).

On May 28, 2024, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At March 31, 2025:

- The policyholders' surplus of AG was approximately \$3,522 million.
- The contingency reserve of AG was approximately \$1,421 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,416 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2024 (filed by AGL with the SEC on February 28, 2025); and
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025 (filed by AGL with the SEC on May 9, 2025).

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2025 Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE OPTION – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG

Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Series 2025 Bonds or the advisability of investing in the Series 2025 Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading "BOND INSURANCE OPTION."

BOND INSURANCE RISK FACTORS

At pricing, the School Board will determine whether to provide for the Policy for all, a portion or none of the Series 2025 Bonds. If the Policy is purchased, the following are risk factors related to municipal bond insurance.

In the event of default of the scheduled payment of debt service on the insured Series 2025 Bonds, if any, when all or some becomes due, the Paying Agent on behalf of owners of such insured Series 2025 Bonds will have a claim under the Policy for such payments. However, in the event of any acceleration of the insured Series 2025 Bonds resulting from default or otherwise, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policy will not insure prepayment premium, if any.

Under most circumstances, default of payment of the principal of and interest on the insured Series 2025 Bonds, if any, does not obligate extraordinary redemption of the obligations of the Insurer without appropriate consent. The Insurer may direct and must consent to any remedies and the Insurer's consent may be required in connection with amendments to any applicable Series 2025 Bond documents.

In the event the Insurer is unable to make payment of the principal of and interest on the insured Series 2025 Bonds, if any, as such payments become due under a Policy, such insured Series 2025 Bonds are payable solely from the moneys received pursuant to the Resolution. In the event the Insurer becomes obligated to make payments with respect to such insured Series 2025 Bonds, no assurance is given that such event will not adversely affect the market price of the insured Series 2025 Bonds or the marketability (liquidity) for the insured Series 2025 Bonds.

The long-term ratings on the insured Series 2025 Bonds, if any, are dependent in part on the financial strength of the Insurer and its claims paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on any Series 2025 Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the insured Series 2025 Bonds or the marketability (liquidity) for the insured Series 2025 Bonds.

The obligations of the Insurer are unsecured obligations of the Insurer and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency. See "RATINGS" herein.

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SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of funds to be derived from the sale of the Series 2025 Bonds.

SOURCES:	
Principal Amount of Series 2025 Bonds.....	\$
Plus/Less: Original Issue Premium/Discount	
TOTAL SOURCES	<u>\$</u>
USES:	
Deposit to Series 2025 Account of the Project Fund ⁽¹⁾	\$
Costs of Issuance ⁽²⁾	
TOTAL USES.....	<u>\$</u>

⁽¹⁾ To be utilized to pay costs of the Series 2025 Project.
⁽²⁾ Includes the Underwriters' discount, Policy premium, if any, legal, financial advisory and other miscellaneous costs of issuance.

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DEBT SERVICE SCHEDULE

The following table sets forth the debt service schedule for the Series 2025 Bonds for each of the following years ending on October 1.

October 1	Principal	Interest	Total Debt Service
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			

[Remainder of page intentionally left blank]

SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA

The Board is a corporate body existing under the laws of the State and is the governing body of the District. The Board consists of five members elected for overlapping four-year terms. The District is organized under Section 4, Article IX, of the Constitution of the State of Florida and Chapter 1001, Florida Statutes. The District covers the same geographic area as the County. Management of the District is independent of the County government and other local governments within the County. The County Tax Collector collects ad valorem taxes for the District but exercises no control over the disposition of the District's tax receipts.

For Fiscal Year 2024-25, the District includes 65 schools (consisting of 37 elementary schools, 12 middle schools, nine high schools, six specialty schools and one virtual school) and six charter schools which provide education for approximately 71,359 students in kindergarten through grade 12, exclusive of adult education programs, and inclusive of charter school students and Family Empowerment Scholarship (i.e., voucher) students.

The Organization and Powers of the Board

The Board is the governing board of the District. The principal offices of the Board are located in Sanford, Florida.

The Board is the policy-making body of the District, consisting of five members elected for overlapping four-year terms. Under existing statutes, the Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property within the District; the development and adoption of a school program for the District; the establishment, organization and operation of schools, including vocational and evening schools, programs for gifted students, handicapped students and students in residential care facilities; the appointment, compensation, promotion, suspension and dismissal of employees; the establishment of courses of study and the provision for adequate instruction aids; and the establishment of a system to transport students to school or school-related activities.

The Board also has broad financial responsibilities, including approval of the annual budget, adoption of the school tax levy and the establishment of a system of accounting and budgetary controls. The annual budget and accounting reports must be filed with the State Department of Education. The Chair of the Board is elected by the members of the Board annually. The Superintendent is the ex-officio Secretary of the Board.

The present members of the Board, their respective offices and the expiration of their respective terms are as follows:

<u>Name</u>	<u>Term Expiration</u>
Kristine Kraus, Chair	November 2026
Autumn Garick, Vice-Chair	November 2026
Kelley Davis	November 2026
Robin Dehlinger	November 2028
Abby Sanchez	November 2028

Superintendent of Schools

The Superintendent of Schools is the chief executive officer of the District and Secretary of the Board. The current Superintendent was appointed by the Board for an initial term of three years, commenced March 2021, with an annual extension for each subsequent year based on performance. She

oversees operations of the school system, makes policy recommendations to the Board, and performs the duties assigned to her by law and the regulations of the Florida Department of Education.

The Superintendent also prepares the annual budget for approval by the Board, recommends the tax levy based upon needs illustrated by the budget, recommends debt issuance or borrowing plans of the Board when necessary, provides recommendations for investment of available funds, and keeps records with respect to all funds and financial transactions of the Board.

Administration

Serita D. Beamon, Superintendent of Schools. Mrs. Beamon was appointed the District's Superintendent of Schools in March 2021. Mrs. Beamon attended Stetson University and earned her undergraduate degree in Political Science. Mrs. Beamon received her Juris Doctor, with honors, from Florida State University College of Law, where she was awarded the Virgil Hawkins Fellowship of academic achievement. After serving as an attorney in Georgia, Mrs. Beamon practiced law in Florida, and in 2004, she joined the District's Legal Services Department. From 2004-2021, her practice was focused exclusively in the area of education law. In 2011, she was in the first class of Florida attorneys to be recognized as board-certified education law specialists by The Florida Bar.

John Pavelchak, Chief Financial Officer. Mr. Pavelchak was appointed Chief Financial Officer in October 2024. Mr. Pavelchak has over 28 years of service with the District in various roles, including, Finance Supervisor, Finance Director and Executive Director for Finance and Budgeting. Mr. Pavelchak also worked with the State of Florida, Office of the Auditor General, from September 1979 to March 1984. Mr. Pavelchak earned his Bachelor of Science in Business Administration degree, with a major in Accounting, from the University of Central Florida. He is a Certified Public Accountant and is a member of the American Institute of Certified Public Accountants. In 1999, Mr. Pavelchak served as the President of the Florida Association of School Business Officials.

Academics

The Board offers students a complete range of instructional services ranging from basic and standard instructional programs to special programs for gifted children, a full complement of vocational educational programs at high schools and exceptional education for children with learning disabilities. The exceptional student education programs are available at different school sites. The District is the 13th largest school district in the State of Florida and the 57th largest in the nation.

The 37 elementary schools house kindergarten through the 5th grade. The 12 middle schools are comprised of grades 6 through 8. The nine high schools include grades 9 through 12 as well as the vocational programs. Additionally, there are six specialty schools, one virtual school and six charter schools in the District.

The elementary school program emphasizes basic skills including reading, writing, language arts, and mathematics. Balanced curriculum also includes instruction in science, computer literacy, health, social studies, art, music and physical education. These programs are designed to build a strong foundation and each child is required to attain very specific levels of achievement before promotion to the next grade.

The secondary school program begins with middle school curriculum centering on English, math, science, computer literacy, and social studies. Students are encouraged to begin developing their strengths and interests through electives such as art, music, foreign languages, and vocational exploratory programs.

High school programs are designed to meet the needs of the college bound as well as vocational students. All of the high schools are fully accredited by the State of Florida and Cognia, formerly known as AdvancEd, formerly the Southern Association of Colleges and Schools. Students who plan to continue their education into college may take a broad range of college preparatory courses as well as advanced placement and honors courses. The District offers International Baccalaureate curriculums as well as dual enrollment programs for students desiring to begin their college coursework early.

In addition to the educational programs offered to K-12 students, the District offers pre-kindergarten services including: programs for babies of teen parents who are progressing toward achieving high school diplomas; programs for special education for infants and toddlers below the age of three; pre-kindergarten programs for three and four year old disabled students; and programs for eligible low income, at-risk pre-school age children.

Historical Growth

The following table presents a summary of general statistical data regarding the District.

School Year	Number of Schools ⁽¹⁾	Number of Instructional Personnel	FTE Enrollment ⁽²⁾	Governmental Funds Expenditures per FTE Student
2023-24	65	4,364	69,708	\$11,746.83
2022-23	65	4,143	68,198	11,304.88
2021-22	65	4,280	67,478	10,406.81
2020-21	65	4,487	64,215	10,749.55
2019-20	65	4,429	67,300	10,201.94

⁽¹⁾ Includes specialty schools, but excludes charter schools. For Fiscal Year 2024-25, there are six charter schools in the District.

⁽²⁾ Excludes adult education, but includes charter school and Family Empowerment Scholarship students. See "RECENT GOVERNMENTAL ACTIONS AFFECTING DISTRICT REVENUES – Legislative Changes Relating to School Choice" herein.

Source: School District of Seminole County, Florida.

Growth Projections for Unweighted Full Time Equivalent (FTE) Enrollment

The Florida Department of Education has estimated the following FTE Enrollment for School Years 2024-25 through 2029-30:

School Year	FTE Enrollment ⁽¹⁾	Percentage Change
2024-25	71,359	2.37%
2025-26	71,991	0.89
2026-27	71,872	(0.17)
2027-28	72,033	0.22
2028-29	71,980	(0.07)
2029-30	71,903	(0.11)

⁽¹⁾ Includes charter schools and Family Empowerment Scholarship students.

Source: Florida Education Finance Program, Third Calculation for Fiscal Year 2024-25; State of Florida Office of Economic & Demographic Research, Conference Report for Education Estimating Conference Pre-K-12 Enrollment, Florida School District Programs Unweighted Full-Time Equivalent (FTE) Student Enrollment, April 11, 2025 for Fiscal Years 2026-2030.

Employee Relations

As of June 30, 2024, the Board employed 7,039 persons; all but the administrative group are currently represented by: Seminole Educational Clerical Association, Inc.; Seminole County School Bus Drivers Association, Inc.; Seminole Education Association, Inc. (Teachers); and Non-Instructional Personnel of Seminole County. The current contracts with Seminole Educational Clerical Association, Inc.; Non-Instructional Personnel of Seminole County; and Seminole Education Association, Inc. (Teachers) expire on June 30, 2027 and the current contract with Seminole County School Bus Drivers Association, Inc. expires on June 30, 2025. The District will begin negotiations on a new three-year contract for the Seminole County School Bus Drivers Association, Inc. in June 2025. When a collective bargaining agreement expires, Florida law requires the parties to operate under the expired agreement until such time as a successor agreement has been negotiated and ratified.

Retirement and Other Post-Employment Benefit Programs

Florida Retirement System. Essentially all regular employees of the District are eligible to enroll as members of the Florida Retirement System (the "FRS"). The FRS is a single retirement system administered by the Florida Department of Management Services ("DMS"), and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (the "FRS Pension Plan"), a Deferred Retirement Option Program (the "DROP"), a Retirement Health Insurance Subsidy Plan (the "HIS Plan"), and a defined-contribution plan, referred to as the Florida Retirement System Investment Plan (the "Investment Plan"). A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, information about the FRS's fiduciary net position, and other relevant information, is available from the DMS at: www.dms.myflorida.com.

FRS Pension Plan. The Florida Legislature establishes contribution rates for employers and employees participating in the FRS Pension Plan. The District's contributions to the FRS Pension Plan for Fiscal Year 2023-24 totaled \$35,446,303, which was equal to the required contributions for such fiscal year. At June 30, 2024, the District reported a liability of \$266,442,938 for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's fiscal year 2022-23 contributions relative to the total Fiscal Year 2022-23 contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.668667756%, which was a decrease of 0.051904618 from its proportionate share measured as of June 30, 2022. For Fiscal Year 2023-24, the District recognized the FRS Pension Plan pension expense of \$54,493,182. In addition, the District reported deferred outflows of resources of \$96,968,736 and deferred inflows of resources of \$15,484,347 related to the FRS Pension Plan.

HIS Plan. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The District's contributions to the HIS Pension Plan totaled \$7,507,512 for Fiscal Year 2023-24. At June 30, 2024, the District reported a net pension liability of \$144,530,641 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's Fiscal Year 2022-23 contributions relative to the total fiscal year 2022-23 contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.910066138%, which was a decrease of 0.033267664% from its proportionate share measured as of June 30, 2022. For the Fiscal Year 2023-24, the District recognized pension expense of \$52,205,836 related

to the HIS Plan. In addition, the District reported deferred outflows of resources of \$13,497,646 and deferred inflows of resources of \$18,805,547 related to the HIS Plan.

Investment Plan. The District contributes to the Investment Plan for its eligible employees electing 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. The District's total contribution to the plan totaled \$17,177,528.

ALL POTENTIAL PURCHASERS OF THE SERIES 2025 BONDS SHOULD REVIEW NOTE II.E. OF THE NOTES TO THE BASIC FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION SET FORTH IN "APPENDIX B – EXCERPTED PAGES FROM THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024" ATTACHED HERETO. SUCH NOTE II.E. AND REQUIRED SUPPLEMENTARY INFORMATION CONTAIN DESCRIPTIONS OF THE PENSION PLANS AND MATERIAL FINANCIAL INFORMATION CONCERNING THE PLANS, INCLUDING BUT NOT LIMITED TO, INFORMATION REGARDING CONTRIBUTIONS, COSTS, FUNDED STATUS AND FUNDING PROGRESS.

Other Post-Employment Benefit Programs

In addition to its contributions under the retirement plans described above, the District provides other postemployment benefits ("OPEB") for certain of its retired employees in the form of an implicit rate subsidy by providing access to health insurance plans. The offering of this health insurance coverage is required by Section 112.0801, Florida Statutes. In addition, retirees are eligible to continue the District-sponsored term life insurance policy provided by the District.

In June 2015, the Governmental Accounting Standards Board issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("GASB No. 75"), effective for periods beginning after June 15, 2017, which replaces the requirements of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. GASB No. 75 addresses accounting and financial reporting for OPEB provided to employees of state and local government employers; establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses; requires governments to report a liability, deferred outflows of resources, deferred inflows of resources, and expenses on the face of the financial statement for the OPEB that they provide; and requires more extensive note disclosures and supplementary information about their OPEB liability. GASB No. 75 was adopted by the District for the year ended June 30, 2018. The District's total OPEB liability reported at June 30, 2018 decreased and was restated due to the transition in the valuation methods under GASB Statement No. 45 to GASB No. 75.

The District has historically accounted for its OPEB contributions on a pay-as-you-go basis and the District currently plans to continue such pay-as-you-go funding of its OPEB contributions. As of the valuation date, June 30, 2023, there were 7,176 active employees and 139 retirees of the District receiving post-employment benefits. The District made benefit payments toward the annual OPEB cost in the amount of \$896,142. The pay-as-you-go method of funding OPEB allows the District to continue to pay only the current OPEB costs each Fiscal Year. The net OPEB obligation was \$8,680,387 at the end of Fiscal Year 2023-24.

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Below are the details regarding the total OPEB liability from June 30, 2023 to June 30, 2024:

	Total OPEB Liability
Balance at 06/30/2023	\$10,356,598
Changes for the Fiscal Year:	
Service Cost	\$ 880,636
Interest Cost	413,954
Difference between Expected and Actual Experience	(2,209,463)
Changes of Assumptions or Other Inputs*	134,804
Benefit Payments	(896,142)
Net Change in Total OPEB Liability	\$(1,676,211)
Balance at 06/30/2024	\$8,680,387

Source: Annual Comprehensive Financial Report of The District School Board of Seminole County, Florida for the Fiscal Year Ended June 30, 2024.

For additional information, see Note II.F. and the Required Supplementary Information of "APPENDIX B – EXCERPTED PAGES FROM THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2024" hereto.

Accounting and Funds

Pursuant to Section 11.45, Florida Statutes, the financial operations of the District are subject to annual audit. The District may use independent auditors two out of every three fiscal years with the Auditor General's office auditing the financial operations of the District once every three fiscal years. Audit responsibilities assigned to the Auditor General and/or an independent auditor include the presentation of an annual report on the District's financial statements, assessment of the adequacy of the District's control environment, and determination of the District's compliance with legal requirements.

Accounting policies conform with generally accepted accounting principles applicable to state and local governmental units. The financial statements include fund-basis financial statements and also government-wide financial statements prepared on the accrual basis of accounting that split the District's programs between governmental and business-type activities. The organization of the District's financial statements for Fiscal Year 2023-24 can be found in Note I to the audited financial statements of the District for the Fiscal Year ended June 30, 2024 attached hereto as Appendix B. For Fiscal Year 2023-24, the organization of such financial statements was as follows:

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation and amortized expenses are allocated to each function or program of the primary government.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds and proprietary funds.

The effects of interfund balances and activities have been eliminated from the government-wide financial statements, except for transfers between governmental activities.

The fund financial statements provide information about the District's funds, including the blended component units. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, reconciliations are presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources not required to be accounted for in another fund and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

The *Debt Service - Certificates of Participation Fund* is a debt service fund that accounts for the accumulation of resources for, and the payment of, debt principal, interest, and related costs on the long-term certificates of participation.

The *Capital Projects - §1011.71(2) Local Capital Improvement Tax Fund* is a capital outlay fund to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, new and replacement equipment, motor vehicle purchases, and debt service payments on Certificates of Participation.

The *Capital Projects - Other Capital Improvement Funds* is funded by various sources other than the local capital improvement tax levy. Funding sources include revenue generated by the one-quarter of one-cent intergovernmental local sales tax, as approved by the voters pursuant to Section 212.055(2), Florida Statutes (i.e. Sales Tax Revenues); impact fees revenues generated from the sale of new home construction; new debt issues used to build and renovate existing infrastructure, and other miscellaneous capital improvement revenue.

The *Special Revenue – Federal Education Stabilization Fund* is a special revenue fund used to account for Federal funding provided as emergency relief in covering additional instructional and operational costs incurred by the District due to the COVID-19 pandemic.

Additionally, the District reports the following proprietary fund types:

Internal Service Funds account for printing services, health self-insurance, risk management services (including claims for workers' compensation, general liability, and property damage), and inter-District vehicle leasing on a cost-reimbursement basis. The District maintained four internal service funds during the 2023-24 fiscal year.

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied. See APPENDIX B hereto.

Budget Process

State law requires the Board to advertise its intent to adopt a tentative budget, including a capital outlay budget, within 29 days following the County Property Appraiser's official certification of taxable property, which usually occurs on or about July 1. The Board holds a public hearing on the tentative budget and the proposed tax rates within five days of its advertisement and officially adopts the tentative budget and tax rates at the hearing. Thereafter, the County Property Appraiser prepares tax millage notices for property owners within the District. The final budget and tax rate are fixed on or before September 18 of each year following a final public hearing. In accordance with such requirements, the District prepared its tentative 2024-25 Fiscal Year budget, which was approved at a public hearing held on July 23, 2024. The final budget for the 2024-25 Fiscal Year was adopted by the Board on September 10, 2024.

The Superintendent is responsible for preparing the preliminary and tentative budgets for recommendation to the Board. Florida law requires the Board to adopt and maintain a balanced budget in which anticipated revenues combined with beginning fund balances equal appropriations. Generally, the final budget is substantially the same as the tentative budget since the Board's hiring plans and materials purchases have been determined before the final budget is adopted.

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General Fund Operations

The following table summarizes results of operations for the General Fund for the Fiscal Years ended June 30, 2021 (audited), 2022 (audited), 2023 (audited) and 2024 (audited), and the adopted budget for the Fiscal Year ending June 30, 2025.

THE SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA Statement of Revenues, Expenditures and Changes in General Fund Balances for Fiscal Years 2021-2025

	Audited				Budget
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenues:					
Intergovernmental:					
Federal Direct	\$ 573,998	\$ 622,208	\$ 1,190,192	\$ 1,255,683	\$ 682,052
Federal through State	1,467,435	1,212,744	798,892	1,309,022	1,400,000
State Sources	325,200,681	305,438,989	325,159,008	340,506,073	335,476,950
Local	184,591,190	190,608,527	205,980,506	224,740,610	233,122,508
Total Revenues	511,833,304	497,882,468	533,128,598	567,811,388	570,681,510
Expenditures:					
Current:					
Instruction	329,940,226	328,578,064	355,252,462	372,074,356	415,138,341
Student Personnel Services	24,389,018	24,737,684	26,367,909	28,315,404	30,805,198
Instructional Media Services	1,228,134	1,029,462	883,396	892,771	1,159,244
Instruction & Curriculum Development Services	6,619,673	5,960,420	6,065,490	6,354,250	6,736,942
Instructional Staff Training Services	5,358,110	5,044,710	5,381,217	6,710,522	8,448,134
Instruction Related Technology	5,410,868	6,086,840	5,268,123	4,844,111	5,191,280
School Board	1,425,237	1,513,780	1,722,974	1,790,655	1,894,248
General Administration	927,520	461,440	564,830	499,238	599,586
School Administration	37,326,974	37,834,839	40,605,041	42,331,316	43,073,988
Facilities Services – non-capitalized	1,654,481	1,726,866	2,317,008	2,333,714	3,717,515
Fiscal Services	2,677,256	2,617,240	2,944,577	3,490,443	3,252,380
Food Services	4,987	1,880	27,246	2,730	-
Central Services	5,078,259	4,781,772	4,897,152	4,913,941	5,714,556
Student Transportation Services	21,261,173	23,484,291	25,419,688	27,167,506	25,295,626
Operation of Plant	44,415,979	46,824,262	51,733,437	50,937,012	58,654,689
Maintenance of Plant	14,350,455	16,695,915	18,920,318	24,118,671	45,129,209
Administrative Technology Services	6,232,575	7,103,633	7,018,330	7,977,366	9,761,188
Community Services	2,946,030	2,967,781	4,123,855	4,873,067	5,819,012
Fixed Capital Outlay:					
Debt Service	-	-	724,973	872,558	-
Other Capital Outlay	1,161,820	1,297,555	936,751	1,450,603	-
Total Expenditures	512,408,775	518,748,434	561,174,777	591,950,234	670,391,136
Excess (Deficit) Revenues Over Expenditures	(575,471)	(20,865,966)	(28,046,179)	(24,138,846)	(99,709,626)
Other Financing Sources (Uses)	21,505,469	30,383,501	24,599,034	31,240,358	53,032,560
Excess (Deficit) Revenues and Other Sources Over (Under) Expenditures and Other Uses	20,929,998	9,517,535	(3,447,145)	7,101,512	(46,677,066)
Beginning Fund Balance	72,687,559	93,617,557	103,135,092	99,687,947	106,789,459
Ending Fund Balance ⁽¹⁾	\$ 93,617,557	\$103,135,092	\$99,687,947	\$106,789,459	\$ 60,112,393

⁽¹⁾ The Ending Fund Balance in prior years represents the funds remaining at the end of that Fiscal Year after all expenses have occurred. For budgeting purposes, Florida law generally requires school districts to formulate a budget where Revenues plus Beginning Fund Balance equals Expenditures. As such, the budgeted Ending Fund Balance in Fiscal Year 2024-25 reflects the majority of funds being spread through school and budget departments, even though not all of such funds are expected to be expended in Fiscal Year 2024-25. **Based on actual Fiscal Year 2024-25 Revenues and Expenditures to date, the District estimates its actual Fiscal Year 2024-25 Ending Fund Balance to be \$90.1 million.**

Source: Annual Comprehensive Financial Reports of The District School Board of Seminole County, Florida for the Fiscal Years Ended June 30, 2021-2024 and Fiscal Year 2024-25 Adopted Budget, as amended through March 27, 2025.

General Fund Balance Guidelines

Section 1011.051, Florida Statutes, entitled "Guidelines for general funds" requires that if a school district's General Fund ending balance not classified as restricted, committed or nonspendable in the approved operating budget is projected to fall below three percent (3%) of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. The section further requires that if the General Fund ending balance not classified as restricted, committed or nonspendable is projected to fall below two percent (2%) of projected General Fund revenues, the Superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification of a balance below two percent (2%), if the Commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to Florida Statutes pertaining thereto, the Commissioner shall appoint a financial emergency board that may take certain delineated steps to assist a district school board in complying with the General Fund requirements. In Fiscal Year 2022-23, the District's General Fund ending balance not classified as restricted, committed or nonspendable was 16.4% of General Fund Revenues and in Fiscal Year 2023-24 was 16.9% of General Fund Revenues. For Fiscal Year 2024-25, the District's General Fund ending balance not classified as restricted, committed or nonspendable is currently budgeted to be 10.1% of General Fund Revenues.

Outstanding Debt Information

The following table shows the general long-term debt of the Board as of June 30, 2024.

The School Board of Seminole County, Florida General Long-Term Debt (As of June 30, 2024)

<u>General Description</u>	<u>Outstanding Balance</u>
<u>Self-Supporting State Bonds:</u> ⁽¹⁾	
Series 2014-A, Refunding	\$ 78,000
Series 2017A, Refunding	2,178,000
 <u>Certificates of Participation:</u>	
Series 2016B, Refunding	7,080,000
Series 2016C	28,860,000
Series 2022A, Refunding	11,910,000
Series 2024A, Refunding	12,125,000
Total	<u>\$62,231,000</u>

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

Source: Annual Comprehensive Financial Report of The District School Board of Seminole County, Florida for the Fiscal Year Ended June 30, 2024.

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RECENT GOVERNMENTAL ACTIONS AFFECTING DISTRICT REVENUES

Class Size Reduction

Article IX of the State Constitution was amended in 2002 by Amendment 9, which required that the State Legislature provide funding for sufficient classrooms so that class sizes could be reduced to certain constitutional class size maximums by the beginning of the 2010 school year. Amendment 9 and Sections 1003.03 and 1013.735, Florida Statutes, which implement Amendment 9, collectively, are referred to herein as the "Class Size Legislation."

The Class Size Legislation established constitutional class size maximums limiting students per class to no more than 18 for pre-kindergarten through 3rd grade, 22 for grades 4 through 8 and 25 for grades 9 through 12. Compliance is determined on a period-by-period basis.

The Class Size Legislation further creates an "Operating Categorical Fund for Class Size Reduction," the "Classroom for Kids Program," the "District Effort Recognition Grant Program" and the "Class Size Reduction Lottery Revenue Bond Program" to provide funding programs for capital outlays and operating expenditures necessary in relation to these mandated class size reductions.

The Class Size Legislation requires each school board to consider implementing various policies and methods to meet these constitutional class sizes, including encouraging dual enrollment courses, encouraging the Florida Virtual School, maximizing instructional staff, reducing construction costs, using joint-use facilities, implementing alternative class scheduling, redrawing attendance zones, implementing evening and multiple sessions and implementing year-round and non-traditional calendars.

Through Fiscal Year 2009-10, the District complied with the requirements of the Class Size Legislation, which was based on the average class size at each school. Beginning in Fiscal Year 2010-11, the requirements were based on the number of students in each individual classroom and subsequently, schools that provided choice (e.g., charter, magnet, career and technical, etc.) continued to be required to meet average class size at each school. During the October 2023 Survey, which is when DOE determines compliance with class size maximums for Fiscal Year 2024-25, 100% of the District's classrooms were in compliance with the requirements of the Class Size Legislation.

Legislative Changes Relating to School Choice

During the State Legislature's 2016 Regular Session, the Florida Legislature enacted House Bill 7029 ("HB 7029"). Among other things, a parent whose child is not subject to a current expulsion or suspension order may seek enrollment in and transport his or her child to any public school in the State, including a charter school, which has not reached capacity. The school district or charter school shall accept and report the student for purposes of funding through the FEFP. The school district or charter school may provide student transportation at their discretion. HB 7029 requires the capacity determinations of each school district and charter school to be current and identified on their respective school websites. Each school must provide preferential treatment in its controlled open enrollment process to: (1) dependent children of active duty military personnel who moved as a result of military orders, (2) children relocated due to foster care placement in a different school zone, (3) children relocated due to a court ordered change in custody as a result of separation or divorce, or the serious illness or death of a parent, and (4) students residing in the school district. Students residing in the school district may not be displaced by a student from another school district. A student who transfers may remain at the school until the student completes the highest-grade level offered. This law took effect with the 2017-18 school year. At present, the impact of the school choice provisions of HB 7029 on the District's finances has been minimal.

House Bill No. 7045 ("HB 7045") was passed during the 2021 Florida legislative session and signed into law by the Governor. HB 7045 merges the State's school choice programs for certain disabled students, and expands eligibility for school voucher programs for low- and middle-income students and students subject to harassment, consolidates existing school-choice programs, increases the amount of State funding for the consolidated school-choice programs to \$200 million and allows the use of scholarship funds for private school tuition and other expenses such as tutoring, computers, and internet access. The law took effect on July 1, 2021.

HB 1, which significantly expanded the eligibility criteria of the State's school voucher programs, was signed into law by Florida Governor Ron DeSantis on March 27, 2023. HB 1, among other things, expanded eligibility for the Florida Tax Credit Scholarship Program and the Family Empowerment Scholarship Program to any student that is a resident of Florida and is eligible to enroll in kindergarten through grade 12 in a public school. The Family Empowerment Scholarship Program is divided into three programs, the Family Empowerment Scholarship for students attending private schools (the "FES-EO"), the Family Empowerment Scholarship for students with disabilities (the "FES-UA") and the Hope Scholarship Program. HB 1 significantly increased the number of Florida Tax Credit Scholarships that may be awarded each year, and then removed the limits beginning in 2027-28. HB 1, in combination with House Bill 3C which was signed into law and became effective on November 13, 2023, removed the existing limits on the number of FES-EO scholarships that may be given each year. HB 1 also provided that the amount of the Family Empowerment Scholarship is equal to 100% of the school district's FEFP funding per student, including most categorical grants. HB 1 authorized uses of scholarship funds include, among other authorized expenses, tuition and fees for a student to attend eligible private schools. HB 1 took effect on July 1, 2023. House Bill 1403 ("HB 1403") was passed during the 2024 regular Florida legislative session and, among other things, expands eligibility for the Florida Tax Credit Scholarship Program and the Family Empowerment Scholarship Program to include the dependent children of active duty members of the United States Armed Forces who meet certain residency requirements, increases the FES-UA cap from three percent to five percent and repeals the scholarship funding portion of the Hope Scholarship Program. HB 1403 took effect on July 1, 2024. The expansion of the school choice programs in the State could potentially lead to a substantial increase in the number of Florida Tax Credit Scholarships and/or Family Empowerment Scholarship recipients. While the District has experienced migration of a small percentage of students to private schools or other scholarship eligible programs to date, a portion of scholarship recipients in the District have been students who were already enrolled in private school and would not be expected to enroll in a public school. If a significant number of eligible students in the District transition to private schools or other scholarship eligible programs, it is likely to have a further adverse impact on the District's finances. See "RISK FACTORS - State Revenues" herein.

Distribution of Capital Outlay Funds to Charter Schools

On May 11, 2023, CS/CS/HB 1259 ("HB 1259") was signed by Florida Governor Ron DeSantis. HB 1259 modifies the provisions of Section 1013.62, Florida Statutes, relating to the non-voted millage for capital outlay and maintenance purposes of up to 1.50 mills levied pursuant to Section 1011.71, Florida Statutes (the "Capital Improvement Tax"), revenues from which are required to be shared with eligible charter schools in each school district in the State. HB 1259 removed a previously existing State funding threshold for purposes of determining whether Capital Improvement Tax revenues must be shared with eligible charter schools in a school district and establishes a five-year glide path of local sharing of Capital Improvement Tax revenues between each school district in the State and eligible charter schools therein. The calculation methodology set forth in HB 1259 first reduces a school district's available Capital Improvement Tax revenues by the school district's annual debt service for obligations incurred as of March 1, 2017, which are being satisfied by Capital Improvement Tax revenues and which have not been subsequently retired. The remaining Capital Improvement Tax revenues are then divided by the sum of (a) the school district's capital outlay FTE students and (b) the total number of FTE students at eligible charter

school in the school district to determine a capital outlay allocation per FTE student. Next, such capital outlay allocation per FTE student is multiplied by the total number of FTE students at each eligible charter school in the school district to determine a capital outlay allocation for each charter school in the school district. Next, if applicable, the capital outlay allocation to each charter school is reduced by the total amount of State funds allocated to each charter school in the school district thereby reducing the amount of Capital Improvement Tax revenues required to be shared by the school district. The remaining amount, if any, is the amount the school district must share with eligible charter schools in the school district in such year. However, the legislation provides for a five-year phase in for such amounts so that the amount to be paid by the school district for each year pursuant to the above-described methodology was multiplied by 20% for Fiscal 2023-24, and increases by 20% each year until Fiscal Year 2027-28 at which time it would equal 100% of the amount described in the preceding sentence. HB 1259 took effect on July 1, 2023. For Fiscal Year 2024-25, the District shared approximately \$788,528 in Capital Improvement Tax revenues with eligible charter schools in the District. However, the amount of Capital Improvement Tax revenues the District will be required to share with charter schools in the District is projected to be approximately \$3.3 million by Fiscal Year 2028-29. However, the Capital Improvement Tax is not pledged to the repayment of the Series 2025 Bonds and the District does not expect any reduction in Capital Improvement Tax revenues to adversely impact its ability to pay debt service on the Series 2025 Bonds.

Public Safety Mandate

In 2018, the Florida Legislature passed Senate Bill 7026 ("SB 7026") which, among other things, includes provisions designed to: enhance school safety policies, procedures, and personnel at the State and local level; improve and expand mental health services; and revise laws and empower law enforcement and the courts to limit access to firearms by young adults or by individuals exhibiting a risk of harming themselves or others. Specifically, SB 7026 requires each school board and superintendent to partner with law enforcement agencies to establish or assign one or more safe-school officers at each school facility within the district by implementing any combination of the following options: (a) establish school resource officer programs through cooperative agreements with law enforcement agencies; (b) commission one or more school safety officers for the protection and safety of school personnel, property, and students within the school district; (c) at a school district's discretion, and if established by the sheriff's office, participate in the Guardian Program, which allows certain school employees (but not employees who exclusively perform classroom duties as classroom teachers) to carry a firearm on school grounds if such employee volunteers and completes the statutorily required training. During the 2019 Legislative session, the State Legislature passed CS/CS/SB 7030 ("SB 7030") which among other things, removes the prohibition on individuals who perform exclusively classroom duties as a teacher from participating in the guardian program. However, the decision to allow teachers to be armed guardians remains with each individual school board. The Board has entered into contracts with the Seminole County Sheriff's Office and other local law enforcement agencies to provide school resource officers at each District operated secondary school. Additionally, the District hired School Safety Guards to provide coverage at District elementary schools. The cost to the District for Fiscal Year 2023-24 was approximately \$7.9 million and is budgeted to be \$8.6 million for Fiscal Year 2024-25.

RISK FACTORS

EACH PURCHASER OF THE SERIES 2025 BONDS IS SUBJECT TO CERTAIN RISKS. EACH PROSPECTIVE INVESTOR IN THE SERIES 2025 BONDS IS ENCOURAGED TO READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY. PARTICULAR ATTENTION SHOULD BE GIVEN TO THE FACTORS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE MARKET PRICE OF THE SERIES 2025 BONDS TO AN EXTENT THAT CANNOT BE DETERMINED.

Fluctuations in Sales Surtax Revenues

The amount of Sales Surtax revenues distributed to the Board is subject to increase or decrease due to various factors which may be beyond the control of the Board or the Series 2025 Bondholders and which may have a material adverse impact on the amount of Sales Surtax revenues distributed to the District. Such factors include: (i) increases or decreases in the dollar volume of sales within the County subject to the Sales Surtax, and (ii) legislative changes relating to the Sales Surtax, which may include changes in the scope of taxable sales.

On June 21, 2018, the United States Supreme Court in *South Dakota v. Wayfair, Inc., et al.* held that states can require retailers to collect sales tax on internet sales regardless of whether they maintain a physical presence in the state. In that particular case, the South Dakota legislation required the collection of sales tax by out-of-state retailers with \$100,000 or more in sales or 200 or more individual transactions in South Dakota in a year. During the 2021 Florida Legislative Session, legislation was enacted requiring the collection and remittance of sales tax by out-of-state retailers and took effect on July 1, 2021. The District is unable to predict at this time the full impact of this legislation on the collection of sales tax from out-of-state retailers.

In addition, the amount of Sales Surtax revenues distributed to the Board may be negatively impacted by general economic and other conditions, including, but not limited to, changes in population, changes in the price of taxable sales and uses, global conflicts, economic recession, terrorist attacks, pandemics, or active hurricane seasons in Florida. Such events are unpredictable and may affect the collection of the Sales Surtax. See also, "- State Revenues" and "- Coronavirus (COVID-19)" below.

Construction Cost Maximums

Section 1013.64(6)(b), Florida Statutes, prohibits a district school board from using funds from any sources (including the Sales Surtax) for new construction of educational plant space with a total cost per student station, including change orders, greater than the amounts set forth in Section 1013.64(6)(b)1., Florida Statutes, as adjusted. However, as of July 1, 2019, if the new construction of educational plant space is subject to a lease-purchase agreement entered into pursuant to Section 1011.71(2)(e), Florida Statutes, a district school board (i) may use certain local funding sources (including the Sales Surtax, school impact fees, and voter approved ad valorem taxes, in each case if legally available for such purpose) to pay for the new construction of educational plant space, and (ii) may, but is not required to, use Capital Improvement Tax revenues and certain state funding sources to pay for the portion of the cost for new construction of educational plant space which does not exceed the total cost per student station requirements or for certain other costs that are not included in cost per student station calculation (such as legal and administrative costs, site improvement costs and school security hardening/capital costs).

HB 1, which was signed into law by Florida Governor Ron DeSantis on March 27, 2023, provides that, among other things, an unfinished construction project for new construction of educational plant space that was started on or before July 1, 2026, is exempt from the cost per student station limits of Section 1013.64(6)(b)1., Florida Statutes. CS/SB 7002, which was passed during the 2024 regular Florida legislative session, provides that the exemption from the maximum cost per student station limits be extended to construction projects that start on or before July 1, 2028. The Series 2025 Project is a project for new construction of educational plant space that will commence prior to July 1, 2028. **As such, the maximum cost per student station limits of Section 1013.64(6)(b)1., Florida Statutes, do not apply to the Series 2025 Project and the Series 2025 Project is exempt from the cost per student station limits of Section 1013.64(6)(b)1., Florida Statutes.**

Legislative Changes

In recent years, legislation has been introduced that required certain percentages of school district funding be spent on particular activities and imposed additional funding restrictions and other requirements on school districts. Many proposals have sought to provide for new or increased exemptions to ad valorem taxation, limit increases in assessed valuation of certain types of property or otherwise restrict the ability of local governments in the State to levy ad valorem taxes at historical levels. Other proposals have sought to restrict the ability of local governments to use certain revenues for payment of debt service, to provide for additional procedures and notices in order to issue tax-supported debt or to require the sharing of local revenues with charter schools. There can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the current legislative session or in the future that would, or might apply to, or have a material adverse effect upon, the District or its finances.

During the current 2025 regular legislative session of the Florida Legislature, various other House and Senate bills and joint resolutions have been introduced proposing, among other things, additional or increased exemptions from ad valorem taxation for both homestead property and certain non-homestead property subject to a long-term lease, revising assessment limitations for ad valorem property, requiring school districts to give priority to charter schools when disposing of surplus real property, requiring school districts with declining enrollments to dispose of surplus real property identified by the State Board of Education and authorizing the governing body of a local government to reduce or eliminate certain local option surtaxes (including the Sales Surtax) by a super-majority vote beginning on October 1 of the fourth year such surtax has been levied. At this time, the Board cannot predict whether these bills and joint resolutions will be enacted. Certain of the bills and joint resolutions propose constitutional amendments requiring approval by at least 60% of the electors, and if enacted, the Board cannot predict whether such proposed constitutional amendments will be approved by the electors.

State Revenues

A large portion of the District's funding is derived from State sources. A significantly large percentage of such State revenues is generated from the levy of the State sales tax. The amounts budgeted for distribution from the State to the District are subject to change in the event that projected revenues are not realized.

On June 12, 2024, Governor Ron DeSantis approved the State education budget for State Fiscal Year 2024-25, which commenced July 1, 2024, providing for an approximately \$1.8 billion or 6.73% increase in State and local FEFP funding for K-12 public schools over State Fiscal Year 2023-24, reflecting a per-pupil increase of approximately \$240 per student or 2.75% over Fiscal Year 2023-24. The adopted education budget allocates approximately \$2.2 billion for funding of the State's expanded voucher/scholarship programs pursuant to HB 1 as part of State FEFP funding. See "RECENT GOVERNMENTAL ACTIONS AFFECTING DISTRICT REVENUES – Legislative Changes Relating to School Choice" herein. However, such funds will be withheld from each school district's FEFP distributions based on the forecasted scholarship students for each school district. For the District, the estimated amount to be withheld is approximately \$84.3 million. Based upon the approved budget, the estimated increase for the District is approximately \$33.8 million (inclusive of charter school students and voucher/scholarship students) in State and local FEFP funds over Fiscal Year 2023-24. However, there can be no assurance that funding for K-12 public schools will increase exactly as provided for in the approved budget.

The Florida Senate and House of Representatives have each passed separate budget bills for State fiscal year 2025-26, which commences July 1, 2025. The Senate budget bill provides for an increase of approximately \$984 million in State and local FEFP funding for K-12 public schools, reflecting an increase of approximately \$135 in K-12 per student State and local FEFP funding. The House budget bill provides

for an increase of approximately \$747 million in State and local FEFP funding for K-12 public schools (inclusive of funding for the expansion of the State voucher programs), reflecting an increase of approximately \$62 in K-12 per student State and local FEFP funding. However, members of each chamber of the legislature did not meet in a budget conference committee to resolve differences between the House and Senate budgets and related implementing and conforming bills prior to the regularly scheduled end of the regular 2025 legislative session on May 2, 2025. As such, the legislature extended the regular 2025 legislative session to at least June 6, 2025 in order to pass a uniform State budget as required by the Florida Constitution. Once finalized, the conforming budget and related implementing and conforming bills will be sent to the full House and Senate for adoption and then to the Governor for approval. At this time, no assurance can be given that funding for education will increase as described in the current budget bills.

Climate Change

Numerous scientific studies on climate change show that, among other effects on the global ecosystem, sea levels may rise, extreme temperatures may become more common, and extreme weather events may become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. Sea levels may continue to rise in the future due to the increasing temperature of the oceans causing thermal expansion and growing ocean volume from glaciers and ice caps melting into the ocean. Even non-coastal areas like the District are at risk of substantial flood damage over time, affecting private development and public infrastructure, including roads, utilities, emergency services, schools, and parks. As a result, the District could lose considerable tax revenues and many residents, businesses, and governmental operations along the waterfront could be displaced. However, the District is unable to predict whether sea level rise or other impacts of climate change or flooding from a major storm will occur, when they may occur, and if any such events occur, whether, they will have a material adverse effect on the business operations or financial condition of the District. Additionally, climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels (including but not limited to air, water, hazardous substances and waste regulations) that could have a material adverse effect on the operations and/or financial condition of the District.

Natural Disasters

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, tornadoes and hurricanes, which could result in negative economic impacts on communities including the District. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change as described in the preceding paragraph), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the District. The economic impacts resulting from such extreme weather events could include a loss of revenue, interruption of service, and escalated recovery costs.

Coronavirus (COVID-19)

The Novel Coronavirus 2019 ("COVID-19") pandemic, along with various governmental measures taken to protect public health in light of the pandemic, has had an adverse impact on global financial markets and economies, including financial markets and economic conditions in the United States. The impact of the COVID-19 pandemic on the U.S. economy has been broad based and negatively impacted national, state and local economies. On March 13, 2020, then-President Trump, declared a "national emergency," which, among other effects, allows the executive branch to disburse disaster relief funds to address the COVID-19 pandemic and related economic dislocation.

The State's finances were expected to be adversely affected by the continued spread of COVID-19, the various governmental actions in response thereto and changes in the behavior of businesses and people. The State derives a significant portion of its annual revenues from the collection of sales tax. The impact of COVID-19 was expected to result in significant decreases in state and local sales tax revenues as a result of decreased tourism and commercial activity throughout the State, but sales tax revenue has generally rebounded to above pre-pandemic levels. The District currently cannot predict what impact this will have on the level of State funding the District receives or on the District's collection of local revenues, including Sales Surtax revenues, or its credit rating. In anticipation of potential budget reductions or State funding prorations, the District implemented cost containment measures during Fiscal Year 2020, which resulted in savings from the closure of school facilities and some minor savings on fuel and utilities. Notwithstanding the foregoing, no State budget reductions took place in Fiscal Years 2021-22, 2022-23, 2023-24 and none are expected for Fiscal Year 2024-25. See "– State Revenues" above and "RATINGS" herein.

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act") was signed into law. Among other provisions, the CARES Act created an Education Stabilization Fund to support K-12 schools and colleges and universities during the COVID-19 outbreak. The Educational Stabilization Fund includes a total of \$30.75 billion in relief divided into three separate pools: (1) funds to K-12 schools; (2) funds to higher education; and (3) funds to governors. Florida received approximately \$873.8 million in funds for K-12 schools, approximately \$770.2 million in funds for higher education and approximately \$173 million in funds to the Governor for use as grants to local educational agencies. Funds for K-12 schools were distributed to school districts and charter schools based on their share of Title I-A funds. The District received approximately \$11.4 million of such CARES Act funds. However, such funds are also required to be shared with charter schools in the County. Funds to local districts can be used for coronavirus-response activities, such as planning for and coordinating during long-term school closures, purchasing educational technology to support online learning for all students, and additional activities authorized by federal elementary and secondary education laws. Funds in the Governor's Education Relief Fund can be used at the Governor's discretion to provide emergency support grants to K-12 schools, colleges and universities and childcare/early education providers. The CARES Act requires that any entity that receives funds from the education stabilization fund must continue to pay its employees and contractors to the extent practicable during the period of any disruptions or closures related to coronavirus.

On December 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (the "CRRSA") was signed into law. Among other provisions, the CRRSA created a second Education Stabilization Fund ("ESSER II") to support K-12 schools and colleges and universities during the COVID-19 outbreak. Funds for elementary and secondary public schools were allocated to each state as a grant and each state is required to allocate at least 90% of such funds as sub-grants to local education agencies (including charter schools classified as local education agencies) in the state based upon their share of Title I-A funds. The ESSER II Fund includes a total of \$81.88 billion in relief. Florida is expected to receive approximately \$2.82 billion in ESSER II funds for use as sub-grants to K-12 schools. The District received approximately \$41.7 million in ESSER II funds for use through September 30, 2023. However, such funds are also required to be shared with charter schools in the County. Funds to local districts can be used for coronavirus-response activities, such as planning, coordinating and implementing activities during long-term school closures, purchasing educational technology to support online learning for all students, addressing learning loss, school repairs and improvements to reduce risk of virus transmission and additional activities authorized by federal elementary and secondary education laws.

On March 11, 2021, President Biden signed The American Rescue Plan Act of 2021 (the "Rescue Act") into law to address the impacts of COVID-19. The Rescue Act, among other things, provides (1) \$123.8 billion in emergency relief funds to elementary and secondary public schools (including an estimated \$7 billion for Florida), (2) \$2.75 billion in emergency assistance to non-public schools and (3) \$39.6 billion in emergency relief for higher education. Funds for elementary and secondary public schools

will be allocated to each state as a grant and each state is required to allocate at least 90% of such funds as sub-grants to local education agencies (including charter schools classified as local education agencies) in the State based upon the share of Title I-A funds. Under the Rescue Act, at least 20% of the funds allocated to local education agencies must be used to address learning loss. School districts may use the remaining funds for certain activities specified in the Rescue Act to help schools reopen safely, including repairing ventilation systems, reducing class size to ensure social distancing and purchasing personal protective equipment. Each state is required to grant allocations of such funds within 60 days of receipt, and such funds shall remain available for allocation through September 30, 2024. The District received, or expects to receive, approximately \$100.9 million in Rescue Act funds.

Due to the nature of the outbreak and federal, State and local responses thereto, the long-term impacts of the COVID-19 crisis are unknown and dependent on factors such as the length of any shutdown or partial inaccessibility of school facilities, the extent to which the faculty and staff or the student population is directly affected and is unable to attend class, teach or provide services, and the impact on the economy as a whole within the State. While the District saw increased costs associated with the reopening of District schools, including an increase in operational costs incurred to implement distance learning strategies, to provide students and staff with personal protective equipment and to clean, sanitize and maintain its facilities, such increased costs were offset with CARES Act funds, CRRSA funds, Rescue Act funds or other federal funds in combination with the District's cost containment measures that have been in place since late in Fiscal Year 2019-20. At this time, the Board cannot predict with certainty the impacts of any future outbreaks on the District's revenues for the 2024-25 Fiscal Year and beyond, including whether there will be a reduction in State funding, a decline in student enrollment, a reduction in taxable assessed values of properties in the District, or a reduction in ad valorem tax collections.

Cybersecurity

Computer networks and systems used for information transmission and collection are vital to the efficient operations of the District. District systems provide support to departmental operations and District services by collecting and storing sensitive information, including intellectual property, security information, proprietary business process information, information regarding suppliers and business partners, and personally identifiable information of students and employees (collectively, "Computer Information"). The secure processing, maintenance and transmission of Computer Information is critical to effective departmental operations and the appropriate provision of services. Increasingly, governmental entities are being targeted by cyber-attacks seeking to obtain Computer Information or disrupt critical services. A rapidly changing cyber risk landscape may introduce new vulnerabilities that attackers and hackers can exploit in their efforts to effect breaches or service disruptions. Employee error and/or malfeasance may also contribute to a loss of Computer Information or other system disruptions. The District has next generation firewalls with unified threat management features enabled which include firewall, application control, web filter, and intrusion detection and prevention. Cybersecurity operations are handled internally. The District has had cybersecurity events where certain individual credentials were compromised within the last three years. Such situations were mitigated immediately and process improvements were implemented to prevent future issues. There is a mandatory Security and Privacy Awareness training that all District employees must take to educate users regarding cybersecurity threats and ways to avoid becoming a victim as well as learn about protections in place through the District and ways to minimize vulnerabilities both at work and at home.

While District cybersecurity and operational safeguards are periodically tested, no assurances can be given that such measures will ensure against all cybersecurity threats or attacks. Cybersecurity breaches could damage or compromise the District's computer network and the confidentiality, integrity, or availability of the District's computer system or the Computer Information. The potential disruption, access, modification, disclosure or destruction of Computer Information could result in the interruption of District

services, the initiation of legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, and could cause a material disruption in the District's operations or the appropriate provision of District services. The costs of remedying any such damage or protecting against future attacks could be substantial and in excess of the maximum amount of the District's cyber risk insurance policy. Further, the litigation to which the District could be exposed following a cybersecurity breach could be significant, which could cause the District to incur material costs related to such legal claims or proceedings.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Series 2025 Bonds are subject to an approving legal opinion of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel, whose approving opinion (a form of which is attached hereto as APPENDIX D) will be available at the time of delivery of the Series 2025 Bonds. Certain legal matters will be passed on for the District by its counsel, Karlene Cole-Palmer, Esq., and Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Disclosure Counsel to the District. Certain legal matters will be passed upon for the Underwriters by George A. Smith PLLC, Tallahassee, Florida, as counsel to the Underwriters.

Bond Counsel has not been engaged to, nor has it undertaken to, review (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2025 Bonds except as may be provided in a supplemental opinion of Bond Counsel to the Underwriters (as to which only they may rely) of the Series 2025 Bonds relating to the accuracy of certain statements contained herein under the heading "TAX EXEMPTION" and certain statements which summarize provisions of the Resolution and the Series 2025 Bonds, (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2025 Bonds.

LITIGATION

Concurrently with the delivery of the Series 2025 Bonds, District Counsel will deliver an opinion which states, among other things, that there is no litigation or other proceedings pending or, to the best knowledge of the Board, threatened against the Board (1) that seeks to restrain or enjoin the issuance or delivery of the Series 2025 Bonds or (2) questioning or affecting the validity of the Series 2025 Bonds or any proceedings or actions of the Board with respect to the authorization, sale, execution or issuance of the Series 2025 Bonds or the transactions contemplated by this Official Statement or the Resolution or any other agreement or instrument to which the Board is a party in connection therewith and which is used or contemplated for use in the transactions contemplated by this Official Statement or (3) questioning or affecting the creation, organization or existence of the Board and which would have an adverse effect on the actions taken by the Board with respect to the issuance of the Series 2025 Bonds.

The District experiences claims, litigation, and various legal proceedings which individually are not expected to have a material adverse effect on its operations or financial condition, but may, in the aggregate, have a material impact thereon. There is no litigation, claim or series of claims currently pending, or, to the best knowledge of the Board, threatened that would have a material adverse consequence on the financial condition of the District.

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DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the Board make full and fair disclosure of any Series 2025 Bonds or other debt obligations of such entity that have been in default as to payment of principal or interest at any time after December 31, 1975. The Board is not and has not since December 31, 1975, been in default as to payment of principal and interest on its Series 2025 Bonds or other debt obligations.

TAX EXEMPTION

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the District must continue to meet after the issuance of the Series 2025 Bonds in order that the interest on the Series 2025 Bonds be and remain excludable from gross income for federal income tax purposes. The District's failure to meet these requirements may cause the interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2025 Bonds. The District has covenanted in the Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2025 Bonds.

In the opinion of Bond Counsel, assuming the accuracy of certain representations and certifications of the District and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings and court decisions, (i) the interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes; (ii) interest on the Series 2025 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (iii) in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. Bond Counsel is further of the opinion that the Series 2025 Bonds and the interest thereon are not subject to taxation under the laws of the State, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors as to the status of interest on the Series 2025 Bonds under the tax laws of any state other than Florida.

The above opinion on federal tax matters with respect to the Series 2025 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2025 Bonds will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other consequences regarding the Series 2025 Bonds.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2025 Bonds, or the ownership or disposition of the Series 2025 Bonds. Prospective purchasers of Series 2025 Bonds should be aware that the ownership of Series 2025 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2025 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2025 Bonds, (iii) the inclusion of the interest on the Series 2025 Bonds in the earnings of certain foreign corporations doing

business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2025 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, (v) the inclusion of interest on the Series 2025 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Series 2025 Bonds generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates and (vii) receipt of certain investment income, including interest on the Series 2025 Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors as to the impact of these and any other tax consequences.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the IRS or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Original Issue Discount and Premium

Certain of the Series 2025 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (*i.e.*, for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2025 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond.

Certain of the Series 2025 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Owners of Discount and Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount or Premium Bonds and as to other federal tax consequences and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

Possibility of Future Changes in Tax Law

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above, including, without limitation, the excludability from gross income of interest on the Series 2025 Bonds, adversely affect the market price or marketability of the Series 2025 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would apply to the Series 2025 Bonds. If enacted into law, such legislative proposals could affect the market price or marketability of the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

Information Reporting and Backup Withholding

Interest paid on tax-exempt obligations such as the Series 2025 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2025 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2025 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2025 Bonds and proceeds from the sale of Series 2025 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2025 Bonds. This withholding generally applies if the owner of Series 2025 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2025 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

RATINGS

In the event any of the Series 2025 Bonds are insured, S&P Global Ratings, a business unit of Standard and Poor's Financial Services LLC ("S&P"), is expected to assign a rating of "AA" (stable outlook) to the insured Series 2025 Bonds with the understanding that upon delivery of the insured Series 2025 Bonds, the Policy will be issued by AG. Additionally, Moody's Ratings ("Moody's") has assigned an underlying rating of "Aa3" to the Series 2025 Bonds without regard to the Policy. The ratings and outlook reflect only the views of said rating agencies and an explanation of the ratings and outlook may be obtained only from said rating agencies. There is no assurance that such ratings or outlook will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings or outlook may have an adverse effect on the market price of the Series 2025 Bonds. In connection with the issuance of the Series 2025 Bonds, the District also initiated the rating process with

another rating agency, but prior to a formal rating committee meeting and prior to the assignment or receipt of any indicative, confidential or public rating, the District decided to proceed with only a Moody's underlying rating and an S&P insured rating, if applicable, for the Series 2025 Bonds. An explanation of the significance of the S&P insured rating and outlook can be received from the rating S&P Global Ratings, 55 Water Street, New York New York, (212) 438-2124. An explanation of the significance of the Moody's underlying rating can be received from Moody's Ratings, 7 World Trade Center, 250 Greenwich Street, 23rd Floor, New York, New York 10007, (212) 553-0501.

FINANCIAL ADVISOR

The Board has retained PFM Financial Advisors LLC, Orlando, Florida, as Financial Advisor in connection with the Board's financing plans and with respect to the authorization and issuance of the Series 2025 Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Financial Advisor did not participate in the underwriting of the Series 2025 Bonds.

FINANCIAL STATEMENTS

Excerpted pages from the Annual Comprehensive Financial Report of the District for the Fiscal Year ended June 30, 2024, included in this Official Statement as APPENDIX B, have been audited by MSL, P.A., certified public accountants, as stated in their report included in APPENDIX B. Such financial statements, including the auditor's report, have been included in this Official Statement as public documents and the consent of the District's auditors was not requested. The auditors have not performed any services related to, and therefore are not associated with, the preparation of this Official Statement.

The budgeted figures set forth in this Official Statement reflect the Board's final budget which was adopted on September 10, 2024. The Board may amend its final budget from time to time in accordance with applicable law.

UNDERWRITING

The Series 2025 Bonds are being purchased by Raymond James & Associates, Inc., acting on behalf of itself, BofA Securities, Inc. and Jefferies LLC (collectively, the "Underwriters") at a price of \$_____ (which represents the par amount of the Series 2025 Bonds, less an Underwriters' discount of \$_____ and plus/less an original issue premium/discount of \$_____). The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all of the Series 2025 Bonds if any Series 2025 Bonds are purchased. The Series 2025 Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2025 Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. Certain of the Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the District, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

BofA Securities, Inc., one of the Underwriters of the Series 2025 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2025 Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Series 2025 Bonds upon an event of default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Resolution and the Series 2025 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2025 Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

CONTINUING DISCLOSURE

Pursuant to the Disclosure Dissemination Agent Agreement, the District has agreed and undertaken for the benefit of Series 2025 Bondholders and in order to assist the Underwriters in complying with the continuing disclosure requirements of Rule 15c2-12 of the Securities Exchange Commission (the "Rule") to provide certain financial information and operating data relating to the District and the Series 2025 Bonds in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. Such undertaking shall only apply so long as the Series 2025 Bonds remain outstanding under the Trust Agreement. The Annual Report and audited financial statements and notices of material events will be filed annually with the Municipal Securities Rulemaking Board Municipal Securities Rulemaking Board via its Electronic Municipal Market Access ("EMMA") system. The specific nature of the information to be contained in the Annual Report and the notices of material events are described in "APPENDIX E - Form of Disclosure Dissemination Agent Agreement" attached hereto. The Disclosure Dissemination Agent Agreement shall be executed by the District and Digital Assurance Certification LLC, as Dissemination Agent thereunder, prior to the issuance of the Series 2025 Bonds.

With respect to the Series 2025 Bonds, no party other than the District is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the aforementioned Rule.

ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT

The references, excerpts and summaries of all documents, statutes and information concerning the District, the Board and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2025 Bonds, the security for the payment of the Series 2025 Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument.

The Appendices hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

FORWARD LOOKING STATEMENTS

This Official Statement contains certain "forward-looking statements" concerning the District's operations, performance and financial condition, including its future economic performance, plans and objectives and the likelihood of success in developing and expanding. These statements are based upon a number of assumptions and estimates which are subject to significant uncertainties, many of which are beyond the control of the District. The words "may," "would," "could," "will," "expect," "anticipate," "believe," "intend," "plan," "estimate" and similar expressions are meant to identify these forward-looking statements. Actual results may differ materially from those expressed or implied by these forward-looking statements.

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AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the Board. At the time of delivery of the Series 2025 Bonds, the undersigned will furnish a certificate to the effect that nothing has come to their attention which would lead them to believe that the Official Statement (other than the information herein related to DTC, the book-entry only system of registration, the Insurer and its Policy and the information contained under the caption "TAX EXEMPTION," as to all of which no opinion shall be expressed), as of its date and as of the date of delivery of the Series 2025 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

THE SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

By: _____
Chair

By: _____
Superintendent

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APPENDIX A

GENERAL INFORMATION RELATING TO SEMINOLE COUNTY, FLORIDA

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GENERAL INFORMATION REGARDING SEMINOLE COUNTY, FLORIDA

The following information concerning Seminole County, Florida (the "County") is included only for purposes of supplying general information regarding the area.

History, General Description and Location

The County was incorporated as the 50th county in the State on April 25, 1913, when the State legislature divided Orange County, and is located in the central part of Florida between Orlando to the south and Deland/Daytona Beach to the north. The County seat is the City of Sanford. The County was predominantly an agricultural area until the arrival in Orange County of the Martin Marietta Corporation Aerospace factory in the 1950's and Disney World in the 1970's, which significantly accelerated growth of industry and tourism that extended into the County.

The County consists of seven incorporated cities and five unincorporated communities and encompasses 344 square miles of land and waterways. The County's close proximity to Orlando makes it one of the fastest growing counties in Florida. The Greater Orlando Metropolitan District, which includes the County and the surrounding counties of Osceola, Lake, Orange, Volusia and Brevard, creates a viable, progressive and diverse setting for economic growth and residential development.

County Government

The jurisdictional and operational framework of the County is governed by the County Charter originally adopted in 1989 with subsequent amendments enacted in November 1994 and November 2006. The policymaking and legislative authority is conferred upon the Board of County Commissioners (the "County Board"), a five-member board elected for staggered terms of four years. The positions of Chairman and Vice Chairman are determined by intra-board election, specific to each election cycle. The County Board is responsible for levying and appropriating County taxes and overseeing all County expenditures, excluding those related to the school system, which are independently managed by The School Board of Seminole County (the "School Board"). The budget year of the County runs from October 1 to the following September 30. Operating revenues are primarily derived through the assessment and collection of ad valorem taxes on real and personal property, with supplementary appropriations from State and federal sources. These supplementary funds are allocated specifically for the maintenance and development of County infrastructure, including but not limited to, roadway systems, as well as welfare and healthcare programs. The County Board holds exclusive authority to oversee and manage the County's transportation infrastructure, including the establishment, construction, operation, maintenance, repair, security, and

preservation of County roadways and associated facilities. The County possesses statutory authority to issue bonds for lawful purposes as deemed appropriate. The County Board coordinates and is responsible for various types of elections in the County. Other elected officials serving county-wide are a five-member School Board, a Property Appraiser, a Tax Collector, a Supervisor of Elections, a Sheriff, and a Clerk of the Circuit Court who is also ex-officio Clerk of the County Board. The County Board appoints a County Administrator/Manager who serves at its pleasure.

Population

The County is one of the fastest growing areas within the State of Florida, with a 2020 U.S. Census population of 470,856, which represents an increase of 48,138 persons since the 2010 U.S. Census (422,718). Additionally, the County's population increased by 103% between the 1980 U.S. Census and the 2000 U.S. Census. The County's estimated 2024 population is 493,282.

The following table sets forth the population trends in the County and the State of Florida.

Seminole County and State of Florida Population Trends

Year	Seminole County		Florida	
	Population	% Change	Population	% Change
2020 (Census)	470,856	11.4%	21,538,187	14.6%
2010 (Census)	422,718	15.8	18,801,332	17.6
2000 (Census)	365,199	27.0	15,982,824	23.5
1990 (Census)	287,521	60.0	12,938,071	32.7
1980 (Census)	179,752	-	9,746,961	-

Source: Bureau of Economic and Business Research, University of Florida, Florida Population: Census Summary 2020; Census Summary 2010.

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County Debt

Seminole County, Florida Bonded Debt (As of September 30, 2024)

General Description	Outstanding Balance
Governmental Activities	
Special Obligation Bonds:	
Special Obligation Bonds, Series 2014	\$22,005,000
Special Obligation Revenue and Refunding Bonds, Series 2022	165,175,000
Total Special Obligation Bonds	<u>\$187,180,000</u>
Revenue Bonds:	
Sales Tax Revenue Refunding Bonds, Series 2005B	\$18,525,000
Sales Tax Revenue Refunding Bonds, Series 2015	19,080,000
Capital Improvement Revenue Bond, Series 2021	7,769,000
Total Revenue Bonds	<u>\$45,374,000</u>
Total Bonds - Governmental Activities	<u>\$232,554,000</u>
Business-type Activities	
Revenue Bonds:	
Water and Sewer Revenue Bonds, Series 2010A	\$820,000
Water and Sewer Revenue Refunding Bonds, Series 2015A	126,850,000
Water and Sewer Revenue Refunding Bonds, Series 2019	62,105,000
Total Bonds - Business-type Activities	<u><u>\$189,775,000</u></u>

Source: Seminole County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2024.

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Employment

Prior to 1967, the Orlando Metropolitan Statistical Area economy was based upon agricultural and citrus products, tourism, light manufacturing, and industries relating to the space program at Kennedy Space Center at Cape Canaveral. Construction of Walt Disney World, EPCOT, Sea World, Universal Studios, MGM Studios and other tourist attractions with increasing convention activity have played an important part in the local economy. This has resulted in a larger share of total employment being represented by the trade and service areas when compared with the national average.

Average Annual Private Employment Seminole County, Florida 2019-2023

Industry	2019	2020	2021	2022	2023
Agriculture, Forestry, Fishing & Hunting	224	240	215	229	222
Mining	17	13	0	0	0
Utilities	901	898	765	760	788
Construction	21,817	21,204	21,690	23,052	23,542
Manufacturing	7,526	7,361	7,622	7,896	7,672
Wholesale Trade	6,968	6,686	6,845	7,277	7,796
Retail Trade	28,159	26,465	27,013	26,942	26,595
Transportation and Warehousing	3,353	3,476	4,087	4,432	4,267
Information	5,403	5,288	5,544	5,703	5,277
Finance and Insurance	13,961	14,231	14,851	15,192	15,085
Real Estate and Rental and Leasing	3,847	3,890	4,164	4,327	4,244
Professional and Technical Services	16,936	16,853	18,239	19,037	19,862
Management of Companies and Enterprises	3,123	3,171	3,496	3,644	3,949
Administrative and Waste Services	17,798	17,317	18,522	19,030	19,523
Educational Services	3,298	3,077	3,276	3,509	4,167
Health Care and Social Assistance	22,232	21,198	21,900	23,050	24,189
Arts, Entertainment, and Recreation	2,328	1,894	2,048	2,294	2,428
Accommodation and Food Services	19,111	15,907	16,964	18,465	18,913
Other Services, Ex. Public Admin	7,139	6,567	6,742	7,052	7,047
Unclassified	141	218	98	291	364
TOTAL INDUSTRIES	184,282	175,954	184,081	192,182	195,930

Source: FloridaCommerce, Bureau of Workforce Statistics and Economic Research, Quarterly Census of Employment and Wages Program (QCEW).

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2024 Principal Employers in Seminole County

	Employer	Number of Employees
1.	Seminole County Public Schools	6,802
2.	AdventHealth	6,155
3.	Publix Supermarkets	3,451
4.	Orlando Health	3,366
5.	Walmart	2,400
6.	HCA Healthcare	1,685
7.	Seminole County Government	1,532
8.	Seminole County Sheriff	1,373
9.	Liberty Mutual Group	1,325
10.	Seminole State College of Florida	1,262
	Total County Employment	268,610

Source: Seminole County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2024.

The following table shows the labor force, employment, unemployment and unemployment rates from 2015-2024 for the County.

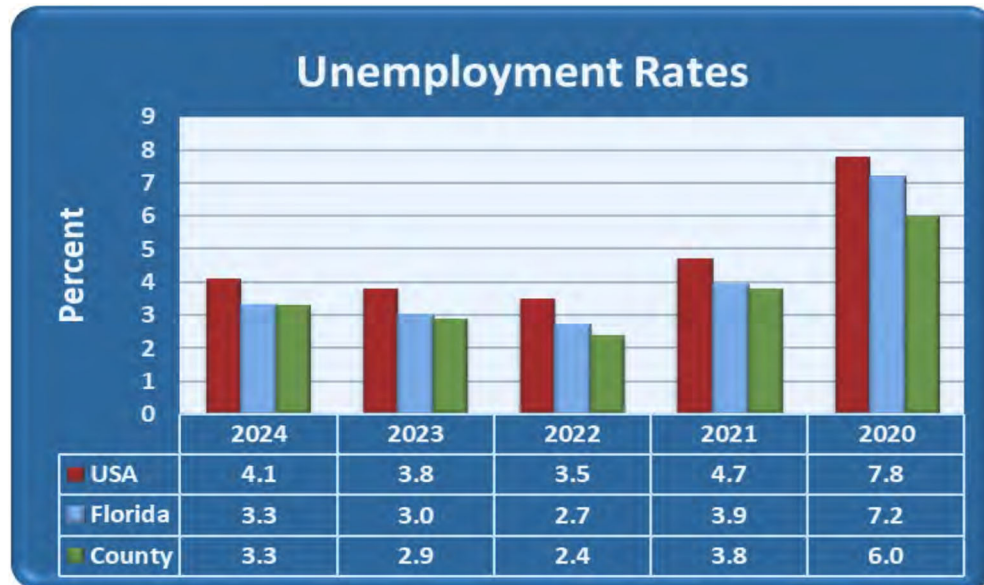
Civilian Labor Force Summary Seminole County, Florida 2015-2024

Year	Labor Force	Employment	Unemployment	Unemployment Rate
2015	237,549	225,741	11,808	5.0%
2016	246,898	236,464	10,434	4.2
2017	250,910	241,660	9,250	3.7
2018	254,186	246,014	8,172	3.2
2019	258,088	250,524	7,564	2.9
2020	241,658	223,854	17,804	7.4
2021	247,761	237,565	10,196	4.1
2022	264,326	257,127	7,199	2.7
2023	273,827	266,279	7,548	2.8
2024	277,507	269,034	8,473	3.1

Source: FloridaCommerce, Bureau of Workforce Statistics and Economic Research, Local Area Unemployment Statistics (LAUS).

Income and Labor Force

As of September 30, 2024, the County's unemployment rate was 3.3%. The County's unemployment rate aligns with the State unemployment rate of 3.3% and remains lower than the national rate of 4.1%. Further, the County's unemployment rate continues to remain one of the lowest in the region. The chart below compares unemployment rates in the County, State, and nation-wide within the last five years.



Source: Seminole County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2024.

Building Permit Activity Seminole County, Florida 2019-2023

Calendar Year	Number of Units	
	Single Family	Multi-Family
2019	1,168	1,277
2020	1,459	685
2021	1,249	1,427
2022	1,004	1,861
2023	795	860

Source: U.S. Census Bureau, Building Permit Activity.

**Per Capita Personal Income
2015-2024**

Year	Seminole County			State of Florida		United States
	Dollars	% of Florida	% of U.S.	Dollars	% of US	Dollars
2015	\$43,670	97.1%	90.9%	\$44,957	93.6%	\$48,038
2016	44,236	96.7	90.4	45,730	93.4	48,944
2017	46,955	96.9	92.1	48,447	95.0	50,978
2018	49,305	96.6	92.5	51,015	95.7	53,310
2019	50,477	94.1	90.9	53,666	96.6	55,560
2020	52,754	93.3	89.2	56,539	95.6	59,125
2021	57,812	92.9	89.7	62,238	96.6	64,419
2022	59,385	92.5	89.9	64,171	97.1	66,061
2023	62,804	92.6	90.5	67,821	97.7	69,415
2024	N/A	N/A	N/A	70,390	97.1	72,479

N/A = Not Available

Source: U.S. Bureau of Economic Analysis, Per Capital Personal Income, retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org>.

**Seminole County, Florida
Principal Taxpayers
September 30, 2024 and Nine Years Prior
(amounts expressed in thousands)**

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Florida	\$448,479	1	0.91%	\$269,697	1	1.05%
Florida Power and Light Co	302,815	2	0.61	120,086	3	0.47
United Dominion Realty TR Inc.	162,526	3	0.33	72,253	5	0.28
LIPT Lake Howell Apartments LLC	108,823	4	0.22	-	-	-
F7 CCO LLC	108,478	5	0.22	-	-	-
Heathrow Portfolio Properties LLC	106,595	6	0.22	-	-	-
Primera Towers	102,784	7	0.21	-	-	-
MAA Alloy LLC	97,198	8	0.20	-	-	-
Lotus Landing FL Partners LLC	97,071	9	0.20	-	-	-
Wal-Mart Stores East LP	96,705	10	0.20	69,009	6	0.27
DRA/CLP	-	-	-	194,194	2	0.76
Altamonte Mall A Jt Venture	-	-	-	99,422	4	0.39
Bright House Networks LLC	-	-	-	68,506	7	0.27
Seminole Town Center LP	-	-	-	67,603	8	0.26
Bell South Telecommunications	-	-	-	57,838	9	0.23
Sun Lake Multifamily Holdings	-	-	-	54,398	10	0.21
TOTAL	<u>\$ 1,631,474</u>		<u>3.32%</u>	<u>\$ 1,073,006</u>		<u>4.19%</u>
Total Taxable Valuation (thousands)	<u>\$49,546,909</u>			<u>\$25,604,515</u>		

Source: Seminole County, Florida Annual Comprehensive Financial Report for the Fiscal Year ended September 30, 2024.

Higher Education

The University of Central Florida ("UCF"), located in Orange County, offers more than 245 degree programs in 13 colleges. UCF is recognized as a leadership institution in academics, partnerships, and research across various disciplines, including optics and lasers, modeling and simulation, engineering and computer science, business, public administration, education, hospitality management, healthcare, and video game design. It has been honored as one of the top national universities by *Washington Monthly*.

Rollins College, founded in 1885 and located in Winter Park, provides four-year liberal arts degrees as well as graduate programs in finance, business administration, and liberal arts.

The area is also served by Seminole State College of Florida ("Seminole State"), a comprehensive educational institution offering bachelor's degrees, two-year college credit programs, specialized career certificates, continuing professional development and adult education. With six campuses spread across the County and an enrollment of approximately 30,000 students, Seminole State has a longstanding history of adapting to community needs and providing high-quality educational offerings.

Valencia College, the second largest public community college in Florida and the seventh largest in the nation, was named the best community college in the country as the inaugural winner of the Aspen Price for Community College Excellence.

Cultural, Religious and Recreational Amenities

There are a variety of churches and synagogues serving the residents of the County offering worship services of the major denominations and many smaller denominations.

The County offers a diverse selection of recreational and leisure activities. The County is situated approximately twenty-three miles from the principal attractions of Central Florida, including the renowned Disney World and various other prominent theme parks. The County oversees approximately 43 parks, comprised of community spaces, neighborhood parks, natural preserves, specialized facilities, and boat ramps. Additionally, there are 14 trailhead locations that serve as access points to the regional trail network. The Central Florida Zoo and Botanical Gardens, located in Sanford and occupying a total area of 116 acres, stands as a prominent leader in conservation efforts and serves as the residence for more than four hundred animals representing over one hundred species. Furthermore, all municipalities within the County maintain their own systems of parks and public civic centers, supporting a wide range of recreational opportunities for residents and visitors alike.

The area has access to theatrical, musical and other cultural events in the greater Orlando metropolitan area. Additionally, the County operates a County-wide public library

system and library services are also offered by the Altamonte Springs Community Library in South Seminole County.

Transportation

Interstate Highway 4 provides the main north/south interstate link through the County which connects to northbound Interstate 95 in adjoining Volusia County, and is a direct route to the downtown Orlando area and Orange County to the south. State Highway 417, U.S. Highway 441 and Highways 17 and 92, all running from north to south through the County, also provide important transportation links to other areas of Florida. State Highway 46 provides an east-to-west link between the City of Sanford and the east coast of Florida, and connects to Highway 441.

Air service throughout the United States and to various European destinations is provided through Orlando International Airport and Orlando Sanford International Airport. Additional private air service and executive air travel is provided through Orlando Executive Airport in Orlando.

Bus service is provided within the regional metro area by the Central Florida Regional Transportation Authority, which connects Sanford and all other developed areas of south Seminole County with the City of Orlando. Greyhound Bus Lines also provides regularly scheduled service between Sanford and other destinations in Florida and the United States. Rail service is provided by CSX Transportation, Inc., for freight delivery, and by Amtrak, which maintains a passenger depot within the City of Sanford. SunRail, a commuter rail transit system, operates over 61 miles with 17 stations through Volusia, Seminole, Orange and Osceola Counties. SunRail is experiencing continued ridership growth with a monthly average of approximately 115,000 passengers.

Shopping and Medical Facilities

There are several prominent shopping centers within the County, most notably, Altamonte Mall, which is among the largest shopping destinations in Florida and features approximately 137 retail stores and dining establishments, as well as a Barnes & Noble bookstore and an 18-screen cinema.

Medical facilities are provided by Florida Hospital/Altamonte, which is part of the Adventist Health System and is affiliated with Florida Hospital, located in Orlando, the Orlando Health South Seminole Hospital, located in Longwood and HCA Florida Lake Monroe Hospital, located in Sanford. Additional hospital facilities are also available within the Orlando metropolitan area. The County Health Department offers free medical services to indigents and to the public in the County.

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APPENDIX B

**EXCERPTED PAGES FROM THE ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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District School Board of Seminole County, Florida

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024



FINANCIAL



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Seminole County, Florida (the "District") as of and for the year ended June 30, 2024, 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 report of the other auditors, the 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, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, 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 transactions and account balances of the aggregate discretely presented component units columns. 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 discretely presented component units, is based solely on the reports of the other auditors.

Basis for Opinions

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. 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, Other Postemployment Benefit Schedules, and Pension Schedules, as listed in the table of contents, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 as a whole. The accompanying combining and individual major and non-major fund financial statements and schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the 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 auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual nonmajor fund financial statements 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 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.

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

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 20, 2024

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

Management's Discussion and Analysis

As management of the District School Board of Seminole County, Florida (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024. The information contained in Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights fiscal year 2023-24 are as follows:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2024, by \$630,449,341 (net position). Of this amount, \$222,369,810 represents a deficit unrestricted net position. This is the eleventh consecutive year the District reported a deficit unrestricted net position, which is attributable to the implementation of Government Accounting Standards Board (GASB) standards for liabilities recognized for pensions and other postemployment benefits. See Note I.F.11., Note II.E., and Note II.F. to the financial statements for more information.
- The District's total net position decreased during the current fiscal year by \$20,571,789, or 3.1 percent.
- General revenues totaled \$684,127,188, or 80.5 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions totaled \$165,326,175, or 19.5 percent of all revenues.
- At June 30, 2024, the fund balance for the General Fund totaled \$106,789,459. The amount represents a \$7,101,512 increase during the current fiscal year. At June 30, 2024, the unassigned fund balance for the General Fund totaled \$74,545,762, representing a \$5,144,750 increase during the current fiscal year. The total of the General Fund assigned and unassigned fund balances were \$95,915,962, or approximately 16.2 percent of General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities, which are designed to provide consolidated financial information about the governmental activities of the District presented on the accrual basis of accounting.

The statement of net position provides information about the District's financial position, its assets, liabilities, deferred inflows of resources, and deferred outflows of resources using an economic resources measurement focus. Assets plus deferred outflows of resources, less liabilities and deferred inflows of

resources, equals net position, which is a measure of the District's financial health. The statement of activities presents information about the change in the District's net position and the results of operations for the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

The government-wide statements present the District's activities in the following categories:

- Governmental activities – This represents most of the District's services, including its educational programs: basic, vocational, and exceptional education. Support functions, such as transportation, food service, and administration, are also included. Local property taxes and the State's education finance program provide most of the resources that support those activities.
- Component units – The District presents seven separate legal entities in this report. The District's six charter schools (Choices in Learning, Inc., Florida High School for Accelerated Learning – Seminole, Inc., Galileo School for Gifted Learning, Galileo School for Gifted Learning-Skyway Campus, UCP Seminole Charter School, and Seminole Science Charter School), and The Foundation for Seminole County Public Schools, Inc., are legally separate organizations and component units that are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government. The Seminole School Board Leasing Corporation, Inc. (Leasing Corporation), although also a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation is included as an integral part of the primary government.

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the District's financial activities, focusing on its most significant or "major" funds rather than fund types. This contrasts with the entity-wide perspective contained in the government-wide statements. All of the District's funds may be classified within one of the broad categories discussed below.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, comparing the information presented for governmental funds with similar information presented in the government-wide financial statements may enhance readers' understanding of the long-term impact of the government's near-term financing decisions. Reconciliations between the government-wide financial statements and the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances are provided to facilitate this comparison.

The governmental funds balance sheet and the statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Debt Service - Certificates of Participation Fund, Capital Projects - Other

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

Capital Improvement Funds, Capital Projects - §1011.71(2) Local Capital Improvement Tax Fund, and Special Revenue – Federal Education Stabilization Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each nonmajor governmental fund is provided in the form of combining statements in this report immediately following the notes to the financial statements and the required supplementary information.

The District annually adopts a budget for its governmental funds. Budgetary comparison schedules are provided for the General Fund and the Special Revenue – Federal Education Stabilization Fund to demonstrate compliance with the budget at the functional level. Budgetary comparison schedules for all the remaining funds immediately follow the notes to the financial statements and the required supplementary information.

Proprietary Funds

Proprietary funds may be established to account for activities in which a fee is charged for services. Internal service funds are proprietary funds used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses internal service funds to account for its self-insurance programs, print shop, and internal leasing program. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within the governmental activities in the government-wide financial statements. Individual fund data for each of these internal service funds is provided in the form of combining statements in this report, immediately following the notes to the financial statements and the required supplementary information.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The District's internal service funds are combined into a single, aggregated column in the proprietary fund financial statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's net pension liability and its funding progress for other postemployment benefits.

Combining and Individual Fund Statements and Schedules

The combining statements and additional budgetary comparison schedules referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the Required Supplementary Information Other than MD&A.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position over time may serve as a useful indicator of a government's financial condition. The following is a summary of the District's net position as of June 30, 2024, compared to net position as of June 30, 2023:

District School Board of Seminole County, Florida's Net Position

As of June 30, 2023 and 2024

(amounts expressed in thousands)

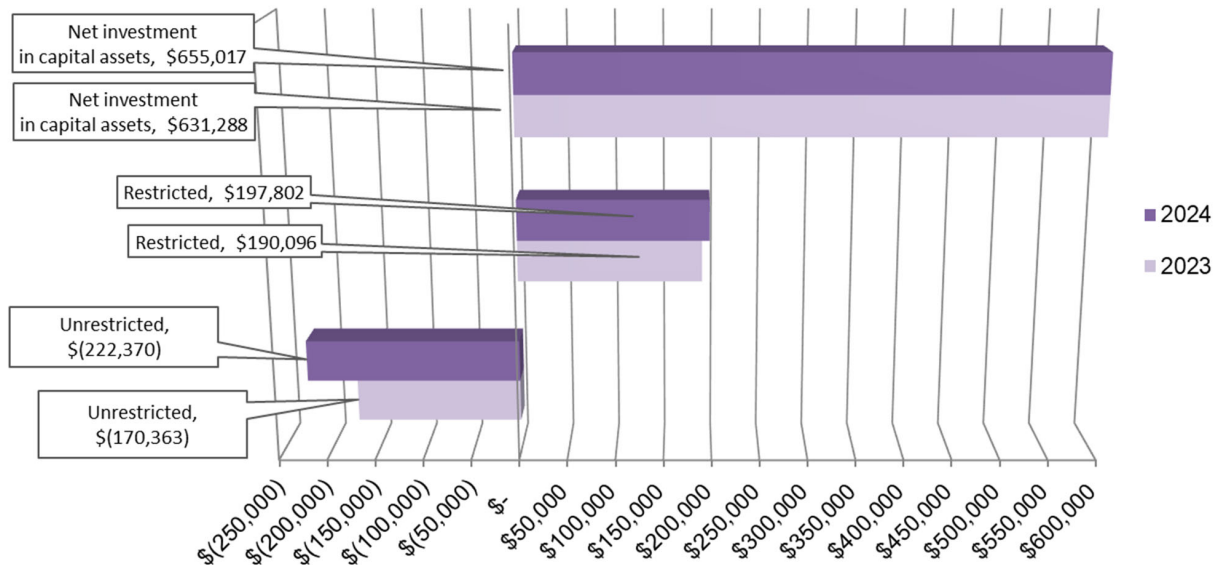
	Governmental Activities	
	2023	2024
Current and other assets	\$ 410,217	\$ 427,363
Capital assets	718,579	725,153
Total assets	<u>1,128,796</u>	<u>1,152,516</u>
Deferred outflows of resources	<u>127,502</u>	<u>114,247</u>
Current and other liabilities	54,782	55,521
Long-term liabilities	498,705	521,145
Total liabilities	<u>553,487</u>	<u>576,666</u>
Deferred inflows of resources	<u>51,790</u>	<u>59,648</u>
Net position:		
Net investment in capital assets	631,288	655,017
Restricted	190,096	197,802
Unrestricted (deficit)	(170,363)	(222,370)
Total net position	<u>\$ 651,021</u>	<u>\$ 630,449</u>

The largest portion of the District's net position, \$655,016,517, is net investment in capital assets (e.g., land; construction in progress; buildings and fixed equipment; improvements other than buildings; furniture, fixtures, and equipment; motor vehicles; audio-visual materials; and computer software), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the net investment in capital assets is reported net of related debt, the resources used to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

The restricted portion of the District's net position, \$197,802,634, represents resources that are subject to external restrictions on how they may be used. The unrestricted net position, a deficit amount of \$222,369,810, was partly the result of accruals for total other postemployment benefits (OPEB) liability, and net pension liability.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

District School Board of Seminole County, Florida's Net Position
June 30, 2022, and 2023
(amounts in thousands)



Other significant changes in the government-wide balance sheet include an increase in long-term liabilities and a decrease in deferred outflows of resources. Both of these changes are primarily the result of the District recognizing its proportionate share of the Florida Retirement System's net pension liability and deferred inflows of resources.

Overall, the current period results of operations decreased the District's net position versus the prior fiscal year by \$20,571,789.

Management's Discussion and Analysis

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2023 and 2024, are as follows:

District School Board of Seminole County, Florida's Changes in Net Position

For the Fiscal Years Ended June 30, 2023, and 2024

(amounts expressed in thousands)

	Governmental Activities	
	2023	2024
Revenues:		
Program revenues:		
Charges for services	\$ 32,216	\$ 34,148
Operating grants & contributions	126,007	115,991
Capital grants & contributions	17,624	15,187
General revenues:		
Property taxes	261,897	284,410
Other taxes	25,915	27,297
Other unrestricted sources	338,536	356,963
Unrestricted investment earnings	7,704	15,457
Total revenues	<u>809,899</u>	<u>849,453</u>
Expenses:		
Instruction	430,100	474,189
Student personnel services	35,011	41,205
Instructional media services	2,834	3,183
Instruction and curriculum development services	13,619	15,902
Instructional staff training services	14,623	17,665
Instructional-related technology	6,510	6,438
School board	1,758	2,124
General administration	7,028	7,005
School administration	42,194	50,664
Facilities services - non-capitalized	24,943	22,009
Fiscal services	2,953	3,987
Food services	41,991	46,001
Central services	6,985	8,196
Student transportation services	31,472	36,794
Operation of plant	60,274	61,414
Maintenance of plant	25,492	40,726
Administrative technology services	8,038	9,300
Community services	18,549	21,079
Interest on long-term debt	3,064	2,144
Total expenses	<u>777,438</u>	<u>870,025</u>
Change in net position	<u>32,461</u>	<u>(20,572)</u>
Net position, beginning, as previously reported	618,244	651,021
Adjustments to beginning net position (*)	316	-
Net position, beginning, restated	<u>618,560</u>	<u>651,021</u>
Net position, ending	<u>\$ 651,021</u>	<u>\$ 630,449</u>

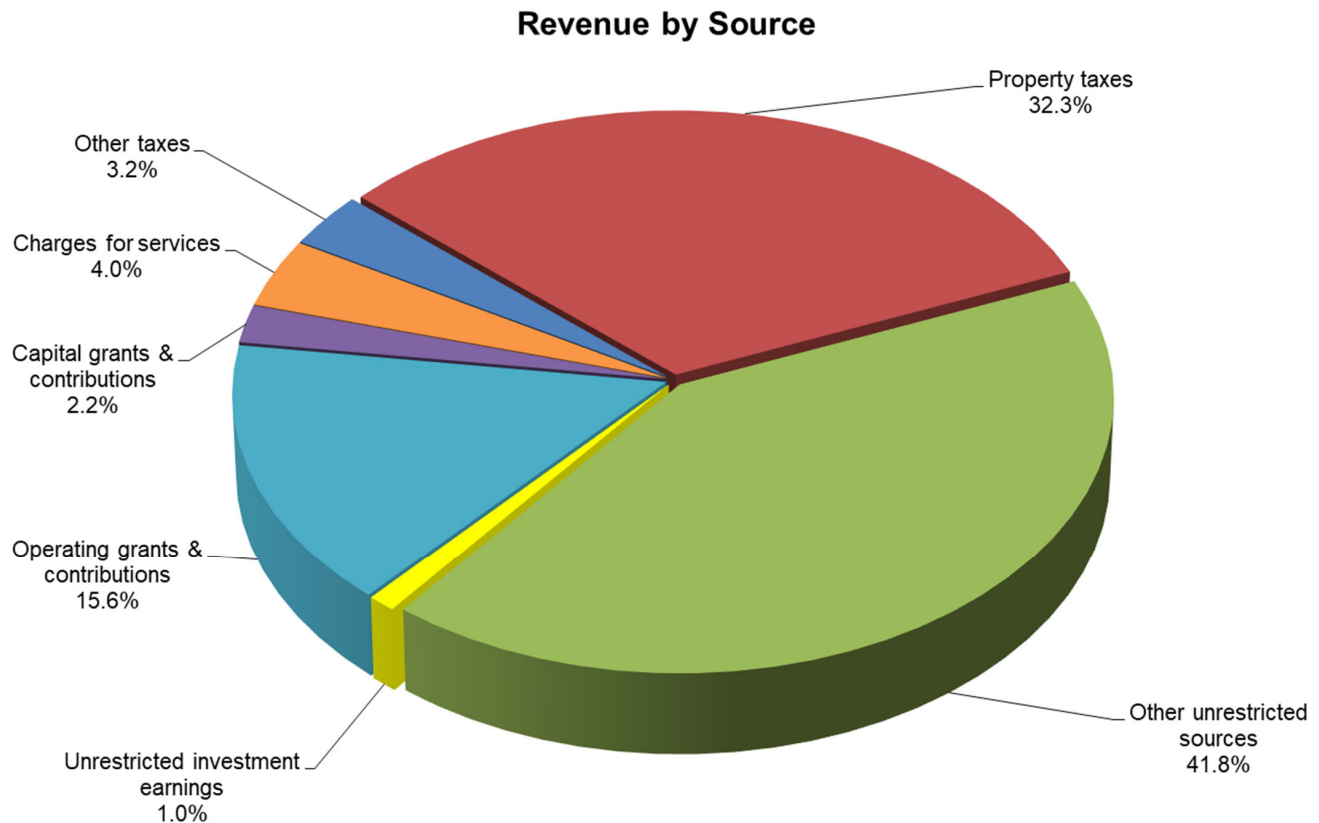
(*) Beginning net position for fiscal year ending June 30, 2023, was restated to reflect the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. (See note II.)

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

The largest revenue source for the District is from the State of Florida, Florida Education Finance Program (FEFP), which is presented as part of other unrestricted sources in the chart below. FEFP revenue is based on a formula that utilizes student enrollment data and is designed to maintain equity in funding across all Florida school districts, taking into consideration the District's funding ability based on the local property tax base. FEFP revenue increased by \$19,501,801 due to an increase in total state allocated funds of approximately \$42 million, offset by an increase in holdbacks for certain scholarship programs of approximately \$22 million.

Property tax revenues increased by a net \$22,513,171, or 8.6 percent versus the prior fiscal year, despite a decrease in total millage rate of 0.082 mills, or 1.5 percent. The increase in property tax revenues was driven by increases in the assessed taxable property values.

The District also receives one-quarter of a Seminole County voter-approved one-cent infrastructure surtax authorized under Section 212.055(2), Florida Statutes. The District receives their allocation of surtax revenues through an interlocal agreement on taxable sales generated in Seminole County from January 1, 2015, to December 31, 2024. For the current year, sales tax revenues totaled \$27,297,311.

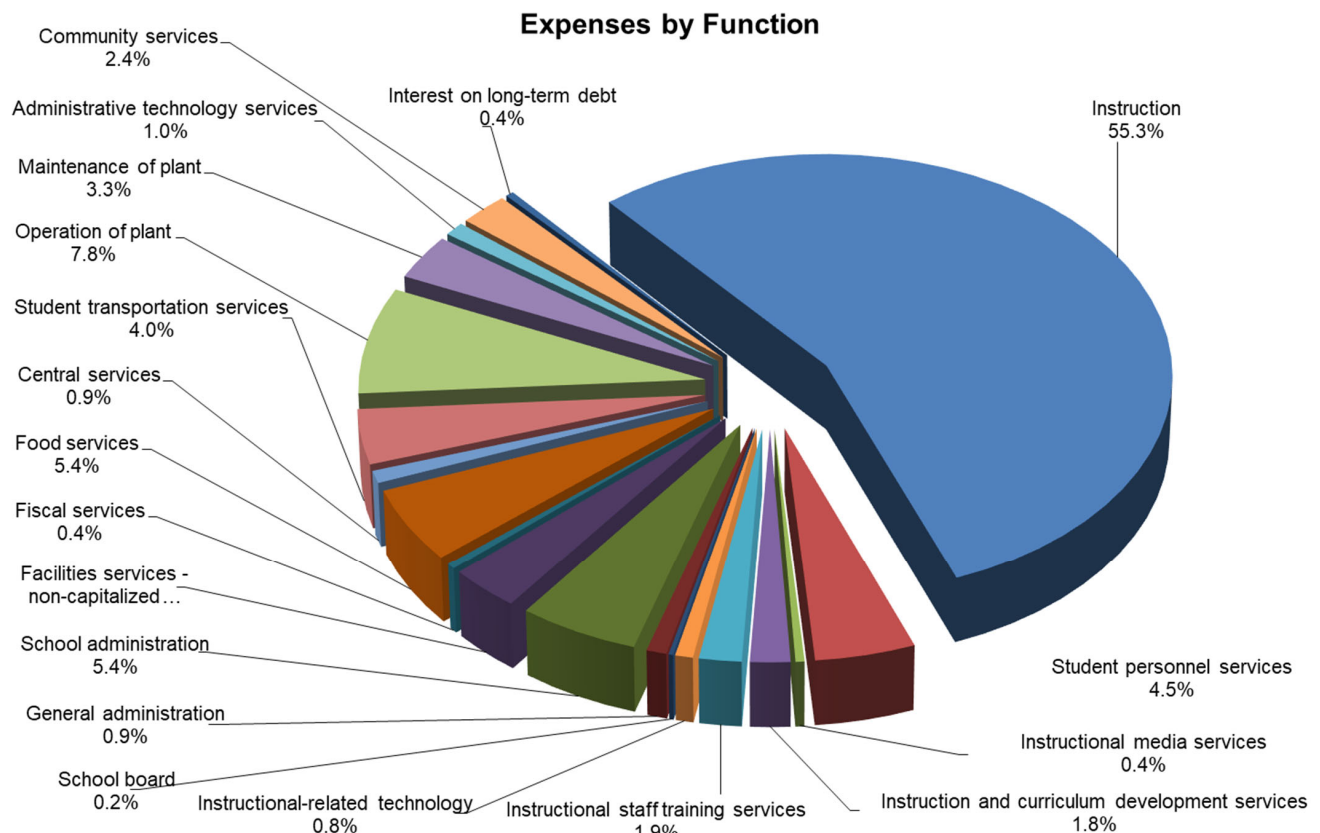


Management's Discussion and Analysis

Total expenses were \$870,025,152, which was an increase of \$92,587,342 from the prior year. This increase was primarily the result of the following:

- \$65,464,157 increase in pension expense, which is allocated to the various functions based on salaries.
- \$24,580,663 increase in salary and benefit expenses in the general fund due to raises, an increased number of filled positions, and increased employer FRS contributions.

Despite these changes in overall expenses, the proportion of expenses by function for each category remained comparable to the prior year.



DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental 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. Specifically, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance that has not been limited to a particular purpose by an external party or by the District.

The total fund balances of governmental funds increased during the current fiscal year by \$16,270,315, or 5.7 percent from the previous fiscal year. Of this amount, the General Fund increased by \$7,101,512, or 7.1 percent, the Debt Service - Certificates of Participation Fund decreased by \$570,674, or by 91.6 percent, the Capital Projects - Other Capital Improvement Funds decreased by \$1,835,961, or 2.0 percent, and the Capital Projects – §1011.71(2) Local Capital Improvement Tax Fund increased by \$11,658,883, or 19.6 percent. The remaining decrease of \$83,445, or 0.2 percent, was a result of changes in the nonmajor funds.

The total governmental fund balance at June 30, 2024, was \$302,305,732, of which \$74,545,762, or 24.7 percent is unassigned and available for spending at the District's discretion. The remainder of the fund balance is nonspendable, restricted, or assigned to indicate that it is: 1) not in spendable form (\$4,111,971), 2) restricted for particular purposes (\$202,277,799), or 3) assigned for particular purposes (\$21,370,200).

Major Governmental Funds

The General Fund is the District's operating fund. At the end of the current fiscal year, unassigned fund balance was \$74,545,762, and the total fund balance was \$106,789,459. As a measure of the General Fund's liquidity, it may be useful to compare the total assigned and unassigned fund balances to General Fund total expenditures. The total assigned and unassigned General Fund balance is approximately 16.2 percent of the total General Fund expenditures, while total General Fund balance represents approximately 18.0 percent of total General Fund expenditures.

The total General Fund fund balance increased \$7,101,512 during the current fiscal year. The primary factors impacting the change in fund balance are described below:

Total revenues increased by \$34,682,790, or 6.5 percent for fiscal year 2024. Florida Education Finance Program (FEFP) revenue increased by \$19,501,801 due to an increase in total state allocated funds of approximately \$42 million, offset by an increase in holdbacks for certain scholarship programs of approximately \$22 million; the FEFP is accounted for entirely in the General Fund. In addition, property tax revenue increased by \$15,139,933 due to increases in assessed property values. Investment income increased \$2,489,278 due to higher interest rates. The remaining change comprises relatively small decreases in various categories across function.

Total expenditures increased by \$30,775,457, or 5.5 percent, due primarily to an increase in salaries and benefits expenses of \$24,580,663.

The Debt Service - Certificates of Participation Fund had a fund balance total of \$52,192 at June 30, 2024. The fund balance decreased in the current fiscal by \$570,674 primarily due to a difference between the principal and interest payments made during the year and transfers in from other funds. These funds are restricted for future debt service payments.

The Capital Projects - Other Capital Improvement Funds includes the following sources: Sales Tax Revenue 3rd Generation, County Impact Fee Revenues, Miscellaneous State Revenue, Local Capital Improvement activities and proceeds of the issuance of certificates of participation. The Capital Projects - Other Capital Improvement Funds reported a total fund balance of \$89,326,929 at June 30, 2024, a

decrease of \$1,835,961, or 2.0 percent from the prior year. These funds are restricted for the acquisition, construction, and maintenance of capital assets. This fund experienced an increase in revenues of \$529,219, and an increase in expenditures and other financing activity of \$2,539,984.

The Capital Projects – §1011.71(2) Local Capital Improvement Tax Fund primarily accounts for the portion of ad valorem tax revenue from the capital outlay millage. The Capital Projects – §1011.71(2) Local Capital Improvement Tax Fund reported a total fund balance of \$71,000,843 at June 30, 2024, an increase of \$11,658,883, or 19.6 percent from the prior year. Ad valorem revenue in this fund increased \$7,373,238 due to an increase in the assessed value of property, and investment income increased \$2,196,312 due to higher interest rates. Expenditures and net transfers increased by \$29,475,733.

The Special Revenue – Federal Education Stabilization Fund is used to account for Federal funding CARES and the Elementary and Secondary School Emergency Relief Funds provided to assist the District in covering additional instructional and operational costs incurred due to the COVID-19 pandemic; which is typically funded on a cost-reimbursement basis. The fund had total revenues of \$41,309,007 during the fiscal year. Because revenues are not recognized until expenditures are incurred, this fund generally does not accumulate a fund balance. The due from other governments balance of \$4,893,282 at June 30, 2024, represents amounts due from other agencies for outstanding reimbursements due for expenditures incurred during the fiscal year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget Compared to Final Budget

During the 2023-24 fiscal year, the District amended its General Fund budget several times to account for budget increases/decreases in revenue, primarily due to changes in estimated State funding levels. Because of their unpredictable nature, other revenue budget adjustments are made throughout the year when the new revenues are received. Final budgeted revenues in the General Fund were more than original budgeted amount by \$17,915,749, or 3.3 percent. Final appropriations in the General Fund were more than the original budgeted amounts by \$6,694,718 or 1.0 percent.

Final Budget Compared to Actual Results

Actual revenues were below budgeted revenues by \$168,955.

Actual expenditures are less than final budgeted amounts by approximately \$54.6 million, or 8.5 percent. The primary cause for unspent appropriations is related to schools and other programs carrying forward unspent appropriations that will be used in subsequent years. This accounts for approximately \$29.8 million (\$8.5 million for State required carryover programs, \$18.6 million for other carryover programs, and \$2.8 million in purchase order obligations at year-end). The balance of approximately \$26.0 million is largely due to savings in operations versus budgeted amounts, most notably in salaries and benefits due to vacant positions, and materials and supplies.

The General Fund's actual ending fund balance of \$106,789,459 exceeded the final amended budgeted fund balance by approximately \$39.9 million. The increase in fund balance is primarily attributable to lower than budgeted expenditures, as explained above.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District's capital assets for governmental activities as of June 30, 2024, totaled \$725,153,259 (net of accumulated depreciation and amortization). The capital assets include land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; and computer software. The District's capital assets (net of accumulated depreciation and amortization) for the current fiscal year increased by \$6,574,674, or 0.9 percent. The change is primarily attributable to a net increase in construction in progress of \$33.8 million, offset by a net decrease in buildings and fixed equipment of \$28.4 million.

Major projects in process at the end of the current fiscal year that are included as additions to construction in progress: Lake Howell High School Renovation (\$17,790,220), Lawton Elementary Renovation (\$18,355,042), Lake Brantley Cooling Towers (\$1,249,090) and Winter Springs High School Central Energy Plant (\$4,821,422).

The following is a summary of the District's capital assets as of June 30, 2023 and 2024:

District School Board of Seminole County, Florida's Capital Assets
(net of accumulated depreciation and amortization)
As of June 30, 2023 and 2024

	Governmental Activities	
	2023	2024
Land	\$ 51,408,652	\$ 51,408,652
Construction in progress	12,334,918	46,145,904
Buildings and fixed equipment	600,508,343	572,070,194
Improvements other than buildings	33,111,743	30,727,753
Furniture, fixtures, and equipment	9,412,945	6,173,141
Motor vehicles	9,947,290	17,156,027
Property under Leases & SBITAs	1,568,255	1,268,382
Computer software	286,439	203,206
Total capital assets	<u>\$ 718,578,585</u>	<u>\$ 725,153,259</u>

Additional information on the District's capital assets can be found in Notes I.F.4., and II.D. to the financial statements.

Debt Administration

The following is a summary of the District's long-term debt outstanding as of June 30, 2023 and 2024:

**District School Board of Seminole County, Florida's
Long-Term Debt Outstanding**
As of June 30, 2023 and 2024

	Governmental Activities	
	2023	2024
Bonded debt:		
Certificates of participation		
Direct borrowings and direct placements	\$ 34,975,000	\$ 31,115,000
Other	42,005,000	28,860,000
Unamortized premiums	6,775,916	5,985,000
Certificates of participation, net	<u>83,755,916</u>	<u>65,960,000</u>
State school (SBE) bonds	2,818,000	2,256,000
Unamortized premiums	302,296	226,193
State school (SBE) bonds, net	<u>3,120,296</u>	<u>2,482,193</u>
Total bonded debt	<u>\$ 86,876,212</u>	<u>\$ 68,442,193</u>

At June 30, 2024, the District has long-term bonded debt outstanding of \$68,442,193, net of premiums and discounts. During the current fiscal year, principal debt payments, excluding refundings, interest payments, amortization of premiums, or discounts, totaled \$17,567,000.

SBE Capital Outlay bonds are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. Proceeds are to be used to refund outstanding SBE Bonds.

In September 2016, the District received ratings on its Certificates of Participation of Aa3 and AA- from Moody's Investor Services and Fitch ratings, respectively, and Fitch affirmed the District's AA- rating on August 6, 2020. Although the District has no outstanding general obligation bonds, the District's general obligation underlying rating was confirmed as Aa2 from Moody's Investor Services.

Additional information on the District's outstanding debt can be found in Notes I.F.8., and II.I. to the financial statements.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

OTHER SIGNIFICANT MATTERS

In developing the 2024-25 fiscal year budget, the District considered many factors, including the following:

- Funding under the FEFP is projected to increase by \$37.8 million to \$630.8 million as compared to the 2023-24 Fourth FEFP Calculation. The net increase in FEFP is attributable to increases in base student funding, Safe Schools, Mental Health, Transportation, the ESE Guaranteed Allocation, and the State-Funded Discretionary Supplement.
- FTE student count is estimated to increase by 2,499.22 (72,207.45 minus 69,708.23), or 3.59%, when compared to the prior school year. The scholarship programs are expected to see most of the increase for the 2024-25 school year, along with a small increase in the charter schools. Traditional schools are expected to see a decline of 240.14 FTE.
- This is the final year of a ten-year Seminole County Infrastructure Sales Tax that started on January 1, 2015. For the 2024-25 school year, Infrastructure Sales Tax revenues are projected to generate \$13.3 million. In the 2024 general election, voters chose to renew the Infrastructure Sales Tax for another 10 years.
- Federal Education Stabilization Fund grants are all expiring early in fiscal year 2025 with no expectation of further funding.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Chief Financial Officer, Seminole County Public Schools, 400 East Lake Mary Boulevard, Sanford, Florida 32773-7127.

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FINANCIAL

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Net Position
June 30, 2024

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Component Units</u>
Assets		
Cash	\$ 42,651,542	\$ 10,436,517
Investments	359,387,575	4,388,279
Accounts receivable	1,541,902	239,968
Due from other governments	18,045,645	1,174,865
Due from primary government	-	156,271
Due from insurer	1,497,376	-
Deposits Receivable	-	12,460
Inventories	4,018,809	-
Prepaid items	220,329	1,369,429
Capital assets:		
Nondepreciable	97,554,556	3,229,179
Depreciable, net	627,598,703	47,807,936
Total assets	<u>1,152,516,437</u>	<u>68,814,904</u>
Deferred outflows of resources		
Deferred outflows related to OPEB	2,436,063	-
Deferred outflows related to pensions	110,466,382	614,750
Deferred charges on refunding	1,344,113	500,181
Total deferred outflows of resources	<u>114,246,558</u>	<u>1,114,931</u>
Liabilities		
Salaries and wages payable	4,317,678	1,179,897
Accrued benefits payable	1,920,374	-
Accounts payable	17,882,757	1,053,916
Retainage payable	1,604,265	-
Due to other governments	9,609,404	-
Due to component unit	164,207	-
Accrued interest payable	49,265	28,202
Matured debt payable	17,006,510	-
Matured interest payable	1,276,186	-
Unearned revenues	1,690,452	-
Noncurrent liabilities:		
Due within one year:		
Notes payable, net	-	269,923
Obligations Under SBITAs	445,638	-
Certificates of participation payable, net	7,638,750	-
Bonds payable, net	631,417	440,000
Leases, net	-	115,175
Compensated absences payable	2,142,093	-
Estimated insurance claims payable	8,676,210	-
Other postemployment benefits liability	269,277	-
Due in more than one year:		
Notes payable, net	-	7,692,900
Obligations Under SBITAs	684,178	-
Certificates of participation payable, net	58,321,250	-
Bonds payable, net	1,850,776	31,978,135
Leases, net	-	14,375,491
Compensated absences payable	15,284,180	-
Estimated insurance claims payable	5,816,081	-
Other postemployment benefits liability	8,411,110	-
Net pension liability	410,973,579	2,025,095
Total liabilities	<u>576,665,637</u>	<u>59,158,734</u>
Deferred inflows of resources		
Deferred inflows related to OPEB	25,053,542	-
Deferred inflows related to pensions	34,289,894	202,386
Deferred gains on refunding	304,581	-
Total deferred inflows of resources	<u>59,648,017</u>	<u>202,386</u>
Net position		
Net investment in capital assets	655,016,517	(3,348,195)
Restricted for:		
Capital projects	166,180,287	-
Debt service	56,122	1,893,990
Food service	14,210,983	-
School internal accounts	8,904,846	-
State required carryover programs	8,450,396	-
Other purposes	-	3,022,567
Non-expendable permanent endowment	-	2,015,560
Unrestricted (deficit)	<u>(222,369,810)</u>	<u>6,984,793</u>
Total net position	<u>\$ 630,449,341</u>	<u>\$ 10,568,715</u>

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

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Units
Primary government						
Governmental activities:						
Instruction	\$ 474,189,365	\$ 12,337,263	\$ 34,135,007	\$ -	\$ (427,717,095)	\$ -
Student personnel services	41,203,415	1,309,022	9,079,157	-	(30,815,236)	-
Instructional media services	3,183,483	-	38,030	-	(3,145,453)	-
Instruction and curriculum development services	15,901,590	-	7,742,423	-	(8,159,167)	-
Instructional staff training services	17,665,378	-	9,539,444	-	(8,125,934)	-
Instructional-related technology	6,438,118	37,549	49,596	-	(6,350,973)	-
School board	2,123,626	-	4,005	-	(2,119,621)	-
General administration	7,005,215	6,417,569	2,313,896	-	1,726,250	-
School administration	50,663,771	-	1,170,571	-	(49,493,200)	-
Facilities services - non-capitalized	22,009,198	-	14,522	14,202,161	(7,792,515)	-
Fiscal services	3,987,292	36,044	31,462	-	(3,919,786)	-
Food services	46,001,158	14,009,188	31,177,762	-	(814,208)	-
Central services	8,195,718	921	670,986	-	(7,523,811)	-
Student transportation services	36,794,339	-	3,849,767	-	(32,944,572)	-
Operation of plant	61,414,410	-	960,586	-	(60,453,824)	-
Maintenance of plant	40,725,974	-	13,615,380	-	(27,110,594)	-
Administrative technology services	9,300,237	-	605,135	-	(8,695,102)	-
Community services	21,079,267	-	993,667	-	(20,085,600)	-
Interest on long-term debt	2,143,598	-	-	985,062	(1,158,536)	-
Total governmental activities	<u>870,025,152</u>	<u>34,147,556</u>	<u>115,991,396</u>	<u>15,187,223</u>	<u>(704,698,977)</u>	<u>-</u>
Total primary government	<u>\$ 870,025,152</u>	<u>\$ 34,147,556</u>	<u>\$ 115,991,396</u>	<u>\$ 15,187,223</u>		<u>-</u>
Component units						
Charter schools	\$ 31,605,562	\$ 1,501,088	\$ 1,995,837	\$ 913,980		(27,194,657)
The Foundation for Seminole County Public Schools, Inc.	4,350,445	-	4,326,665	-		(23,780)
Total component units	<u>\$ 35,956,007</u>	<u>\$ 1,501,088</u>	<u>\$ 6,322,502</u>	<u>\$ 913,980</u>		<u>(27,218,437)</u>
General revenues:						
Property taxes, levied for operational purposes					205,090,302	-
Property taxes, levied for capital projects					79,320,003	-
Local sales taxes					27,297,311	-
State sources, not restricted to specific functions/programs					342,249,642	-
Local sources, not restricted to specific functions/programs					14,712,647	27,338,373
Unrestricted investment earnings					15,457,283	194,834
Total general revenues					<u>684,127,188</u>	<u>27,533,207</u>
Change in net position					<u>(20,571,789)</u>	<u>314,770</u>
Net position - beginning					<u>651,021,130</u>	<u>10,253,945</u>
Net position - ending					<u>\$ 630,449,341</u>	<u>\$ 10,568,715</u>

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



SEMINOLE COUNTY
PUBLIC SCHOOLS

FINANCIAL

BASIC FINANCIAL STATEMENTS

Fund Financial Statements

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Balance Sheet
Governmental Funds
June 30, 2024

	General Fund	Debt Service - Certificates of Participation Fund	Capital Projects- Other Capital Improvement Funds
Assets			
Cash	\$ 28,817,777	\$ -	\$ 146,708
Investments	87,484,616	18,333,378	85,289,263
Accounts receivable	555,876	-	-
Due from other governments	968,405	-	9,682,028
Due from other funds	7,480,966	-	5,082,049
Inventories	2,202,772	-	-
Prepaid items	220,329	-	-
Total assets	<u>\$ 127,730,741</u>	<u>\$ 18,333,378</u>	<u>\$ 100,200,048</u>
Liabilities			
Salaries and wages payable	\$ 1,909,305	\$ -	\$ 11,241
Accrued benefits payable	1,479,398	-	3,179
Accounts payable	8,191,798	-	3,951,733
Retainage payable	-	-	1,241,543
Due to other funds	-	-	4,269,371
Due to other governments	9,303,181	-	1,884
Due to component unit	-	-	-
Matured debt payable	-	17,005,000	-
Matured interest payable	-	1,276,186	-
Unearned revenues	57,600	-	-
Total liabilities	<u>20,941,282</u>	<u>18,281,186</u>	<u>9,478,951</u>
Deferred inflows of resources			
Unavailable revenue	-	-	1,394,168
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,394,168</u>
Fund balances			
Nonspendable:			
Inventory	2,202,772	-	-
Prepaid items	220,329	-	-
Restricted for:			
State required carryover programs	8,450,396	-	-
Food service	-	-	-
Debt service	-	52,192	-
Capital projects	-	-	89,326,929
School internal funds	-	-	-
Assigned for:			
Carryover programs	18,596,798	-	-
Purchase order obligations	2,773,402	-	-
Unassigned	74,545,762	-	-
Total fund balances	<u>106,789,459</u>	<u>52,192</u>	<u>89,326,929</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 127,730,741</u>	<u>\$ 18,333,378</u>	<u>\$ 100,200,048</u>

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

Capital Projects - \$1011.71(2) Local Capital Improvement Tax Fund	Special Revenue - Federal Education Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 941,410	\$ 2,713,573	\$ 10,025,805	\$ 42,645,273
71,140,753	-	25,134,484	287,382,494
-	255,500	44,521	855,897
17,952	4,893,282	2,395,225	17,956,892
-	-	248,550	12,811,565
-	-	1,688,870	3,891,642
-	-	-	220,329
<u>\$ 72,100,115</u>	<u>\$ 7,862,355</u>	<u>\$ 39,537,455</u>	<u>\$ 365,764,092</u>
\$ -	\$ 1,219,764	\$ 1,158,016	\$ 4,298,326
-	226,910	201,676	1,911,163
852,041	2,842,376	962,463	16,800,411
247,231	-	115,491	1,604,265
-	3,427,743	-	7,697,114
-	145,562	158,514	9,609,141
-	-	164,207	164,207
-	-	1,510	17,006,510
-	-	-	1,276,186
-	-	1,632,852	1,690,452
<u>1,099,272</u>	<u>7,862,355</u>	<u>4,394,729</u>	<u>62,057,775</u>
-	-	6,417	1,400,585
-	-	6,417	1,400,585
-	-	1,688,870	3,891,642
-	-	-	220,329
-	-	-	8,450,396
-	-	20,199,959	20,199,959
-	-	53,195	105,387
71,000,843	-	4,289,439	164,617,211
-	-	8,904,846	8,904,846
-	-	-	18,596,798
-	-	-	2,773,402
-	-	-	74,545,762
<u>71,000,843</u>	<u>-</u>	<u>35,136,309</u>	<u>302,305,732</u>
<u>\$ 72,100,115</u>	<u>\$ 7,862,355</u>	<u>\$ 39,537,455</u>	<u>\$ 365,764,092</u>



SEMINOLE COUNTY
PUBLIC SCHOOLS

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2024

Fund Balances - Total Governmental Funds \$ 302,305,732

Amounts reported for governmental activities on the Statement of Net Position are different because:

Capital assets, including right-to-use SBITA assets, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Nondepreciable capital assets	\$ 97,554,556		
Depreciable capital assets	1,354,206,408		
Less: Accumulated depreciation	<u>(726,726,551)</u>		725,034,413

Earned revenues not received within the availability period are reported as unavailable revenues in the governmental funds, but are recorded as revenue in the government-wide statements.	1,400,585
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Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the postretirement benefits (pension and other postemployment benefits (OPEB)) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.

Deferred outflows - pension related	110,466,382		
Deferred outflows - OPEB related	2,436,063		
Deferred inflows - pension related	(34,289,894)		
Deferred inflows - OPEB related	<u>(25,053,542)</u>		53,559,009

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Bonds payable	(2,256,000)		
Less: unamortized premiums on bonds payable	(226,193)		
Add: deferred charges on refunding	93,356		
Certificates of participation payable	(59,975,000)		
Less: unamortized premiums on certificates of participation payable	(5,985,000)		
Add: deferred charges on refunding	1,250,757		
Less: deferred gains on refunding	(304,581)		
Accrued interest payable	(49,265)		
Subscription-Based Information Technology Liabilities	(1,129,816)		
Compensated absences	(17,426,273)		
Total OPEB liability	(8,680,387)		
Net pension liability	<u>(410,973,579)</u>		(505,661,981)

Internal service funds are used by management to account for the cost of self-insurance, print shop, and the internal leasing program. The assets and liabilities of the internal service funds are included in governmental activities on the Statement of Net Position.	53,811,583
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Net Position of Governmental Activities	<u>\$ 630,449,341</u>
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DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General Fund	Debt Service - Certificates of Participation Fund	Capital Projects- Other Capital Improvement Funds
Revenues			
Federal direct sources:			
Other federal direct sources	\$ 1,255,683	\$ -	\$ -
Total federal direct sources	1,255,683	-	-
Federal through state and local sources:			
Title I, grants to local educational agencies	-	-	-
Special education - grants to states	-	-	-
Supporting effective instruction state grant	-	-	-
Vocational education acts	-	-	-
National school lunch program	-	-	-
School breakfast program	-	-	-
USDA donated foods	-	-	-
Summer food service program for children	-	-	-
Education stabilization funds	-	-	-
Federal through local sources	-	-	-
Other federal through state sources	1,309,022	-	-
Total federal through state and local sources	1,309,022	-	-
State sources:			
Florida Education Finance Program	271,664,013	-	-
Class size reduction	60,521,294	-	-
Other state sources	8,320,766	-	1,583,928
Total state sources	340,506,073	-	1,583,928
Local sources:			
Ad valorem property taxes	205,090,302	-	-
Sales taxes	-	-	27,297,311
Charges for services	6,693,491	-	-
Impact fees	-	-	7,819,267
Investment income	6,255,776	310,450	4,398,720
Other local sources	6,701,041	-	53,517
Total local sources	224,740,610	310,450	39,568,815
Total revenues	567,811,388	310,450	41,152,743
Expenditures			
Current:			
Instruction	372,074,356	-	-
Student personnel services	28,315,404	-	-
Instructional media services	892,771	-	-
Instruction and curriculum development			
services	6,354,250	-	-
Instructional staff training services	6,710,522	-	-
Instructional-related technology	4,844,111	-	-
School board	1,790,655	-	-
General administration	499,238	-	-
School administration	42,331,316	-	-
Facilities services - non-capitalized	2,333,714	-	6,359,131
Fiscal services	3,490,443	-	-
Food services	2,730	-	-
Central services	4,913,941	-	-
Student transportation services	27,167,506	-	-
Operation of plant	50,937,012	-	-
Maintenance of plant	24,118,671	-	-
Administrative technology services	7,977,366	-	-
Community services	4,873,067	-	-
Total current expenditures	\$ 589,627,073	\$ -	\$ 6,359,131

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

Capital Projects - §1011.71(2) Local Capital Improvement Tax Fund	Special Revenue - Federal Education Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,811,553	\$ 3,067,236
-	-	1,811,553	3,067,236
-	-	15,144,558	15,144,558
-	-	16,703,350	16,703,350
-	-	2,081,863	2,081,863
-	-	541,913	541,913
-	-	18,232,320	18,232,320
-	-	5,321,719	5,321,719
-	-	2,892,163	2,892,163
-	-	585,014	585,014
-	41,309,007	-	41,309,007
-	-	211,436	211,436
-	-	5,655,686	6,964,708
-	41,309,007	67,370,022	109,988,051
-	-	-	271,664,013
-	-	-	60,521,294
-	-	5,450,080	15,354,774
-	-	5,450,080	347,540,081
79,320,003	-	-	284,410,305
-	-	-	27,297,311
-	-	19,724,569	26,418,060
-	-	-	7,819,267
3,754,857	-	1,311,690	16,031,493
-	-	11,111,051	17,865,609
83,074,860	-	32,147,310	379,842,045
83,074,860	41,309,007	106,778,965	840,437,413
-	16,895,994	15,723,218	404,693,568
-	860,428	8,031,505	37,207,337
-	3,908	34,122	930,801
-	4,056,765	3,685,658	14,096,673
-	1,927,218	7,612,226	16,249,966
-	49,596	-	4,893,707
-	4,005	-	1,794,660
-	857,731	1,456,165	2,813,134
-	753,567	417,004	43,501,887
12,607,069	103,735	147,136	21,550,785
-	31,462	3,146	3,525,051
-	190,553	43,236,361	43,429,644
-	407,074	263,912	5,584,927
-	369,722	3,480,045	31,017,273
-	520,602	439,984	51,897,598
-	13,614,264	-	37,732,935
-	454,045	-	8,431,411
-	20,968	15,355,130	20,249,165
\$ 12,607,069	\$ 41,121,637	\$ 99,885,612	\$ 749,600,522

(Continued)

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances (continued)
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General Fund	Debt Service - Certificates of Participation Fund	Capital Projects- Other Capital Improvement Funds
Expenditures (continued)			
Debt service:			
Principal	\$ 834,317	\$ 17,005,000	\$ -
Interest	38,241	2,677,782	-
Other charges	-	55,199	-
Total debt service	<u>872,558</u>	<u>19,737,981</u>	<u>-</u>
Capital outlay:			
Instruction	134,924	-	-
Student personnel services	-	-	-
School administration	5,046	-	-
Facilities services - capitalized	447,595	-	27,809,931
Food services	-	-	-
Central services	11,660	-	-
Operation of plant	58,636	-	-
Administrative technology services	780,103	-	-
Community services	12,639	-	-
Total capital outlay	<u>1,450,603</u>	<u>-</u>	<u>27,809,931</u>
Total expenditures	<u>591,950,234</u>	<u>19,737,981</u>	<u>34,169,062</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(24,138,846)</u>	<u>(19,427,531)</u>	<u>6,983,681</u>
Other financing sources (uses)			
Transfers in	37,420,992	19,777,609	421,122
Transfers out	(6,908,066)	(920,752)	(9,146,129)
Issuance of refunding certificates of participation	-	12,365,000	-
Inception of subscription-based IT arrangements	727,432	-	-
Payment to bond refunding escrow agent	-	(12,365,000)	-
Insurance recoveries	-	-	(94,635)
Total other financing sources (uses)	<u>31,240,358</u>	<u>18,856,857</u>	<u>(8,819,642)</u>
Net change in fund balances	<u>7,101,512</u>	<u>(570,674)</u>	<u>(1,835,961)</u>
Fund balances			
Beginning	99,687,947	622,866	91,162,890
Ending	<u>\$ 106,789,459</u>	<u>\$ 52,192</u>	<u>\$ 89,326,929</u>

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

Capital Projects - §1011.71(2) Local Capital Improvement Tax Fund	Special Revenue - Federal Education Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 562,000	\$ 18,401,317
-	-	127,180	2,843,203
-	-	99	55,298
-	-	689,279	21,299,818
-	-	223,832	358,756
-	36,280	-	36,280
-	-	-	5,046
13,935,398	-	354,932	42,547,856
-	-	3,789,003	3,789,003
-	-	-	11,660
-	-	-	58,636
-	-	-	780,103
-	151,090	199,551	363,280
13,935,398	187,370	4,567,318	47,950,620
26,542,467	41,309,007	105,142,209	818,850,960
56,532,393	-	1,636,756	21,586,453
499,631	-	33,204	58,152,558
(45,373,141)	-	(1,754,445)	(64,102,533)
-	-	-	12,365,000
-	-	-	727,432
-	-	-	(12,365,000)
-	-	1,040	(93,595)
(44,873,510)	-	(1,720,201)	(5,316,138)
11,658,883	-	(83,445)	16,270,315
59,341,960	-	35,219,754	286,035,417
\$ 71,000,843	\$ -	\$ 35,136,309	\$ 302,305,732

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds **\$ 16,270,315**

Amounts reported for governmental activities on the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives and reported as depreciation expense.

Expenditures for capital assets	\$ 47,950,620	
Less: Current year depreciation	<u>(37,803,653)</u>	10,146,967

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.

Donations of capital assets	310,468	
Contributions from internal service funds	1,590,670	
Cost basis of capital assets disposed	<u>(3,744,683)</u>	(1,843,545)

Earned revenues not received within the availability period are reported as unavailable revenues in the governmental funds, but are recorded as revenue in the government-wide statements. This is the effect of timing differences between the two methods of revenue recognition.

392,897

The issuance of long-term debt (e.g., bonds, certificates of participation, and SBITA Liabilities) provides current financial resources to governmental funds, but are reported as an increase in long-term liabilities in the statement of net position. The repayment of principal consumes the current financial resources of governmental funds but reduces the long-term liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Debt issued or incurred:		
Certificates of participation	(12,365,000)	
Subscription-Based IT Arrangements	(727,432)	
Principal repayments:		
Bonds payable	562,000	
Certificates of participation	17,005,000	
Subscription-Based IT Arrangements	834,317	
Payment to escrow agent for refunding	<u>12,365,000</u>	17,673,885

Some expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Change in long-term compensated absences	1,582,196	
Change in accrued interest payable	13,972	
Amortization of bonds payable premiums	76,103	
Amortization of certificates of participation premiums	790,916	
Amortization of deferred charges and gains on refunding, net	(181,386)	
Changes in pension liabilities and related deferred outflows and inflows of resources	(63,745,203)	
Changes in OPEB liabilities and related deferred outflows and inflows of resources	<u>1,540,832</u>	(59,922,570)

Internal service funds are used by management to account for the cost of self-insurance, print shop and the internal leasing program. The net revenue and transfers in of certain activities of internal service funds are reported with governmental activities.

(3,289,738)

Change in Net Position of Governmental Activities	<u>\$ (20,571,789)</u>
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The notes to the financial statements are an integral part of this statement.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Net Position
Proprietary Funds
June 30, 2024

	Governmental Activities
	<u>Internal Service Funds</u>
Assets	
Current assets:	
Cash	\$ 6,269
Investments	72,005,081
Accounts receivable	686,005
Due from other governments	88,753
Due from insurer	1,497,376
Inventories	127,167
Total current assets	<u>74,410,651</u>
Noncurrent assets:	
Capital assets:	
Depreciable, net	118,846
Total noncurrent assets	<u>118,846</u>
Total assets	<u>74,529,497</u>
Liabilities	
Current liabilities:	
Salaries and wages payable	19,352
Accrued benefits payable	9,211
Accounts payable	1,082,346
Due to other funds	5,114,451
Due to other governments	263
Estimated insurance claims payable	8,676,210
Total current liabilities	<u>14,901,833</u>
Noncurrent liabilities:	
Estimated insurance claims payable	5,816,081
Total noncurrent liabilities	<u>5,816,081</u>
Total liabilities	<u>20,717,914</u>
Net position	
Investment in capital assets	118,846
Unrestricted	53,692,737
Total net position	<u>\$ 53,811,583</u>

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

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Governmental Activities
	<u>Internal Service Funds</u>
Operating revenues	
Charges for services	\$ 2,252,126
Charges for sales	921
Premium revenues	65,270,752
Total operating revenues	<u>67,523,799</u>
Operating expenses	
Salaries	1,159,354
Employee benefits	426,027
Purchased services	6,248,210
Materials and supplies	513,564
Insurance claims	62,367,963
Insurance premiums	8,565,599
Depreciation	314,857
Other expenses	1,190,943
Total operating expenses	<u>80,786,517</u>
Operating loss	<u>(13,262,718)</u>
Nonoperating revenues (expenses)	
Investment income	3,502,043
Loss on disposal of property	(1,606,889)
Loss recoveries	2,127,851
Total nonoperating revenues	<u>4,023,005</u>
Loss before transfers	<u>(9,239,713)</u>
Transfers in	6,894,344
Transfers out	<u>(944,369)</u>
Change in net position	<u>(3,289,738)</u>
Net position	
Net position - beginning	57,101,321
Net position - ending	<u><u>\$ 53,811,583</u></u>

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

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Governmental Activities
	<u>Internal Service Funds</u>
Cash flows from operating activities:	
Cash received from services	\$ 2,243,691
Cash received from sales	921
Cash received from premiums	65,412,336
Cash paid for other operating activities	(71,444)
Cash paid to suppliers for goods and services	(7,168,584)
Cash paid to employees for services	(1,582,931)
Cash paid for insurance claims	(61,087,579)
Cash paid for insurance premiums	(8,539,271)
Net cash used for operating activities	<u>(10,792,861)</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	6,896,506
Transfers to other funds	(946,531)
Net cash provided by noncapital financing activities	<u>5,949,975</u>
Cash flows from capital and related financing activities:	
Purchase of capital assets	(192,998)
Net cash used for capital and related financing activities	<u>(192,998)</u>
Cash flows from investing activities:	
Investment income earned on operating funds	3,502,043
Loss recoveries	2,127,851
Net cash provided by investing activities	<u>5,629,894</u>
Net increase in cash and cash equivalents	<u>594,010</u>
Cash and cash equivalents - beginning	<u>71,417,340</u>
Cash and cash equivalents - ending	<u>\$ 72,011,350</u>
Reconciliation of operating loss to net cash used for operating activities:	
Operating loss	<u>\$ (13,262,718)</u>
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation expense	314,857
Changes in assets and liabilities:	
Accounts receivable	133,150
Due from insurer	1,434,756
Due from other governments	(71,698)
Inventories	(25,592)
Prepaid items	26,328
Salaries and wages payable	(6,761)
Accrued benefits payable	9,211
Accounts payable	809,725
Due to other funds	(1,444,771)
Due to other governments	254
Estimated insurance claims payable	1,290,398
Total adjustments	<u>2,469,857</u>
Net cash used for operating activities	<u>\$ (10,792,861)</u>
Reconciliation of cash and cash equivalents per above to Statement of Net Position:	
Cash	\$ 6,269
Investments	72,005,081
Cash and cash equivalents	<u>\$ 72,011,350</u>

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



SEMINOLE COUNTY
PUBLIC SCHOOLS



SEMINOLE COUNTY
PUBLIC SCHOOLS

FINANCIAL

BASIC FINANCIAL STATEMENTS

Notes to the Financial Statements

I. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the primary government and its component units. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District School Board of Seminole County, Florida's (District) governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation and amortized expenses are allocated to each function or program of the primary government.

B. Reporting Entity

The District School Board (Board) has direct responsibility for operation, control, and supervision of the District schools and is considered a primary government for financial reporting. The District is part of the Florida system of public education, operates under the general direction of the Florida Department of Education (FDOE), and is governed by State law and State Board of Education (SBE) rules. The governing body of the District is the Board, which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Seminole County.

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The accompanying financial statements present the District and its blended and discretely presented component units. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are included within the statements of the primary government. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the District.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any legally separate entities for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading. Based on these criteria, the following blended and discretely presented component units are included in the District's reporting entity.

I. Summary of Significant Accounting Policies (continued)**B. Reporting Entity (continued)**Blended Component Unit

The Seminole School Board Leasing Corporation, Inc. (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note II.J.1. The governing board of the Leasing Corporation is the same as the District School Board. Financial records for the Leasing Corporation are maintained by the District, and District staff is responsible for the day-to-day operation of the Leasing Corporation. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are blended in the accompanying basic financial statements. The Leasing Corporation does not issue separate financial statements.

Discretely Presented Component Units

The Foundation for Seminole County Public Schools, Inc. (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 District authorized and approved the Foundation per Section 1001.453, Florida Statutes; however, the Foundation has its own Board and operates independently of the District. Because of the nature and significance of its relationship with the District, the Foundation is considered a discretely presented component unit.

The District's charter schools, Choices in Learning, Inc., Florida High School for Accelerated Learning – Seminole Inc. D/B/A Elevation High School, Galileo School for Gifted Learning, Galileo School for Gifted Learning – Skyway, UCP Seminole Charter School, and Seminole Science Charter School (charter schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by the District. The charter schools are component units of the District because the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools, and the District is responsible for the operation, control, and supervision of public schools within the District.

The financial data reported on the District's financial statements was derived from the Foundation's and charter schools' audited financial statements for the fiscal year ended June 30, 2024. The financial statements are filed in the District's administrative office at 400 East Lake Mary Boulevard, Sanford, Florida. None of the component units are considered a major component unit in relation to the District. All financial statement notes for the Foundation and the charter schools are omitted from this report since their separate financial statements are available. The notes to the Foundation's and charter schools' statements should be used as an integral part to interpret the financial statements of these component units.

I. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation - Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds and proprietary funds.

The effects of interfund balances and activities have been eliminated from the government-wide financial statements, except for transfers between governmental activities.

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the District's funds, including the blended component units. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, reconciliations are presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources not required to be accounted for in another fund and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

The *Debt Service - Certificates of Participation Fund* is a debt service fund that accounts for the accumulation of resources for, and the payment of, debt principal, interest, and related costs on the long-term certificates of participation.

The *Capital Projects - §1011.71(2) Local Capital Improvement Tax Fund* is a capital outlay fund to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, new and replacement equipment, motor vehicle purchases, and debt service payments on Certificates of Participation.

The *Capital Projects - Other Capital Improvement Funds* is funded by various sources other than the local capital improvement tax levy. Funding sources include revenue generated by the one-quarter of one-cent intergovernmental local sales tax, as approved by the voters pursuant to Section 212.055(2), Florida Statutes; impact fees revenues generated from the sale of new home construction; new debt issues used to build and renovate existing infrastructure, and other miscellaneous capital improvement revenue.

The *Special Revenue – Federal Education Stabilization Fund* is a special revenue fund used to account for Federal funding provided as emergency relief in covering additional instructional and operational costs incurred by the District due to the COVID-19 pandemic.

I. Summary of Significant Accounting Policies (continued)**D. Basis of Presentation - Fund Financial Statements (continued)**

Additionally, the District reports the following proprietary fund types:

Internal Service Funds account for printing services, health self-insurance, risk management services (including claims for workers' compensation, general liability, and property damage), and inter-District vehicle leasing on a cost-reimbursement basis. The District maintained four internal service funds during the 2023-24 fiscal year.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding between funds at fiscal year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

Accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The applicable measurement focus and basis of accounting differs between the government-wide and the governmental fund financial statements.

Government-wide

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

I. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting (continued)

Governmental Funds

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered 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. 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. State revenues, property taxes, sales taxes, impact fees, Medicaid revenues, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when cash is received by the District.

Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments, pensions, other postemployment benefits, and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Proprietary Funds

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Discretely Presented Component Units

The UCP Seminole Charter School is accounted for under the not-for-profit basis of accounting and uses the *accrual basis of accounting* (revenues are recognized when earned and expenses are recognized when incurred) in accordance with the pronouncements issued by the Financial Accounting Standards Board (FASB).

The Foundation, Choices in Learning, Inc., Florida High School for Accelerated Learning – Seminole Inc. D/B/A Elevation High School, Galileo School for Gifted Learning, Galileo School for Gifted Learning – Skyway, and Seminole Science Charter School are accounted for as governmental organizations and follow the same accounting model as the District in accordance with the pronouncements issued by the GASB.

I. Summary of Significant Accounting Policies (continued)**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance****1. Cash**

The District's cash is considered to be cash on hand and demand deposits. Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance up to specified limits or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Section 280.03(3)(f), Florida Statutes.

2. Investments

Investments consist of amounts placed in the State Board of Administration (SBA) debt service accounts for investment of debt service funds, amounts placed with the SBA for participation in the Florida PRIME investment pool created by Section 218.405, Florida Statutes, other local government investment pools, including Florida Public Assets for Liquidity Management (FL PALM) and Florida FIT, money market funds, and investments in United States Treasury Securities and U.S. Government agencies and instrumentalities. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in the SBA debt service accounts are administered by the SBE to provide for debt service payments on bonded debt issued by the SBE for the benefit of the District. Disclosures for the debt service accounts are included in the notes to the financial statements of the State of Florida's Annual Comprehensive Financial Report. The District relies on policies developed by the SBA for managing interest rate risk and credit risk for this account.

The District's investments in Florida PRIME and Florida PALM are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at amortized cost, which approximates fair value. The District's investment in the Florida Fixed Income Trust (FL FIT) external investment pool are made up of shares owned in the fund, rather than in the underlying investments. FL FIT investments are reported at Net Asset Value (NAV). Other investments in United States Treasury Securities and Obligations of United States Government Instrumentalities and Agencies are reported at fair value.

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

I. Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (continued)

3. *Inventories and Prepaid Items*

Inventories consist of expendable supplies held for consumption in District operations. The supply inventory is stated using a weighted-average cost. The print shop and maintenance inventories are stated at last invoice price that approximates the first-in, first-out basis. The transportation and food service inventories are stated at cost using the first-in, first-out basis. United States Department of Agriculture donated foods are stated at fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Service, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods. Those items are recorded as prepaid items in the government-wide, governmental funds, and proprietary fund statements, and their cost is recorded as an expenditure/expense when consumed rather than when purchased.

I. Summary of Significant Accounting Policies (continued)**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)****4. Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those having an estimated useful life of more than one year and costing more than \$5,000 for furniture, fixtures, and equipment; motor vehicles; audio-visual materials; and purchased computer software; \$10,000 for leased assets; \$20,000 for subscription-based information technology arrangements ("SBITA"); and \$50,000 for improvements other than buildings; buildings and fixed equipment; and construction in progress. Such assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at acquisition value at the date of donation. All land purchases are included in capital assets regardless of cost. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Gains or losses on disposal of capital assets are included as income in the period of disposal. Land and construction in progress are not depreciated. Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Fixed Equipment	10 - 40 years
Improvements Other than Buildings	15 years
Furniture, Fixtures and Equipment	6 years
Motor Vehicles	10 years
Audio-Visual Materials and Computer Software	5 years
Subscription-Based IT Arrangements	2-6 years

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

5. Unearned Revenues

Unearned revenues, presented on both the governmental and proprietary fund financial statements, represents advance collection of funds for services to be provided in future reporting periods. Unearned revenues in the nonmajor governmental funds consists primarily of prepayments for school lunches and local/non-federal grant advances. Unearned revenues in the internal service funds consists primarily of benefits and payroll deductions applicable to future fiscal year health insurance coverage in the self-insurance funds. Unearned revenues on the government-wide financial statements are the same as those reported on the governmental and proprietary statements.

I. Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

6. *Pensions*

The District participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by Florida Division of Retirement (collectively, FRS/HIS). In the government-wide financial statements, net pension liability represents the District's proportionate share of the net pension liability of those cost-sharing pension plans. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plans to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing pension plans' fiduciary net position.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the FRS/HIS, and additions to/deductions from FRS/HIS's fiduciary net position have been determined on the same basis as they are reported by FRS/HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

7. *Compensated Absences*

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in a payment. A liability is reported for compensated absences in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. For the calculation of sick leave termination liability, the District uses the termination payments method.

I. Summary of Significant Accounting Policies (continued)**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)****8. Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Debt premiums and discounts are deferred and amortized using a straight-line method over the term of the related debt. Certificates of participation and bonds payable are reported net of applicable premiums and discounts.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until they become due. Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the period the debt is issued. The face amount of debt issued and premiums are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Changes in long-term liabilities for the current year are reported in a subsequent note.

9. 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*, represent a consumption of net assets that applies to future periods and 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 net carrying amount of debt refunding reported in the government-wide statement of net position 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. Deferred amounts on pensions and OPEB result from the difference in the expected and actual amounts related to experience, earnings, and contributions. The deferred outflows of resources related to pensions and OPEB are discussed in a subsequent note.

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*, represent 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 three types of items that qualify for reporting in this category on the statement of net position. Deferred gains on refunding results from a debt refinancing whereby the net carrying amount of the debt instrument exceeds the reacquisition price of the refunding debt. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred amounts on pensions and OPEB result from the difference in the expected and actual amounts related to experience, earnings, and contributions. The deferred inflows of resources related to pensions and OPEB are discussed in subsequent notes. The balance sheet of the governmental funds also reports a deferred inflow for unavailable revenue, which will be recognized in the period that the amounts become available.

I. Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

10. Subscription Based Information Technology Arrangements

The District has recorded Subscription-Based Information Technology Arrangement (“SBITA”) assets and liabilities as a result of implementing GASB Statement No. 96. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, and plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract. SBITAs based on variable payments (or user seats) are not recorded as subscription assets or liabilities and are expensed as incurred.

11. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted. Net investment in capital assets groups all capital assets into one component of net position; accumulated depreciation and the outstanding balances of debt that are attributed to the acquisition, construction, or improvement of these assets reduce the balance in this category. Restricted net position includes all net position with external restrictions imposed by creditors, grantors, or laws and regulations of other governments. Unrestricted net position is the residual amount of net position of the District that is not restricted for any particular purpose.

12. Net Position Flow Assumption

The District occasionally funds outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. 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. Consequently, it is the District’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

I. Summary of Significant Accounting Policies (continued)**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)****13. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance) upon recommendation of the Superintendent.

- Nonspendable – Nonspendable fund balance includes items that cannot be spent because they are not in spendable form, such as inventory. All other categories of fund balance, other than nonspendable, are collectively known as spendable fund balance.
- Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors, laws, or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.
- Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District reported no committed fund balances at June 30, 2024.
- Assigned – Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The District and the Board also have not established a policy to assign fund balance. However, certain actions taken by the District, as subsequently described, assign fund balance in accordance with GASB Statement No. 54. The Board has, by approval of the annual financial report, authorized the assignment of fund balance. Included in assigned fund balance in the General Fund is an amount for purchase order obligations outstanding that have not been already included as restricted fund balance. In addition, an amount is included in assigned fund balance for certain program budgets carried over from year-to-year outside of those required by State Statute.
- Unassigned – The residual fund balance remaining is reported as unassigned fund balance and is the excess of nonspendable, restricted, committed, and assigned fund balance. The General Fund is the only fund that reports a positive unassigned fund balance amount.

I. Summary of Significant Accounting Policies (continued)

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance (continued)

13. Fund Balance Policies (continued)

Minimum Fund Balance Policy – The Board has adopted Policy 6210 to provide for a 4 percent minimum unassigned fund balance for the General Fund, if feasible, based on the recurring expenditure budget. For the 2023-24 fiscal year, the Board adopted an unassigned fund balance budget of \$52,231,960.

14. Fund Balance Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, 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 policy 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, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

I. Summary of Significant Accounting Policies (continued)**G. Revenues and Expenditures/Expenses****1. Program Revenues**

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

2. State Revenue Sources

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the FDOE 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 FDOE. The FDOE performs certain edit checks on the reported number of FTE and related data and calculates the allocation of funds to the District. The District is permitted to amend its original reporting during specified time periods following the date of the original reporting. Such amendments may impact funding allocations for subsequent fiscal years. The FDOE may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the fiscal year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. SBE rules require that revenue earmarked for certain 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 fiscal year to be expended for the same educational programs. The FDOE generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the balance of categorical and earmarked educational program resources.

The District received an allocation from the State under the School Hardening Grant program. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the FDOE. Once the encumbrance authorization is received, the District recognizes the allocation of these funds as unavailable revenue in the governmental fund financial statements, and revenue in the government-wide financial statements.

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

I. Summary of Significant Accounting Policies (continued)

G. Revenues and Expenditures/Expenses (continued)

3. *District Property Taxes*

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. Property values are determined by the Seminole County Property Appraiser, and property taxes are collected by the Seminole County Tax Collector.

The Board adopted the 2023 tax levy on September 5, 2023. 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 4 percent for early payment.

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. Property values are determined by the Seminole County Property Appraiser, and property taxes are collected by the Seminole County Tax Collector.

Taxes become a lien on the property on January 1 and are delinquent on April 1 of the year following the year of assessment. 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 tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially 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 when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Seminole County Tax Collector at fiscal year-end but not yet remitted to the District.

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

4. *Local Government Infrastructure Surtax (Local Sales Tax)*

On May 20, 2014, the voters of Seminole County approved a one-cent infrastructure surtax authorized under Section 212.055(2), Florida Statutes on taxable sales in the County. Through an interlocal agreement, the District receives one-quarter of the surtax revenues over a ten-year period that started on January 1, 2015, and will go through December 31, 2024.

I. Summary of Significant Accounting Policies (continued)**G. Revenues and Expenditures/Expenses (continued)****5. Educational Impact Fees**

Seminole County imposes an educational impact fee based on an ordinance adopted by the County Commission in 1992. This ordinance was most recently amended in January 2018, when Ordinance 2018-1 established, in part, revised impact fee rates. The educational impact fee is collected by the County and each municipality within the County based on an interlocal agreement. The fees are to be used solely for the purpose of providing capital improvements to the public educational system necessitated by new residential development and are not to be used for any expenditure that would be classified as a maintenance or repair. The authorized uses include, but are not limited to, land acquisition; facility design and construction costs; furniture and equipment; and payment of principal, interest, and related costs of indebtedness necessitated by new residential development.

6. Federal Revenues 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. The FDOE may require adjustments to subsequent fiscal period expenditures and related revenues based upon an audit of the district's compliance with applicable Federal awards requirements. Normally, such adjustments are treated as reductions of expenditures and related revenues in the fiscal year when the adjustments are made.

7. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for sales and services and premiums charged to the District and employees under various insurance programs. The principal operating expenses for the internal service funds include salary and benefits, cost of sales and services, claims, and premiums for excess coverage. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detailed Notes on All Activities and Funds

A. Cash Deposits with Financial Institutions

Cash balances from all funds are combined and invested to the extent available. Earnings are allocated monthly to each fund based on average monthly balances.

Custodial Credit Risk - Cash Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to the District. It is the policy of the District that all cash deposits are to be held in institutions which are qualified as public depositories under Florida law. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes.

B. Investments

The District's investments at June 30, 2024, are reported as follows:

Primary Government

Investments	Total Fair Value	Investment Maturities			
		Less Than 1 Year	1 Year - 2 Years	2 Years - 3 Years	3 Years - 4 Years
State Board of Administration:					
Florida PRIME	\$ 125,667,497	\$ 125,667,497	\$ -	\$ -	\$ -
Debt service account	53,195	53,195	-	-	-
Intergovernmental investment pools:					
Florida PALM - Portfolio	28,022,001	28,022,001	-	-	-
Florida Fixed Income Trust	58,916,601	58,916,601			
Money market funds:					
Dreyfus Governmental	8,925,157	8,925,157	-	-	-
Blackrock Federal	11,155,525	11,155,525	-	-	-
United States Treasury securities	103,693,987	74,662,138	17,972,179	11,059,670	-
Obligations of U.S. government agencies and instrumentalities	19,650,739	-	8,599,073	6,112,666	4,939,000
Commercial paper	3,302,873	986,450	1,173,569	1,142,854	-
Total investments	<u>\$ 359,387,575</u>	<u>\$ 308,388,564</u>	<u>\$ 27,744,821</u>	<u>\$ 18,315,190</u>	<u>\$ 4,939,000</u>

II. Detail Notes on All Activities and Funds (continued)

B. Investments (continued)

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Assets are classified into one of three levels. 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. The District has the following fair value measurements as of June 30, 2024:

Primary Government		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level	Amount			
United States Treasury securities	\$ 103,693,987	\$ 103,693,987	\$ -	\$ -
Obligations of U.S. government agencies and instrumentalities	19,650,739	19,650,739	-	-
Commercial paper	3,302,873	3,302,873	-	-
Total Investments by fair value level	<u>\$ 126,647,599</u>	<u>\$ 126,647,599</u>	<u>\$ -</u>	<u>\$ -</u>

Investments Measured at amortized cost (approximates fair value)

External investment pools:	
Florida PRIME	\$ 125,667,497
Florida PALM - Portfolio	28,022,001
SBA - Debt service accounts	53,195
Money market funds	20,080,682
Total Investments at amortized cost	<u>\$ 173,823,375</u>

Investments measured at net asset value (NAV)

Florida Fixed Income Trust	<u>58,916,601</u>
Total investments at NAV	<u>58,916,601</u>
Total Investments	<u>\$ 359,387,575</u>

II. Detail Notes on All Activities and Funds (continued)

B. Investments (continued)

Fair Value Measurement (continued)

Certain investments are measured at fair value using the net asset value per share (or its equivalent) practical expedient or amortized cost, which approximates fair value. These amounts have not been classified in the fair value hierarchy. The District invests in these types of investments to obtain competitive market returns while ensuring the safety and liquidity of the portfolio. These types of investments may be redeemed without advance notice and there are no unfunded commitments for further investment. There are currently no limitations as to the frequency of redemptions; with the exception of Florida PRIME.

For Florida PRIME, Section 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days.” As of June 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100 percent of their account value.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. District policy limits investment maturities to a maximum of five years, and, to the extent possible, limits the investment of current operating funds to two years. All investments, throughout the fiscal year and at year-end, were authorized in District policy.

Florida PRIME and Dreyfus Money Market Fund use a 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.

II. Detail Notes on All Activities and Funds (continued)**B. Investments (continued)****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 SBA's Florida PRIME, or any other intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest bearing time deposits in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. District policy limits the investments allowed to be purchased to the following:

- SBA Florida PRIME and other Intergovernmental Investment Pools
- United States Government Securities, Obligations of United States Government Agencies or Instrumentalities, and Repurchase Agreements collateralized by obligations of the United States Government, its Agencies, or Instrumentalities
- Time Deposit or Savings Accounts
- Money Market Funds that are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 Code of Federal Regulations, Section 270.2a-7, which stipulates that money market funds must have an average, weighted maturity of 90 days or less and where the share value of the money market funds is equal to one dollar
- Commercial Paper and Bankers Acceptances that are rated at least "P-1" by Moody's and "A-1" by Standard & Poor's (S&P)
- State and/or local government taxable and/or tax-exempt debt that are rated at least "Aa" by Moody's and "AA" by S&P on long-term debt or "MIG-2" by Moody's and "SP-2" by S&P on short-term debt.

The District's investments in the SBA debt service accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by the SBA for managing interest rate risk and credit risk for this account. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State's Annual Comprehensive Financial Report.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

B. Investments (continued)

The District's investments have the following credit ratings at June 30, 2024:

Primary Government

Investments	Credit Rating	Rating Agent	Fair Value
State Board of Administration (SBA):			
Florida PRIME	AAAm	S&P	\$ 125,667,497
Debt service account	(1)	(1)	53,195
Intergovernmental investment pools:			
Florida Public Assets for Liquidity Management	AAAm	S&P	28,022,001
Florida Fixed Income Trust - Enhanced Cash Pool	AAAf	Fitch	11,446,616
Florida Fixed Income Trust - Cash Pool	AAAf	Fitch	17,762,995
Florida Fixed Income Trust - Select Cash Pool	AAAf	Fitch	29,706,990
Money market funds:			
Dreyfus Governmental	AAAm	S&P	8,925,157
Blackrock Federal	AAAm	S&P	11,155,525
United States Treasury securities			103,693,987
Obligations of U.S. government agencies and U.S. government instrumentalities			19,650,739
Commercial paper	A-1	S&P	3,302,873
Total investments			<u>\$ 359,387,575</u>

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. Section 218.415(18), Florida Statutes, requires the District to earmark all investments and (1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; (2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, 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 this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or (3) if physically issued to the holder but not registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a secured vault.

II. Detail Notes on All Activities and Funds (continued)

B. Investments (continued)

District policy requires that all investments, other than investments in money market funds, Florida PALM, FL-FIT, and the SBA, be held in the District's name in custodial and/or trustee accounts by an independent custodial bank. The District maintains compliance with this policy and all applicable investments are held by an independent custodial bank.

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. Composition of investment portfolio, calculated based on the fair value, is limited by District policy. District policy places the following limits on concentration of investments by type and issuer at the time an investment is made:

Allowed Securities With Credit Exposure as a Percentage of Total Investments

<u>Type of Investment</u>	<u>Per Issuer Maximum</u>	<u>Percentage In Total</u>
SBA Florida PRIME	*	100%
United States Government Securities	*	100%
Obligations of United States Government Agencies	40%	80%
Obligations of United States Government Instrumentalities	40%	80%
Repurchase Agreements Collateralized by Obligations of the United States Government, its Agencies and Instrumentalities	25%	50%
Time Deposit or Savings Accounts	15%	25%
Intergovernmental Investment Pools	50%	100%
Money Market Funds	50%	75%
Commercial Paper	10%	35%
Bankers Acceptances	10%	35%
State and/or Local Government Taxable and/or Tax-Exempt Debt	*	20%

* Per issuer maximum not applicable

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

B. Investments (continued)

As of June 30, 2024, the District was in compliance with Board policy concerning concentration of credit risks:

Primary Government

Investments	Percentage of Total Investments By		Fair Value
	Issuer	Type	
State Board of Administration:			
Florida PRIME			\$ 125,667,497
Debt service account			53,195
Total State Board of Administration	34.9%	34.9%	<u>125,720,692</u>
Intergovernmental investment pools:			
Florida PALM	7.8%		28,022,001
Florida Fixed Income Trust - Enhanced Cash Pool	3.2%		11,446,616
Florida Fixed Income Trust - Cash Pool	4.9%		17,762,995
Florida Fixed Income Trust - Select Cash Pool	8.3%		29,706,990
Total intergovernmental investment pools ⁽¹⁾		24.2%	<u>86,938,602</u>
Money market funds:			
Dreyfus Governmental	2.5%		8,925,157
Blackrock Federal	3.1%		11,155,525
Total money market funds		5.6%	<u>20,080,682</u>
United States Treasury securities	28.9%	28.9%	103,693,987
Obligations of U.S. government agencies and U.S. government instrumentalities:			
Federal Home Loan Bank System	2.3%		8,114,806
Federal Home Loan Mortgage Corporation	1.6%		5,887,430
Federal National Mortgage Association	1.6%		5,648,503
Total obligations of U.S. government agencies and U.S. government instrumentalities		5.5%	<u>19,650,739</u>
Commercial paper	*	0.9%	<u>3,302,873</u>
Total investments			<u>\$ 359,387,575</u>

(1) These categories are presented in aggregate; no individual issuer in the category is greater than 5 percent.

II. Detail Notes on All Activities and Funds (continued)

C. Receivables

Most of the District's receivables are due from other governments. Those and the remaining accounts receivable are considered fully collectible. As such, no allowance for uncollectible accounts receivable is accrued. Below is the detail of receivables (both accounts receivable and due from other governments) by reporting fund as of June 30, 2024:

Primary Government	All Governmental Activities					
	General Fund	Capital Projects-Other Capital Improvement Funds	Capital Projects - \$1011.71(2) Local Capital Improvement Tax Fund	Special Revenue - Federal Education Stabilization Fund	Nonmajor Governmental Funds	Internal Service Funds
Item / Source						
Accounts Receivable:						
Interest Receivable	\$ 416,107	\$ -	\$ -	\$ -	\$ -	\$ -
Cigna Pharmacy Rebate	-	-	-	-	-	676,151
Other	139,768	-	-	255,500	44,521	9,854
Accounts Receivable Total	555,875	-	-	255,500	44,521	686,005
Due from Other Agencies:						
Federal Grants	161,791	-	-	4,893,282	1,747,113	88,753
Other Federal Revenues	38,140	-	-	-	-	-
Florida Department of Education	-	1,970,752	-	-	-	-
Florida Department of Revenue	-	4,760,323	-	-	-	-
Other State Sources	334,659	-	-	-	638,482	-
County Property Tax	46,544	-	17,952	-	-	-
County Impact Fees	-	2,950,953	-	-	-	-
Other County Sources	356,490	-	-	-	-	-
Other Local	30,781	-	-	-	9,630	-
Due from Other Agencies Total	968,405	9,682,028	17,952	4,893,282	2,395,225	88,753
Due from Insurer	-	-	-	-	-	1,497,376
Total	\$ 1,524,280	\$ 9,682,028	\$ 17,952	\$ 5,148,782	\$ 2,439,746	\$ 2,272,134

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

D. Changes in Capital Assets

Capital assets activity for the year ended June 30, 2024, is as follows:

Primary Government	Balance July 1, 2023	Additions	Reductions/ Transfers (1)	Balance June 30, 2024
Governmental activities:				
Capital assets, not being depreciated or amortized:				
Land	\$ 51,408,652	\$ -	\$ -	\$ 51,408,652
Construction in progress	12,334,918	34,892,465	(1,081,479)	46,145,904
Total capital assets, not being depreciated or amortized	63,743,570	34,892,465	(1,081,479)	97,554,556
Capital assets, being depreciated or amortized:				
Buildings and fixed equipment	1,222,110,905	1,011,195	-	1,223,122,100
Improvements other than buildings	48,614,171	70,284	-	48,684,455
Furniture, fixtures, and equipment	56,317,100	2,994,375	(32,076,805)	27,234,670
Motor vehicles	40,160,014	9,839,814	(1,255,866)	48,743,962
Property Under SBITA	2,497,119	727,432	(770,679)	2,453,872
Audio-visual materials	10,484	-	(10,484)	-
Computer software	4,637,292	-	(4,259)	4,633,033
Total capital assets, being depreciated or amortized	1,374,347,085	14,643,100	(34,118,093)	1,354,872,092
Less accumulated depreciation or amortization for:				
Buildings and fixed equipment	621,602,562	29,449,344	-	651,051,906
Improvements other than buildings	15,502,428	2,454,274	-	17,956,702
Furniture, fixtures, and equipment	46,904,155	2,526,696	(28,369,322)	21,061,529
Motor vehicles	30,212,724	2,578,400	(1,203,189)	31,587,935
Property Under SBITA	928,864	1,027,305	(770,679)	1,185,490
Audio-visual materials	10,484	-	(10,484)	-
Computer software	4,350,853	82,491	(3,517)	4,429,827
Total accumulated depreciation or amortization	719,512,070	38,118,510	(30,357,191)	727,273,389
Total capital assets, being depreciated or amortized, net	654,835,015	(23,475,410)	(3,760,902)	627,598,703
Governmental activities capital assets, net	\$ 718,578,585	\$ 11,417,055	\$ (4,842,381)	\$ 725,153,259

(1) In fiscal year 2022, the district increased its capitalization threshold from \$1,000 to \$5,000. In FY2024, District Management decided the asset items with a historical cost less than the \$5,000 threshold should be written off the capital asset schedule. This write off, amounting to \$30,929,131 of historical cost and \$27,225,467 of accumulated depreciation, is presented as reductions in the current year.

II. Detail Notes on All Activities and Funds (continued)

D. Changes in Capital Assets (continued)

Depreciation and amortization expense were charged to the following functions of the primary government, as follows:

Primary Government

Function	Amount
Instruction	\$ 25,838,057
Student personnel services	245,474
Instructional media services	1,973,576
Instruction and curriculum development services	12,007
Instructional staff training services	7,947
Instructional-related technology	849,140
School board	21,409
General administration	1,625
School administration	593,831
Facilities services - non-capitalized	297,416
Fiscal services	39,687
Food services	2,206,726
Central services	1,822,326
Student transportation services	2,528,867
Operation of plant	375,769
Maintenance of plant	451,686
Administrative technology services	545,662
Community services	307,305
Total depreciation and amortization expense	<u>\$ 38,118,510</u>

E. Retirement Plans

1. FRS – General Information

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.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

1. FRS – General Information (continued)

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 Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing multiple-employer defined benefit 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 total pension liability is \$410,973,579. FRS and HIS pension expense totaled \$106,699,018 for the fiscal year ended June 30, 2024. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the FRS and HIS pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 27,132,522	\$ 339,235
Changes in assumptions	21,168,628	12,524,067
Net difference between projected and actual earnings on pension plan investments	11,202,016	-
Changes in proportion and differences between District contributions and proportionate share of contributions	8,009,401	21,426,592
District contributions subsequent to the measurement date	42,953,815	-
Total	<u>\$ 110,466,382</u>	<u>\$ 34,289,894</u>

Additional information about the two pension plans is provided below.

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS – Defined Benefit Pension Plans

The FRS 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 who 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.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final 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 table shows the percentage value for each year of service credit earned:

III. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. *FRS – Defined Benefit Pension Plans (continued)*

The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>Percent Value</u>
Regular Members Initially Enrolled Before July 1, 2011	
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
Regular Members Initially Enrolled On or After July 1, 2011	
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
Elected County Officers	3.00
Senior Management Service	2.00

As provided in Section 121.101, Florida Statutes, if the member was initially enrolled in the Plan 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 was 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.

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS – Defined Benefit Pension Plans (continued)

Contributions. The State of Florida establishes contribution rates for participating employers and employees. The District's employer and employee contribution rates are established in Section 121.71, Florida Statutes. Employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) are recommended by the Plan actuary but set by the Legislature. Statutes require any unfunded actuarial liability be amortized over 30 plan years. Contribution rates during the 2023-24 fiscal year were as follows:

Class	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	3.00	13.57
Florida Retirement System, Elected County Officers	3.00	44.89
Florida Retirement System, Senior Management Service	3.00	34.52
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	21.13
Florida Retirement System, Reemployed Retiree	(B)	(B)

(A) Employer rates include 2.00 percent for the retiree HIS program. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(B) Contribution rates are dependent upon the retirement class in which the employee was reemployed.

The District's contributions to the FRS Pension Plan totaled \$35,446,303 for the fiscal year ended June 30, 2024.

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 liability of \$266,442,938 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.668667756 percent, which was a decrease of 0.051904618 from its proportionate share measured as of June 30, 2022.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS – Defined Benefit Pension Plans (continued)

For the year ended June 30, 2024, the District recognized the Plan pension expense of \$54,493,182. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 25,016,693	\$ -
Changes in assumptions	17,368,961	-
Net difference between projected and actual earnings on pension plan investments	11,127,378	-
Changes in proportion and differences between District contributions and proportionate share of contributions	8,009,401	15,484,347
District contributions subsequent to the measurement date	35,446,303	-
Total	<u>\$ 96,968,736</u>	<u>\$ 15,484,347</u>

The deferred outflows of resources related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$35,446,303, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025. 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 Recognized
2025	\$ 5,782,834
2026	(3,928,565)
2027	42,654,096
2028	1,174,003
2029	355,718
Thereafter	-
Total	<u>\$ 46,038,086</u>

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS - Defined Benefit Pension Plans (continued)

Actuarial Assumptions. The total pension liability in the June 30, 2023, 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 (Discount Rate)	6.70 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP 2018.

The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

Long-term Expected Rate of Return. 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:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
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	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	100.0%			
Assumed Inflation - Mean			2.4%	1.4%

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. *FRS - Defined Benefit Pension Plans (continued)*

Discount Rate. The discount rate used to measure the total pension liability was 6.7 percent, which is consistent with the prior year. 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 discount rate for calculating the total pension liability is equal to the long term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Position 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 6.7 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 (5.7 percent) or 1 percentage point higher (7.7 percent) than the current rate:

	1% Decrease (5.7%)	Current Discount Rate (6.7%)	1% Increase (7.7%)
District's proportionate share of the FRS Pension Plan net pension liability	\$ 455,138,792	\$ 266,442,938	\$ 108,576,278

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, 2024, the District reported a payable of \$5,357,235 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2024.

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS - Defined Benefit Pension Plans (continued)

The HIS 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. Persons are eligible for HIS payments who are retired under a state-administered retirement system or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system, except those individuals who are pension recipients under Sections 121.40, 237.08(18)(a) and 250.22, Florida Statutes, or are recipients of health insurance coverage under Section 110.1232, Florida Statutes or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when they terminate employment with all employers participating in the FRS and:

- For a member of the FRS investment plan, the participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes, and meets the definition of retiree in Section 121.4501(2), Florida Statutes.
- For a member of the FRS defined benefit pension plan, or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan.

Any person retiring on or after July 1, 2001, as a member of the FRS, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statutes.

Benefits Provided. The benefit of the HIS Plan is a monthly payment to assist retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement. HIS 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.

For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$10 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 Federal Medicare.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS - Defined Benefit Pension Plans (continued)

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, 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 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized.

The District's contributions to the HIS Pension Plan totaled \$7,507,512 for the fiscal year ended June 30, 2024.

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 \$144,530,641 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the District's proportionate share was 0.910066138 percent, which was a decrease of 0.033267664 percent from its proportionate share measured as of June 30, 2022.

For the fiscal year ended June 30, 2024, the District recognized the HIS Plan pension expense of \$52,205,836. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,115,829	\$ 339,235
Changes in assumptions	3,799,667	12,524,067
Net difference between projected and actual earnings on pension plan investments	74,638	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	5,942,245
District contributions subsequent to the measurement date	7,507,512	-
Total	<u>\$ 13,497,646</u>	<u>\$ 18,805,547</u>

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS - Defined Benefit Pension Plans (continued)

The deferred outflows of resources related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$7,507,512, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. 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 Recognized
2025	\$ (2,775,130)
2026	(2,088,862)
2027	(2,402,082)
2028	(3,308,775)
2029	(1,963,203)
Thereafter	(277,361)
Total	<u>\$ (12,815,413)</u>

Actuarial Assumptions. The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of the valuation date, calculated 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 2018.

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.

Changes in actuarial assumptions included the effects of Senate Bill 7024, which increased the level of monthly benefits from \$5.00 times years of service to \$7.50, with an increased minimum of \$45.00 and maximum of \$225.00. This change applies to all years of service for both members currently in pay and members not yet in pay.

The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

2. FRS - Defined Benefit Pension Plans (continued)

Discount Rate. The discount rate used to measure the total pension liability was 3.65 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 HIS Plan sponsor. The Bond Buyer General Obligation 20 Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate changed from 3.54 percent to 3.65 percent.

Sensitivity of the District's Proportionate Share of the Net Position 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 3.65 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 (2.65 percent) or 1 percentage point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of the HIS Pension Plan net pension liability	\$ 164,886,904	\$ 144,530,641	\$ 127,656,665

Pension Plan Fiduciary Net Position. Detailed information about 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, 2024, the District reported a payable of \$569,679 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2024.

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

1. FRS - Defined Contribution Pension Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan 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 Plan member accounts during the 2023-24 fiscal year were as follows:

Class	Percent of Gross Salary
Florida Retirement System, Regular	11.30
Florida Retirement System, Elected County Officers	16.34
Florida Retirement System, Senior Management Service	12.67

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 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 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, 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.

II. Detail Notes on All Activities and Funds (continued)

E. Retirement Plans (continued)

3. *FRS - Defined Contribution Pension Plan (continued)*

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 in which 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.

The District's Investment Plan pension expense totaled \$17,177,528 for the fiscal year ended June 30, 2024.

Payables to the Plan. At June 30, 2024, the District reported a payable of \$3,038,161 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2024.

B. Other Postemployment Benefits (OPEB)

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical and prescription drug, and life coverage. For retiree life insurance, retirees pay 100% of the life insurance premium, and their premium rates are not subsidized by the District. Retirees and their eligible dependents are offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. The District implicitly subsidizes the premium rates paid by pre-Medicare retirees by allowing them to participate in the OPEB Plan at reduced or blended group premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. Plan contribution requirements of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefit Terms. The OPEB Plan provides healthcare and life insurance benefits for retirees and their dependents. In addition to the implicit subsidy described above, the benefit terms provide for reduced health insurance premiums for Medicare retirees to offset their Medicare Part B premium. Regarding healthcare insurance benefits, retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. For retiree life insurance, premium rates are not subsidized by the District.

II. Detail Notes on All Activities and Funds (continued)

F. Other Postemployment Benefits (OPEB) (continued)

Employees Covered. As of June 30, 2023, the valuation date, there were 7,176 active employees and 139 retirees enrolled for healthcare benefits. The District contributed \$896,142 toward annual OPEB costs for claims and retention costs, net of retiree contributions totaling \$3,062,980.

Total OPEB Liability. The District's total OPEB liability of \$8,680,387 was measured as of June 30, 2023, and was determined by an actuarial valuation as of the same. Update procedures were used to determine the total OPEB liability as of June 30, 2024.

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

Valuation Date	June 30, 2023
Measurement Date	June 30, 2023
Reporting Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal (level percent of salary)
Health Care Trend	7.00% decreasing to 6.50%, then decreasing by 0.10% per year down to 4.50%, and level thereafter
Discount Rate*	4.13% (based upon all years of projected payments discounted at a municipal bond rate of 4.13%)
Municipal Bond Rate Source	S&P Municipal Bond 20 Year High Grade Index
Actuarial Assumptions	Based on an experience study conducted in 2019 using Florida Retirement System (FRS) experience from 2013-18.
Mortality Assumptions	Based on 2019 FRS experience, Pub-2010 base tables with age adjustments and generational mortality improvements using gender-specific MP-2018 mortality improvement projection scale.

* Implicit in this rate is an assumed rate of inflation of 2.50%

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

F. Other Postemployment Benefits (OPEB) (continued)

Changes to the Total OPEB Liability. Below are the details regarding the total OPEB liability for the year ending June 30, 2024, measured as of the same.

	<u>Total OPEB Liability</u>
Balance at 06/30/2023	\$ 10,356,598
Changes for the Fiscal Year:	
Service cost	880,636
Interest cost	413,954
Difference between expected and actual experience	(2,209,463)
Changes of assumptions or other inputs	134,804
Benefit payments	<u>(896,142)</u>
Net change in total OPEB liability	<u>(1,676,211)</u>
Balance at 06/30/2024	<u>\$ 8,680,387</u>

The changes of assumptions or other inputs included updated health care trend assumptions and assumed discount rate.

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 or 1 percentage point higher than the current discount rate:

	<u>Decrease (3.13%)</u>	<u>Discount Rate (4.13%)</u>	<u>Increase (5.13%)</u>
Total OPEB Liability	\$ 8,829,583	\$ 8,680,387	\$ 8,424,928

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend. 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 or 1 percentage point higher than the current healthcare cost trend rates:

	<u>Decrease (6.00%)</u>	<u>Discount Rate (7.00%)</u>	<u>Increase (8.00%)</u>
Total OPEB Liability	\$ 7,646,505	\$ 8,680,387	\$ 9,852,716

II. Detail Notes on All Activities and Funds (continued)

F. Other Postemployment Benefits (OPEB) (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$(1,271,556). At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 724,592	\$ 10,618,589
Changes in assumptions	1,442,195	14,434,953
Benefits paid subsequent to the measurement date	269,276	-
Total	<u>\$ 2,436,063</u>	<u>\$ 25,053,542</u>

Of the total amount reported as deferred outflows of resources related to OPEB, \$269,276 results from benefits paid 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	Amount Expense
2025	\$ (2,566,146)
2026	(2,566,146)
2027	(2,566,146)
2028	(2,566,146)
2029	(2,566,146)
Thereafter	(10,056,025)
Total	<u>\$ (22,886,755)</u>

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

C. Construction and Other Significant Commitments

Encumbrances. Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and 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 following is a schedule of encumbrances at June 30, 2024:

General Fund	Capital Projects- Other Capital Improvement Funds	Capital Projects - \$1011.71(2) Local Capital Improvement Tax Fund	Special Revenue - Federal Education Stabilization Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>\$ 5,632,258</u>	<u>\$ 21,055,270</u>	<u>\$ 16,266,206</u>	<u>\$ 5,342,145</u>	<u>\$ 4,628,984</u>	<u>\$ 52,924,863</u>

Construction, Remodeling, and Renovation Contracts. Encumbrances include the following non-reoccurring major construction, remodeling and renovation commitments remaining at fiscal year-end:

Project	Contract Amount	Completed to Date	Remaining Commitment
LBHS Cooling Towers	\$ 1,365,604	\$ 1,249,090	\$ 116,514
LHHS Renovation	18,039,126	17,790,220	248,906
Renovation - Lawton Elem	25,500,206	18,355,042	7,145,164
WSHS CEP Replacement	5,258,903	4,821,422	437,481
Total	<u>\$ 50,163,839</u>	<u>\$ 42,215,774</u>	<u>\$ 7,948,065</u>

II. Detail Notes on All Activities and Funds (continued)

D. Risk Management

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. The District established the Self-Insurance - Casualty, Liability, and Workers' Compensation Internal Service Fund (Risk Management Fund) to account for and finance its uninsured risks of loss related to workers' compensation, automobile liability, and general liability claims. The District retains \$750,000 per occurrence for workers' compensation liability, \$500,000 per occurrence for errors and omissions exposure, \$250,000 per occurrence for cyber liability, and \$300,000 per occurrence for automobile and general liability exposures. The District retains \$100,000 per occurrence for property damage other than named storms (hurricanes, etc.); for named storms the District's retention is 2 percent of the total insured value per building, with a maximum deductible of \$10,000,000.

The District entered into agreements with various insurance companies to provide specific excess coverage of claims amounts above the stated amount on an individual claim basis and aggregate excess coverage when total claims minus specific excess coverage exceeds the loss fund established annually by the District. The District contracted with a third-party claims administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims. Settled claims resulting from risks described in this section have not exceeded commercial insurance coverage for the past three fiscal years.

The District established a Self-Insurance - Health Internal Service Fund (Health Self-Insurance Fund) to account for and finance the Health Self-Insurance Program. The District provides coverage for health and hospitalization and for prescription drugs. The self-insurance program is administered by an outside provider. Both health and hospitalization claims and prescription drug claims are limited to a specified amount per person and/or per plan year, due to stop-loss insurance coverages being purchased from a commercial insurance provider. The first stop-loss insurance coverage is individual stop-loss coverage that reimburses claims in excess of \$450,000 per person per plan year, including prescription drug claims.

The District reports the self-insurance programs in the Internal Service Funds. Amounts are transferred from the General Fund to the Internal Service Funds to provide sufficient resources to cover claims incurred, pay for the purchase of excess and/or stop-loss insurance, pay for risk management personnel expenses and pay the insurance service agent's administrative fee.

A liability in the amount of \$9,913,268 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, 2024. A liability in the amount of \$4,579,023 was estimated pending final actuarial valuation to cover outstanding claims and estimated incurred, but not reported, insurance claims payable at June 30, 2024, for the Self-Insurance - Health Fund.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

H. Risk Management (continued)

The estimates of the insurance claims payable also include allocated loss adjustment expenses (incremental claims adjustment expenses). Allocated loss adjustment expense provides for all expenses associated with the handling and settling of claims that can be directly attributable to a particular claim. Such expenses typically include legal fees, investigatory and expert witness fees, etc. No other costs associated with the District's insurance program have been considered in determining the insurance claims payable.

The following schedules represent the changes in claims liability for the past two fiscal years for the District's Self-Insurance Programs:

Casualty, Liability, and Workers' Compensation Self-Insurance Fund:

Fiscal Year	Balance at Fiscal Year Beginning	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Balance at Fiscal Year End
2022 - 2023	\$ 6,976,834	\$ 5,464,430	\$ (2,766,374)	\$ 9,674,890
2023 - 2024	9,674,890	5,462,036	(5,223,658)	9,913,268

Health Self-Insurance Fund:

Fiscal Year	Balance at Fiscal Year Beginning	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Balance at Fiscal Year End
2022 - 2023	\$ 2,926,081	\$ 53,678,853	\$ (53,077,931)	\$ 3,527,003
2023 - 2024	3,527,003	56,915,941	(55,863,921)	4,579,023

II. Detail Notes on All Activities and Funds (continued)

H. Subscription-Based Information Technology Arrangements

The District has entered into various SBITAs for finance, reporting, and learning software for periods of 1 to 5 years. The SBITAs have been recorded at the present value of the future contract payments as of the date of their inception or, for SBITAs existing prior to the implementation year at the remaining terms of the agreement, using the facts and circumstances available at July 1, 2022. The District utilized an incremental borrowing rate of 2.04% to calculate the present value of the SBITA liability. SBITA debt service requirements to maturity are as follows:

Fiscal Year Ending June 30,	Subscription-Based IT Arrangements		
	Principal	Interest	Total
2025	\$ 445,638	\$ 25,530	\$ 471,168
2026	282,607	17,804	300,411
2027	241,485	15,911	257,396
2028	160,086	9,162	169,248
Total SBITA payable	<u>\$ 1,129,816</u>	<u>\$ 68,407</u>	<u>\$ 1,198,223</u>

For the year ended June 30, 2024, the District had SBITAs with variable payments that were based on user seats which were expensed as incurred in the amount of \$2,188,990. The District had no other payments, such as termination penalties, not previously included in the measurement of the subscription liability and the District had no commitments under SBITAs before the commencement of the subscription term or any losses associated with an impairment.

I. Long-Term Liabilities

1. *Certificates of Participation*

The District entered into a financing arrangement on April 1, 1994, characterized as a lease-purchase agreement, with the Seminole School Board Leasing Corporation, Inc. (Leasing Corporation), whereby the District secured financing of various educational facilities and equipment. This financing was accomplished through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given ground leases on District property to the Leasing Corporation, with rental fees 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 leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates for a period of time as specified by the arrangements.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)

I. Long-Term Liabilities (continued)

1. Certificates of Participation (continued)

The District has the following ground leases at June 30, 2024:

Certificates of Participation	Refunded by	Ground Lease	
		Commencement Date	Run Through (1)
Series 2003B	Series 2012A	November 1, 2003	June 30, 2029
Series 2006A	Series 2014A***	April 1, 2006	June 30, 2036
Series 2009A	Series 2016B*	May 1, 2009	June 30, 2034
Series 2016C		November 17, 2016	June 30, 2041
Series 2021A	Series 2022A**	April 15, 2021	June 30, 2029
Series 2021B	Series 2024A***	April 15, 2021	June 30, 2031

* Series 2009A was partially refunded by Refunding Series 2016B Certificates in the 2015-16 fiscal year.

** Refunding Series 2021A in the 2020-21 fiscal year was exchanged for the Series 2022A in the 2021-22 fiscal year.

*** Series 2014A was partially refunded by the Refunding Series 2021B in the 2020-21 fiscal year. The Series 2021B was then exchanged for the Series 2024A in the 2023-24 fiscal year.

Note 1: Ground leases run until the certificates are paid or the date shown, whichever is the earliest.

The District properties included in the ground leases under this arrangement include:

Refunding Series 2012A Certificates

Hagerty High School
Midway Elementary School

Refunding Series 2022A Certificates

Tuskawilla Middle School
Crystal Lake Elementary

Refunding Series 2016B Certificates

Endeavor Special Needs Center
School Bus Parking Facility
District Alternative Discipline Program Center

Refunding Series 2014A Certificates

Oviedo High School Improvements
Seminole High School (Buildings 14 & 16)

Series 2016C Certificates

Millennium Middle School
Longwood Elementary Renovation

II. Detail Notes on All Activities and Funds (continued)

I. Long-Term Liabilities (continued)

1. Certificates of Participation (continued)

Certificates of Participation at June 30, 2024 are as follows:

Series	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Refunding Series 2016B	\$ 14,000,000	\$ 7,080,000	2.24%	2029
Series 2016C	50,555,000	28,860,000	5.00%	2036
Refunding Series 2022A	16,470,000	11,910,000	1.26%	2029
Refunding Series 2024AA	12,365,000	12,125,000	1.42%	2031
Total certificates of participation	<u>\$ 93,390,000</u>	<u>\$ 59,975,000</u>		

The Certificates of Participation that were used to refund a prior issue are described as follows: Certificates of Participation, Refunding Series 2016B (used to refund portions of the Certificates of Participation, Series 2009A); Certificates of Participation Series 2022A (used to refund Certificates of Participation, Series 2021A, which were used to partially refund Certificates of Participation Series 2012B, which were issued to refund portions of Certificates of Participation, Series 2004A); Certificates of Participation Series 2024A (used to refund Certificates of Participation Series 2021B, which were partially used to refund Certificates of Participation Series 2014A, which were issued to refund portions of Certificates of Participation, Series 2006A).

The lease payments are payable by the District semiannually, on January 1 and July 1. The following is a schedule by years of future minimum lease payments under the lease agreements, together with the present value of the minimum lease payments as of June 30, 2024:

Fiscal Year Ending June 30,	Total	Certificates of Participation		Certificates of Participation from Direct Placements	
		Principal	Interest	Principal	Interest
2025	\$ 9,063,833	\$ 1,800,000	\$ 1,443,000	\$ 5,340,000	\$ 480,833
2026	9,065,613	1,890,000	1,353,000	5,425,000	397,613
2027	9,051,490	1,980,000	1,258,500	5,500,000	312,990
2028	9,051,595	2,080,000	1,159,500	5,585,000	227,095
2029	9,055,295	2,185,000	1,055,500	5,675,000	139,795
2030-2034	20,013,430	12,835,000	3,511,750	3,590,000	76,680
2035-2039	6,550,500	6,090,000	460,500	-	-
Total minimum lease payments	<u>\$ 71,851,756</u>	<u>\$ 28,860,000</u>	<u>\$ 10,241,750</u>	<u>\$ 31,115,000</u>	<u>\$ 1,635,006</u>

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)**I. Long-Term Liabilities (continued)****2. Bonds Payable**

Bonds payable, consisting solely of State School Bonds, at June 30, 2024, are as follows:

Series	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
State school bonds:				
Refunding Series 2014-A	\$ 925,000	\$ 78,000	3.00	2025
Refunding Series 2017-A	4,376,000	2,178,000	3.00 - 5.00	2028
Total bonds payable	<u>\$ 5,301,000</u>	<u>\$ 2,256,000</u>		

The various issues of State School Bonds were issued to finance capital outlay projects of the District or refund previously issued State School Bonds. These bonds are issued by the State Board of Education (SBE) on behalf of the District. The bonds mature serially and are secured by a pledge of the District's portion of the state-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. Principal and interest payments, investment of Debt Service fund resources, and compliance with reserve requirements are administered by the SBE and the SBA. Annual requirements to amortize all bonded debt outstanding as of June 30, 2024, are as follows:

Fiscal Year Ending June 30,	State School Bonds Payable		
	Principal	Interest	Total
2025	\$ 562,000	\$ 99,080	\$ 661,080
2026	522,000	72,540	594,540
2027	564,000	46,440	610,440
2028	608,000	18,240	626,240
Total bonds payable	<u>\$ 2,256,000</u>	<u>\$ 236,300</u>	<u>\$ 2,492,300</u>

II. Detail Notes on All Activities and Funds (continued)

I. Long-Term Liabilities (continued)

3. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities:

Primary Government	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Long-term Portion	Due Within One Year
Governmental activities:						
Certificates of participation payable:						
Direct borrowings						
and direct placements	\$ 34,975,000	\$ 12,365,000	\$ (16,225,000)	\$ 31,115,000	\$ 25,775,000	\$ 5,340,000
Other	42,005,000	-	(13,145,000)	28,860,000	27,060,000	1,800,000
Unamortized premiums	6,775,916	-	(790,916)	5,985,000	5,486,250	498,750
Certificates of participation payable, net	83,755,916	12,365,000	(30,160,916)	65,960,000	58,321,250	7,638,750
Bonds payable	2,818,000	-	(562,000)	2,256,000	1,694,000	562,000
Unamortized premiums	302,296	-	(76,103)	226,193	156,776	69,417
Bonds payable, net	3,120,296	-	(638,103)	2,482,193	1,850,776	631,417
Subscription-Based IT Arrangements	1,236,701	727,432	(834,317)	1,129,816	684,178	445,638
Compensated absences payable	19,008,469	19,159,273	(20,741,469)	17,426,273	15,284,180	2,142,093
Estimated insurance claims payable	13,201,893	62,377,977	(61,087,579)	14,492,291	5,816,081	8,676,210
Net pension liability	368,024,947	246,995,005	(204,046,373)	410,973,579	410,973,579	-
Total other postemployment benefits liability	10,356,598	1,429,394	(3,105,605)	8,680,387	8,411,110	269,277
Total long-term liabilities	<u>\$ 498,704,820</u>	<u>\$ 343,054,081</u>	<u>\$(320,614,362)</u>	<u>\$ 521,144,539</u>	<u>\$ 501,341,154</u>	<u>\$ 19,803,385</u>

Compensated absences, net pension liability, and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the Internal Service Funds.

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

II. Detail Notes on All Activities and Funds (continued)**J. Interfund Payables and Receivables**

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

Funds	Due From Other Funds	Due To Other Funds
Major:		
General Fund	\$ 7,480,966	\$ -
Capital Projects - Other Capital Improvement Funds	5,082,049	4,269,371
Special Revenue - Federal Education Stabilization Fund	-	3,427,743
Nonmajor governmental funds	248,550	-
Internal service funds	-	5,114,451
Total	<u>\$ 12,811,565</u>	<u>\$ 12,811,565</u>

The majority of the interfund payables and receivables represent the cash overdrafts for various funds that were covered by cash held by other funds and will be repaid within 12 months. The remaining interfund balances are operational in nature involving unreimbursed sales between funds and will be paid within 12 months.

K. Interfund Transfers

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

Funds	Transfers In	Transfers Out
Major:		
General Fund	\$ 37,420,992	\$ 6,908,066
Debt Service - Certificates of Participation Fund	19,777,609	920,752
Capital Projects - Other Capital Improvement Funds	421,122	9,146,129
Capital Projects - §1011.71(2) Local Capital Improvement Tax Fund	499,631	45,373,141
Nonmajor governmental funds	33,204	1,754,445
Internal service funds	6,894,344	944,369
Total	<u>\$ 65,046,902</u>	<u>\$ 65,046,902</u>

Most of the transfers out of the capital project funds and nonmajor governmental funds were to provide debt service principal and interest payments and to assist in funding maintenance operations of the District. Transfers between capital funds were made to reallocate costs to different funding sources. The remaining transfers between funds were operational in nature.

II. Detail Notes on All Activities and Funds (continued)**L. Revenues**Schedule of State Revenue Sources

The following is a schedule of the District's state revenue for the 2023-24 fiscal year:

Source	Amount
Florida Education Finance Program	\$ 271,664,013
Class size reduction	60,521,294
School recognition	5,628,167
Motor vehicle license tax (Capital Outlay and Debt Service)	2,675,569
Voluntary Pre-K	2,383,360
Charter school capital outlay	1,734,962
Food service supplement	291,502
Miscellaneous	2,641,214
Total	<u>\$ 347,540,081</u>

Accounting policies relating to certain State revenue sources are described in note I.G.2.

Property Taxes

The following is a summary of millages and taxes levied on the 2023 tax roll for the 2023-24 fiscal year:

	Millages	Taxes Levied
<u>General Fund</u>		
Nonvoted school tax:		
Required local effort	3.130	\$ 171,741,639
Discretionary operating	0.748	41,042,411
Voted school tax:		
Additional voted millage	0.000	-
<u>Local Capital Improvement Tax Fund</u>		
Nonvoted tax:		
Local capital improvements	1.500	82,304,300
Total	<u>5.378</u>	<u>\$ 295,088,350</u>

Accounting policies relating to District Property Taxes revenue recognition are described in Note I.G.3.

IV. Summary Disclosure of Significant Contingencies

A. Litigation

The School Board is a defendant in various lawsuits at fiscal year-end. Although the outcome of these lawsuits cannot presently be determined, in the opinion of the District's legal counsel, the resolution of these matters will not have a material adverse effect on the financial position of the District.

B. Other Loss Contingencies

The District receives financial assistance from Federal and State agencies in the form of grants and appropriations. The disbursement of funds received under these programs generally requires compliance with specified terms and conditions and is subject to final determination by the applicable Federal and State agencies. Any disallowed claims should become a liability of the General Fund or other applicable funds. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although District management anticipates such amounts, if any, will be immaterial.



SEMINOLE COUNTY
PUBLIC SCHOOLS



SEMINOLE COUNTY
PUBLIC SCHOOLS

FINANCIAL

REQUIRED SUPPLEMENTARY INFORMATION

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
General Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Federal direct sources:				
Other federal direct sources	\$ 600,000	\$ 1,307,613	\$ 1,255,683	\$ (51,930)
Total federal direct sources	600,000	1,307,613	1,255,683	(51,930)
Federal through state and local sources:				
Other federal through state sources	1,400,000	1,403,616	1,309,022	(94,594)
Total federal through state and local sources	1,400,000	1,403,616	1,309,022	(94,594)
State sources:				
Florida Education Finance Program	267,887,912	271,664,013	271,664,013	-
Class size reduction	61,759,250	60,521,294	60,521,294	-
Other state sources	2,797,115	8,321,029	8,320,766	(263)
Total state sources	332,444,277	340,506,336	340,506,073	(263)
Local sources:				
Ad valorem property taxes	204,732,307	204,732,307	205,090,302	357,995
Charges for services	5,386,400	6,738,491	6,693,491	(45,000)
Investment income	2,001,000	5,612,296	6,255,776	643,480
Other local sources	3,500,610	7,679,684	6,701,041	(978,643)
Total local sources	215,620,317	224,762,778	224,740,610	(22,168)
Total revenues	550,064,594	567,980,343	567,811,388	(168,955)
Expenditures				
Current:				
Instruction:				
Salaries	237,925,653	237,718,094	236,245,670	1,472,424
Employee benefits	86,886,104	87,064,129	85,111,093	1,953,036
Purchased services	30,960,325	36,011,017	32,569,916	3,441,101
Energy services	4,704	7,454	3,150	4,304
Materials and supplies	44,159,152	29,413,058	7,959,505	21,453,553
Capital outlay - non-capitalized	357,950	3,510,396	2,893,525	616,871
Other expenditures	5,486,828	7,342,891	7,291,497	51,394
Total instruction	405,780,716	401,067,039	372,074,356	28,992,683
Student personnel services:				
Salaries	16,150,466	16,452,885	16,452,885	-
Employee benefits	6,040,264	6,086,302	6,013,735	72,567
Purchased services	5,677,398	6,040,120	5,731,262	308,858
Materials and supplies	1,024	34,473	22,303	12,170
Capital outlay - non-capitalized	11,918	11,327	1,931	9,396
Other expenditures	59,881	93,288	93,288	-
Total student personnel services	27,940,951	28,718,395	28,315,404	402,991
Instructional media services:				
Salaries	455,960	476,931	457,054	19,877
Employee benefits	178,453	180,648	168,112	12,536
Purchased services	87,085	115,364	114,903	461
Materials and supplies	3,583	3,809	1,720	2,089
Capital outlay - non-capitalized	342,965	319,219	150,734	168,485
Other expenditures	802	802	248	554
Total instructional media services	1,068,848	1,096,773	892,771	204,002
Instruction and curriculum development services:				
Salaries	4,337,543	4,563,110	4,563,110	-
Employee benefits	1,640,379	1,695,196	1,646,089	49,107
Purchased services	67,649	93,784	56,644	37,140
Materials and supplies	295,094	97,162	46,261	50,901
Capital outlay - non-capitalized	14,159	19,844	15,890	3,954
Other expenditures	26,123	81,482	26,256	55,226
Total instruction and curriculum development services	6,380,947	6,550,578	6,354,250	196,328

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
General Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Instructional staff training services:				
Salaries	4,505,252	4,422,336	4,332,499	89,837
Employee benefits	1,523,127	1,531,279	1,531,279	-
Purchased services	296,736	810,754	644,954	165,800
Materials and supplies	38,709	73,182	45,808	27,374
Capital outlay - non-capitalized	11,857	19,972	8,419	11,553
Other expenditures	31,796	166,341	147,563	18,778
Total instructional staff training services	6,407,477	7,023,864	6,710,522	313,342
Instructional-related technology:				
Salaries	3,539,451	3,515,481	3,456,740	58,741
Employee benefits	1,290,887	1,293,238	1,259,811	33,427
Purchased services	214,376	158,163	91,546	66,617
Materials and supplies	2,019	4,154	2,006	2,148
Capital outlay - non-capitalized	6,915	26,800	(357)	27,157
Other expenditures	34,750	34,750	34,365	385
Total instructional-related technology	5,088,398	5,032,586	4,844,111	188,475
School board:				
Salaries	716,451	761,930	760,997	933
Employee benefits	379,644	401,516	400,894	622
Purchased services	595,225	638,265	586,493	51,772
Materials and supplies	7,389	9,736	9,107	629
Capital outlay - non-capitalized	-	3,403	2,303	1,100
Other expenditures	30,829	30,939	30,861	78
Total school board	1,729,538	1,845,789	1,790,655	55,134
General administration:				
Salaries	253,748	282,357	282,357	-
Employee benefits	120,873	139,037	139,037	-
Purchased services	41,093	42,097	41,572	525
Materials and supplies	4,790	17,077	11,176	5,901
Other expenditures	28,998	27,449	25,096	2,353
Total general administration	449,502	508,017	499,238	8,779
School administration:				
Salaries	28,870,767	30,003,388	30,003,388	-
Employee benefits	11,870,705	12,031,793	12,031,789	4
Purchased services	8,493	195,380	139,023	56,357
Energy services	-	21	21	-
Materials and supplies	6,496	70,384	48,238	22,146
Capital outlay - non-capitalized	39,044	134,060	103,954	30,106
Other expenditures	411	6,624	4,903	1,721
Total school administration	40,795,916	42,441,650	42,331,316	110,334
Facilities services - non-capitalized:				
Salaries	262,880	325,345	325,345	-
Employee benefits	104,478	127,072	126,632	440
Purchased services	16,505	17,771	8,050	9,721
Materials and supplies	19,863	23,254	8,993	14,261
Capital outlay - non-capitalized	(64,881)	(61,555)	104,863	(166,418)
Other expenditures	1,827,172	1,855,972	1,759,831	96,141
Total facilities services - non-capitalized	2,166,017	2,287,859	2,333,714	(45,855)
Fiscal services:				
Salaries	2,082,590	2,149,308	2,149,308	-
Employee benefits	762,508	831,247	831,246	1
Purchased services	300,326	504,876	483,746	21,130
Materials and supplies	26,767	17,099	8,556	8,543
Capital outlay - non-capitalized	25,000	23,345	12,367	10,978
Other expenditures	5,000	5,889	5,220	669
Total fiscal services	3,202,191	3,531,764	3,490,443	41,321

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
General Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Food services:				
Employee benefits	6	-	(11)	11
Purchased services	-	2,741	2,741	-
Total food services	6	2,741	2,730	11
Central services:				
Salaries	3,254,892	3,316,453	3,148,337	168,116
Employee benefits	1,529,448	1,416,293	1,329,816	86,477
Purchased services	278,659	298,504	268,171	30,333
Energy services	34,221	34,644	34,644	-
Materials and supplies	73,986	69,176	62,762	6,414
Capital outlay - non-capitalized	38,688	32,854	11,872	20,982
Other expenditures	52,428	58,816	58,339	477
Total central services	5,262,322	5,226,740	4,913,941	312,799
Student transportation services:				
Salaries	13,297,602	15,728,849	15,728,849	-
Employee benefits	6,012,291	6,444,609	6,444,608	1
Purchased services	990,749	981,807	921,936	59,871
Energy services	3,549,000	3,470,325	2,404,336	1,065,989
Materials and supplies	1,521,178	1,692,171	1,615,602	76,569
Capital outlay - non-capitalized	68,193	36,739	36,549	190
Other expenditures	50,300	43,209	15,626	27,583
Total student transportation services	25,489,313	28,397,709	27,167,506	1,230,203
Operation of plant:				
Salaries	14,191,568	14,615,512	13,711,600	903,912
Employee benefits	6,500,874	6,376,777	6,167,721	209,056
Purchased services	14,872,685	14,005,072	9,804,991	4,200,081
Energy services	19,679,530	19,702,322	19,230,107	472,215
Materials and supplies	1,802,514	1,874,428	1,633,671	240,757
Capital outlay - non-capitalized	250,402	585,383	357,190	228,193
Other expenditures	41,786	72,363	31,732	40,631
Total operation of plant	57,339,359	57,231,857	50,937,012	6,294,845
Maintenance of plant:				
Salaries	6,602,697	6,626,714	5,689,255	937,459
Employee benefits	2,668,361	2,710,315	2,255,119	455,196
Purchased services	25,535,129	25,495,868	13,819,303	11,676,565
Energy services	7,199	252,533	241,640	10,893
Materials and supplies	2,372,165	2,630,911	1,924,475	706,436
Capital outlay - non-capitalized	50,823	298,527	185,629	112,898
Other expenditures	-	3,250	3,250	-
Total maintenance of plant	37,236,374	38,018,118	24,118,671	13,899,447
Administrative technology services:				
Salaries	1,710,414	1,734,149	1,584,541	149,608
Employee benefits	622,162	626,016	569,778	56,238
Purchased services	5,778,889	5,965,731	5,370,381	595,350
Materials and supplies	891,985	141,653	28,301	113,352
Capital outlay - non-capitalized	208,521	570,573	399,765	170,808
Other expenditures	14,373	29,373	24,600	4,773
Total administrative technology services	9,226,344	9,067,495	7,977,366	1,090,129
Community services:				
Salaries	821,206	1,331,371	1,314,793	16,578
Employee benefits	506,842	783,847	729,324	54,523
Purchased services	912,371	1,192,491	988,336	204,155
Energy services	483	700	-	700
Materials and supplies	770,006	995,961	422,189	573,772
Capital outlay - non-capitalized	27,029	41,605	31,261	10,344
Other expenditures	1,046,008	1,528,005	1,387,164	140,841
Total community services	4,083,945	5,873,980	4,873,067	1,000,913

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
General Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Total current expenditures	639,648,164	643,922,954	589,627,073	54,295,881
Debt service:				
Principal	-	834,317	834,317	-
Interest	-	38,241	38,241	-
Total debt service	-	872,558	872,558	-
Capital outlay:				
Instruction	10,554	163,209	134,924	28,285
School administration	534	7,197	5,046	2,151
Facilities services	193,895	729,791	447,595	282,196
Central services	6,495	12,894	11,660	1,234
Operation of plant	10,574	63,882	58,636	5,246
Administrative technology services	-	779,810	780,103	(293)
Community services	-	12,639	12,639	-
Total capital outlay	222,052	1,769,422	1,450,603	318,819
Total expenditures	639,870,216	646,564,934	591,950,234	54,614,700
Deficiency of revenues under expenditures	(89,805,622)	(78,584,591)	(24,138,846)	54,445,745
Other financing sources (uses)				
Transfers in	50,340,837	51,927,503	37,420,992	(14,506,511)
Transfers out	(5,716,103)	(6,908,066)	(6,908,066)	-
Issuance of certificates of participation	-	727,432	727,432	-
Total other financing sources	44,624,734	45,746,869	31,240,358	(14,506,511)
Net change in fund balances	(45,180,888)	(32,837,722)	7,101,512	39,939,234
Fund balances				
Beginning	99,687,947	99,687,947	99,687,947	-
Ending	<u>\$ 54,507,059</u>	<u>\$ 66,850,225</u>	<u>\$ 106,789,459</u>	<u>\$ 39,939,234</u>

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actua
Special Revenue - Federal Education Stabilization Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Federal through state and local sources:				
Education stabilization funds	\$ 60,047,785	\$ 59,277,916	\$ 41,309,007	\$ (17,968,909)
Total federal through state and local sources	60,047,785	59,277,916	41,309,007	(17,968,909)
 Total revenues	 60,047,785	 59,277,916	 41,309,007	 (17,968,909)
Expenditures				
Current:				
Instruction:				
Salaries	7,000,296	8,425,849	8,080,820	345,029
Employee benefits	2,100,630	1,652,318	1,581,214	71,104
Purchased services	7,457,783	4,709,827	3,278,979	1,430,848
Materials and supplies	3,292,624	7,234,985	2,415,192	4,819,793
Capital outlay - non-capitalized	3,326,331	2,343,997	1,482,199	861,798
Other expenditures	110,518	59,528	57,590	1,938
Total instruction	23,288,182	24,426,504	16,895,994	7,530,510
 Student personnel services:				
Salaries	879,478	477,594	426,926	50,668
Employee benefits	155,726	94,193	73,818	20,375
Purchased services	384,565	457,027	325,721	131,306
Materials and supplies	15,292	47,377	31,185	16,192
Capital outlay - non-capitalized	2,948	2,948	2,778	170
Total student personnel services	1,438,009	1,079,139	860,428	218,711
 Instructional media services:				
Salaries	37,850	3,620	3,620	-
Employee benefits	3,830	288	288	-
Total instructional media services	41,680	3,908	3,908	-
 Instruction and curriculum development services:				
Salaries	4,824,309	8,048,458	3,007,183	5,041,275
Employee benefits	905,830	1,264,753	599,915	664,838
Purchased services	433,868	440,113	391,198	48,915
Materials and supplies	44,117	59,219	58,469	750
Capital outlay - non-capitalized	680	-	-	-
Total instruction and curriculum development services	6,208,804	9,812,543	4,056,765	5,755,778
 Instructional staff training services:				
Salaries	2,519,068	1,659,552	1,625,762	33,790
Employee benefits	538,425	195,883	192,396	3,487
Purchased services	505,292	357,980	102,537	255,443
Materials and supplies	11,880	8,077	7,385	692
Capital outlay - non-capitalized	3,367	-	-	-
Other expenditures	1,182	(862)	(862)	-
Total instructional staff training services	3,579,214	2,220,630	1,927,218	293,412
 Instructional-related technology:				
Salaries	109,885	45,963	45,963	-
Employee benefits	9,266	3,633	3,633	-
Purchased services	-	9,000	-	9,000
Total instructional-related technology	119,151	58,596	49,596	9,000
 School board:				
Salaries	12,200	3,710	3,710	-
Employee benefits	1,034	296	295	1
Purchased services	7,001	-	-	-
Total school board	20,235	4,006	4,005	1

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Special Revenue - Federal Education Stabilization Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General administration:				
Salaries	2,000	1,150	1,150	-
Employee benefits	176	91	90	1
Other expenditures	1,413,848	1,419,220	856,491	562,729
Total general administration	1,416,024	1,420,461	857,731	562,730
School administration:				
Salaries	705,463	695,221	695,221	-
Employee benefits	103,280	58,346	58,346	-
Purchased services	25,651	25,651	-	25,651
Total school administration	834,394	779,218	753,567	25,651
Facilities services - non-capitalized:				
Salaries	37,650	9,340	9,340	-
Employee benefits	3,035	745	745	-
Purchased services	169,855	169,855	93,650	76,205
Total facilities services - non-capitalized	210,540	179,940	103,735	76,205
Fiscal services:				
Salaries	59,200	29,150	29,150	-
Employee benefits	4,978	2,311	2,312	(1)
Total fiscal services	64,178	31,461	31,462	(1)
Food services:				
Salaries	386,500	176,540	176,540	-
Employee benefits	31,259	14,013	14,013	-
Total food services	417,759	190,553	190,553	-
Central services:				
Salaries	336,377	216,578	211,633	4,945
Employee benefits	74,512	49,239	47,758	1,481
Purchased services	170,000	205,216	147,683	57,533
Total central services	580,889	471,033	407,074	63,959
Student transportation services:				
Salaries	783,070	342,530	342,530	-
Employee benefits	77,098	27,192	27,192	-
Total student transportation services	860,168	369,722	369,722	-
Operation of plant:				
Salaries	954,275	250,212	250,212	-
Employee benefits	135,820	46,351	46,352	(1)
Purchased services	267,046	138,973	3,205	135,768
Materials and supplies	76,000	-	-	-
Capital outlay - non-capitalized	465,634	220,833	220,833	-
Total operation of plant	1,898,775	656,369	520,602	135,767
Maintenance of plant:				
Salaries	261,700	75,551	75,551	-
Employee benefits	21,169	5,888	5,889	(1)
Purchased services	1,355,089	498,953	217,208	281,745
Capital outlay - non-capitalized	16,705,052	16,304,812	13,315,616	2,989,196
Total maintenance of plant	18,343,010	16,885,204	13,614,264	3,270,940
Administrative technology services:				
Salaries	46,265	24,956	24,956	-
Employee benefits	3,852	1,974	1,973	1
Purchased services	3,765	3,765	-	3,765
Capital outlay - non-capitalized	443,722	443,722	427,116	16,606
Total administrative technology services	497,604	474,417	454,045	20,372

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
Special Revenue - Federal Education Stabilization Fund - Legal Level of Budgetary Control
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
Community services:				
Salaries	48,350	19,420	19,420	-
Employee benefits	4,059	1,548	1,548	-
Total community services	52,409	20,968	20,968	-
Total current expenditures	59,871,025	59,084,672	41,121,637	17,963,035
Capital outlay:				
Instruction	19,796	36,280	36,280	-
Administrative technology services	156,964	156,964	151,090	5,874
Total capital outlay	176,760	193,244	187,370	5,874
Total expenditures	60,047,785	59,277,916	41,309,007	17,968,909
Excess of revenues over expenditures	-	-	-	-
Net change in fund balances	-	-	-	-
Fund balances				
Beginning	-	-	-	-
Ending	\$ -	\$ -	\$ -	\$ -

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SEMINOLE COUNTY
PUBLIC SCHOOLS

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Changes in the District's Total
Other Postemployment Benefits Liability and Related Ratios

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Service cost	\$ 880,636	\$ 1,025,577	\$ 1,869,112
Interest Cost	413,954	218,927	496,718
Difference between expected and actual experience	(2,209,463)	845,358	(5,382,969)
Changes of assumptions or other inputs	134,804	(298,157)	(7,656,532)
Benefit payments	<u>(896,142)</u>	<u>(1,304,793)</u>	<u>(1,196,845)</u>
Net change in total OPEB liability	(1,676,211)	486,912	(11,870,516)
Total OPEB liability - beginning	<u>10,356,598</u>	<u>9,869,686</u>	<u>21,740,202</u>
Total OPEB liability - ending	<u>\$ 8,680,387</u>	<u>\$ 10,356,598</u>	<u>\$ 9,869,686</u>
Covered-employee payroll	\$ 349,290,251	\$ 326,423,378	\$ 322,700,900
Total OPEB liability as a percentage of covered-employee payroll	2.49%	3.17%	3.06%

Notes:

- 1) The district Implemented GASB Statement 75 for the fiscal year ended June 30, 2018, which caused the significant net change in the OPEB liability for fiscal year ending June 30, 2018. Information for prior years is not available.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 1,518,106	\$ 1,150,093	\$ 1,326,710	\$ 1,326,710
665,769	843,094	579,732	788,223
-	(1,081,777)	(3,337,972)	(3,469,268)
1,843,828	(2,799,538)	(1,493,359)	(11,020,986)
<u>(1,100,851)</u>	<u>(1,017,711)</u>	<u>(916,857)</u>	<u>(1,623,076)</u>
2,926,852	(2,905,839)	(3,841,746)	(13,998,397)
<u>18,813,350</u>	<u>21,719,189</u>	<u>25,560,935</u>	<u>39,559,332</u>
<u>\$ 21,740,202</u>	<u>\$ 18,813,350</u>	<u>\$ 21,719,189</u>	<u>\$ 25,560,935</u>
\$ 344,580,672	\$ 318,227,667	\$ 339,362,662	\$ 336,294,232
6.31%	5.91%	6.40%	7.60%

**DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule of the District's Proportionate Share of the Net Pension Liability
Florida Retirement System (FRS) Defined Benefit Pension Plan**

District's Proportionate Share Determined As Of June 30,	District's Proportion of the FRS Net Pension Liability	District's Proportionate Share of the FRS Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2023	0.6687%	\$ 266,442,938	\$ 360,969,011	73.81%	82.38%
2022	0.7206%	268,110,830	343,931,429	77.95%	82.89%
2021	0.7287%	55,041,350	339,406,516	16.22%	96.40%
2020	0.6746%	292,361,622	333,810,046	87.58%	78.85%
2019	0.6898%	237,571,198	326,981,964	72.66%	82.61%
2018	0.7079%	213,209,787	323,433,270	65.92%	84.26%
2017	0.7137%	211,103,398	318,536,371	66.27%	83.89%
2016	0.7509%	189,591,516	322,176,373	58.85%	84.88%
2015	0.7993%	103,245,872	315,350,891	32.74%	92.00%
2014	0.8204%	50,055,015	311,764,766	16.06%	96.09%

Notes:

- 1) The Net Pension Liability for the FRS Pension Plan at July 1, 2017 was restated by FRS as a result of implementing GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

**Schedule of the District's Proportionate Share of the Net Pension Liability
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

District's Proportionate Share Determined As Of June 30,	District's Proportion of the HIS Net Pension Liability	District's Proportionate Share of the HIS Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2023	0.9101%	\$ 144,530,641	\$ 360,969,011	40.04%	4.12%
2022	0.9433%	99,914,117	343,931,429	29.05%	4.81%
2021	0.9582%	117,542,118	339,406,516	34.63%	3.56%
2020	0.9614%	117,383,745	333,810,046	35.16%	3.00%
2019	0.9773%	109,345,581	326,981,964	33.44%	2.63%
2018	0.9901%	104,789,128	323,433,270	32.40%	2.15%
2017	0.9981%	106,717,839	318,536,371	33.50%	1.64%
2016	1.0432%	121,576,645	322,176,373	37.74%	0.97%
2015	1.0380%	105,863,716	315,350,891	33.57%	0.50%
2014	1.0493%	98,111,296	311,764,766	31.47%	0.99%

**DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION**

**Schedule of District Contributions
Florida Retirement System (FRS) Defined Benefit Pension Plan**

Fiscal Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	District's Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2024	\$ 35,446,303	\$ 35,446,303	\$ -	\$ 376,346,400	9.42%
2023	33,444,088	33,444,088	-	360,969,011	9.27%
2022	30,748,134	30,748,134	-	343,931,429	8.94%
2021	27,758,479	27,758,479	-	339,406,516	8.18%
2020	22,412,439	22,412,439	-	333,810,046	6.71%
2019	21,390,009	21,390,009	-	326,981,964	6.54%
2018	20,173,317	20,173,317	-	323,433,270	6.24%
2017	18,578,992	18,578,992	-	318,536,371	5.83%
2016	18,310,800	18,310,800	-	322,176,373	5.68%
2015	19,488,662	19,488,662	-	315,350,891	6.18%
2014	17,969,721	17,969,721	-	311,764,766	5.76%

Notes:

- 1) The FRS, as a result of an actuarial error, restated the Contractually Required Contribution for the fiscal year ended June 30, 2017.

**Schedule of District Contributions
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

Fiscal Year Ending June 30,	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	District's Covered Payroll	HIS Contributions as a Percentage of Covered Payroll
2024	\$ 7,507,512	\$ 7,507,512	\$ -	\$ 376,346,400	1.99%
2023	5,992,086	5,992,086	-	360,969,011	1.66%
2022	5,707,964	5,707,964	-	343,931,429	1.66%
2021	5,632,522	5,632,522	-	339,406,516	1.66%
2020	5,540,021	5,540,021	-	333,810,046	1.66%
2019	5,426,628	5,426,628	-	326,981,964	1.66%
2018	5,369,124	5,369,124	-	323,433,270	1.66%
2017	5,282,054	5,282,054	-	318,536,371	1.66%
2016	5,346,889	5,346,889	-	322,176,373	1.66%
2015	3,968,034	3,968,034	-	315,350,891	1.26%
2014	3,594,519	3,594,519	-	311,764,766	1.15%

DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA
Notes to the Required Supplementary Information
For the Year Ended June 30, 2024

I. Budgetary Basis of Accounting

The Board follows procedures established by State Statutes and SBE rules in establishing budget balances for governmental funds, as described below:

- 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 SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each functional activity (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 object 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 fiscal year-end and encumbrances outstanding are honored in the subsequent period.

II. Schedule of Changes in the District's Total Other Postemployment Benefits Plan 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, OPEB liability of \$8,680,387 was less than the June 30, 2023, liability of \$10,356,598 by \$1,676,211. Changes in actuarial assumptions are described below:

Changes in assumptions. Changes of assumptions and other inputs include an increase in the discount rate from 4.00 percent as of the beginning of the measurement period to 4.13 percent.

III. Schedule of Net Pension Liability and Schedule of Contributions – Health Insurance Subsidy Pension Plan

Changes in assumptions. Changes in actuarial assumptions included the effects of Senate Bill 7024, which increased the level of monthly benefits from \$5.00 times years of service to \$7.50, with an increased minimum of \$45.00 and maximum of \$225.00. This change applies to all years of service for both members currently in pay and members not yet in pay.

The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.



SEMINOLE COUNTY
PUBLIC SCHOOLS



SEMINOLE COUNTY
PUBLIC SCHOOLS



Certified Public Accountants

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Seminole County, Florida (the “District”) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated December 20, 2024. 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Pursuant to provisions of Chapter 10.800, *Rules of the Auditor General*, we reported certain matters to management of the District in a separate management letter dated December 20, 2024.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
December 20, 2024

APPENDIX C
RESOLUTION

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THE SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

SALES TAX REVENUE BOND RESOLUTION

RESOLUTION NO. 2025-03

ADOPTED MAY 13, 2025

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RESOLUTION NO. 2025-03

THE SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA

A RESOLUTION OF THE SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA, AS GOVERNING BODY OF THE SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE BY THE SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA OF NOT EXCEEDING \$175,000,000 PRINCIPAL AMOUNT OF SALES TAX REVENUE BONDS, SERIES 2025 TO ACQUIRE, CONSTRUCT AND INSTALL CERTAIN CAPITAL PROJECTS; PROVIDING FOR THE PAYMENT OF SUCH BONDS FROM THE LOCAL GOVERNMENT INFRASTRUCTURE SALES SURTAX ALLOCATED AND DISTRIBUTED TO THE SCHOOL DISTRICT PURSUANT TO CHAPTER 212, FLORIDA STATUTES; AUTHORIZING THE USE AND DISTRIBUTION OF A PRELIMINARY AND FINAL OFFICIAL STATEMENT WITH RESPECT TO SUCH BONDS; AUTHORIZING A NEGOTIATED SALE OF SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A DISCLOSURE DISSEMINATION AGENT AGREEMENT; APPOINTING A PAYING AGENT AND REGISTRAR; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AND REGISTRAR AGREEMENT; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; AUTHORIZING THE ISSUANCE OF THE BONDS WITHOUT CREDIT ENHANCEMENT, OR IF CREDIT ENHANCED, THE ACCEPTANCE OF A COMMITMENT FOR THE ISSUANCE OF A MUNICIPAL BOND INSURANCE POLICY FOR THE BONDS; PROVIDING FOR THE ISSUANCE OF ADDITIONAL BONDS FOR ADDITIONAL PURPOSES; DECLARING THE OFFICIAL INTENT OF THE SCHOOL DISTRICT TO REIMBURSE ITSELF FROM THE PROCEEDS OF BONDS FOR CERTAIN EXPENSES TO BE INCURRED WITH RESPECT TO THE IMPROVEMENTS DESCRIBED HEREIN; AUTHORIZING RELATED ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA:

**ARTICLE I.
GENERAL**

SECTION 1.1 DEFINITIONS. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

“**Accreted Value**” shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on

the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

“**Act**” shall mean Chapter 1001 et seq., Florida Statutes, Sections 212.054 and 212.055, Florida Statutes, and other applicable provisions of law.

“**Additional Bonds**” shall mean the obligations (including, but not limited to, bond anticipation notes or other similar short-term indebtedness) issued at any time under the provisions of Section 5.2 hereof on a parity with the Outstanding Bonds.

“**Amortization Installment**” shall mean (i) with respect to the Series 2025 Bonds, the amounts to be designated in the Official Statement as Amortization Installments with respect to Series 2025 Term Bonds and (ii) with respect to any Additional Bonds, an amount designated as such by Supplemental Resolution of the Board and established with respect to the Additional Term Bonds.

“**Annual Debt Service**” shall mean, at any time, the aggregate amount in the then current Bond Year of (A) interest required to be paid on the Outstanding Bonds during such Bond Year, except to the extent that such interest is to be paid from deposits in the Interest Account or Construction Fund made from Bond proceeds, (B) principal of Outstanding Serial Bonds maturing in such Bond Year, (C) the Amortization Installments herein designated with respect to such Bond Year, and (D) any amounts owing to the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit. For purposes of this definition, (i) all amounts payable on a Capital Appreciation Bond shall be considered a principal payment due in the year of its maturity or date of redemption by Amortization Installment, and (ii) with respect to Annual Debt Service on any Federal Subsidy Bonds, when determining the interest on such Bonds for any particular Interest Date the amount of the corresponding Federal Subsidy Payment shall be deducted from the amount of interest which is due and payable to the holders of such Bonds on the Interest Date, but only to the extent that the Board reasonably believes that it will be in receipt of such Federal Subsidy Payment on or prior to such Interest Date.

“**Authorized Investments**” shall mean any of the following:

1. Direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America (“United States Treasury Obligations”), (b) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America, (c) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or (d) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated.

2. Federal Housing Administration debentures.

3. The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America including but not limited to:

- a) Federal Home Loan Mortgage Corporation (FHLMC)
- b) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) - Senior Debt obligations

- c) Farm Credit Banks (FFCB) (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) Consolidated system-wide bonds and notes
 - d) Federal Home Loan Banks (FHL Banks) Consolidated debt obligations
 - e) Federal National Mortgage Association (FNMA) Senior debt obligations
4. Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than thirty (30) days) of any bank the short-term obligations of which are rated 'A-1' or better by S&P.
5. Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$100 million.
6. Commercial paper (having original maturities of not more than 270 days) rated 'A-1' by S&P or 'Prime-1' by Moody's.
7. Money market funds rated 'AAm' or 'AAm-G' by S&P, or better.
8. **"State Obligations"**, which means:
- a) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated 'A3' by Moody's and 'A' by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated.
 - b) Direct general short-term obligations of any state agency or subdivision or agency thereof described in 8(a) above and rated 'A-1+' by S&P and 'MIG-1' by Moody's.
 - c) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in 8(a) above and rated 'AA' or better by S&P and 'Aa' or better by Moody's.
9. Pre-refunded municipal obligations rated "AAA" by S & P and "Aaa" by Moody's meeting the following requirements:
- a) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;
 - b) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations;
 - c) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public

accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);

- d) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;
- e) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and
- f) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

10. Repurchase agreements:

With (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “A” by S&P or Moody’s; or (2) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A” by S&P or Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated (or the guarantor of which is rated) “A” or better by S&P and Moody’s, provided that:

- a) The market value of the securities is maintained at levels and upon such conditions as would be acceptable to S&P or Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach);
- b) The trustee or a third party acting solely as agent therefor or for the Board (the **“Holder of the Securities”**) has possession of the securities or the securities have been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor’s books);
- c) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such securities are delivered to the effect that, if the transactions for which provision is made in the repurchase agreement were to be recharacterized as secured loan transactions with the Securities constituting collateral therefor, the Holder of the Securities would have a perfected first priority security interest in the Securities, any substituted Securities and all proceeds thereof (in the case of bearer securities, this means the Holder of the Securities is in possession);
- d) All other requirements of S&P in respect of repurchase agreements shall be met.
- e) The repurchase agreement shall provide that if during its term the provider’s (or its guarantor’s) rating by either Moody’s or S&P is withdrawn or suspended or falls below “A-” by S&P or “A3” by Moody’s, as appropriate, the provider must, at the direction of the Board or the trustee, within ten (10) days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Board or trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in 10(a) above, so long as such collateral levels are 103% or better and the provider is rated at least “A” by S&P or Moody’s, respectively.

11. Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least “A+” by S&P and “A1” by Moody’s; provided that, by the terms of the investment agreement:

- a) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on the Bonds;
- b) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days’ prior notice; the Board and the Trustee hereby agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;
- c) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks *pari passu* with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;
- d) the Board or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the Board and the Insurer) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Insurer;
- e) the investment agreement shall provide that if during its term
 - i) the provider’s rating by either S&P or Moody’s falls below “A” or “A2”, respectively, the provider shall, at its option, within ten (10) days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider’s books) to the Board, the Trustee or a third party acting solely as agent therefor (the **“Holder of the Collateral”**) collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody’s to maintain an “A” rating in an “A” rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and
 - ii) the provider’s rating by either S&P or Moody’s is withdrawn or suspended or falls below “A-” or “A3”, respectively, the provider must, at the direction of the Board or the Trustee (who shall give such direction if so directed by the Insurer), within ten (10) days of receipt of such direction, repay the principal of and accrued

but unpaid interest on the investment, in either case with no penalty or premium to the Board or Trustee.

- f) The investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
- g) the investment agreement must provide that if during its term
 - i) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Board or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Board or Trustee, as appropriate, and
 - ii) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Board or Trustee, as appropriate.

12. Investments in the Florida PRIME or other Florida government investment pool if the Florida PRIME or comparable investment pool shall be rated "AAAm" by Standard & Poor's or the equivalent by another NRSRO at the time of investment.

13. Long-term or medium-term corporate debt guaranteed by any corporation that is rated in a rating category of "A-" by S&P or "A3" or better by Moody's.

14. Investments in Intergovernmental Investment Pools that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in s. 163.01, F.S., if the Intergovernmental Investment Pool shall be rated "AAAm" or "AAAF" by Standard & Poor's or the equivalent by another NRSRO.

15. Permitted Investments shall specifically exclude the use of an investment product whereby a trust department of a bank or other financial institution invests trust assets as a depositor of such bank or financial institution unless such bank or financial institution is rated not less than "A" by S&P and "A" by Moody's throughout the term during which such investment product is used.

"Authorized Board Officer" shall mean the Superintendent of Schools and Ex Officio Secretary to the Board, or designee(s), the Chief Financial Officer, and when used in reference to any act or document also means any other person authorized by resolution of the Board to perform such act or sign such document.

"Board" shall mean The School Board of Seminole County, Florida.

"Bond Amortization Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.4 hereof.

"Bond Counsel" shall mean any attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and

political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Bond Insurance Policy” shall mean the municipal bond new issue insurance policy or policies issued by an Insurer guaranteeing the scheduled payment of principal of and interest on any portion of such Series of Bonds when due as determined by Supplemental Resolution, if any.

“Bond Year” shall mean the period commencing on October 2 of each year and continuing through the next succeeding October 1.

“Bondholder” or **“Holder”** or **“holder”** or any similar term, when used with reference to a Bond or Bonds, shall mean any person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Board.

“Bonds” shall mean the Series 2025 Bonds, together with any Additional Bonds issued pursuant to this Resolution and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 5.4 hereof.

“Capital Appreciation Bonds” shall mean those Bonds so designated by Supplemental Resolution of the Board, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or prior to redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

“Chair” shall mean the Chair of the Board or in the Chair’s absence, the Vice Chair, and such other person as may be duly authorized to act on his or her behalf.

“Chief Financial Officer” shall mean the Chief Financial Officer of the District or in the Chief Financial Officer’s absence, such other person as may be duly authorized to act on his or her behalf.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules thereunder in effect or proposed.

“Cost”, when used in connection with a Project, shall mean (A) the Board’s cost of physical construction; (B) costs of acquisition by or for the Board of such Project; (C) costs of land and interests therein and the cost of the Board incidental to such acquisition including environmental site improvement and development and onsite and offsite infrastructure improvements; (D) the cost of any indemnity and surety bonds and premiums for insurance during construction; (E) all interest due to be paid on the Bonds and other obligations relating to the Project during, and if deemed advisable by the Board for up to one year after the end of, the construction period of such Project; (F) engineering, architectural, legal and other consultant fees and expenses; (G) costs and expenses of the financing incurred during, and if deemed advisable by the Board for up to one year after the end of, the construction period for such Project, including audits, fees and expenses of any Paying Agent, Registrar, Credit Facility Provider or depository; (H) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Board (other than the Bonds) incurred for such Project; (I) costs of machinery, furniture, fixtures and equipment required by the District for the commencement of operation of such Project; and (J) any other costs properly attributable to such construction or acquisition or to the issuance of the Bonds which finance such Project, as determined by generally accepted accounting principles and shall include reimbursement to the Board for any such items of Cost heretofore paid by the District and any administrative costs allocated to such Project. Any Supplemental Resolution may provide for additional items to be included in the aforesaid Costs.

“County” shall mean Seminole County, Florida.

“Credit Facility” shall mean as to any particular Series of Bonds, a letter of credit, a line of credit or another credit or legal liquidity enhancement facility (other than a Bond Insurance Policy issued by an Insurer), as approved in the Supplemental Resolution providing for the issuance of such Bonds.

“Credit Facility Provider” shall mean as to any particular Series of Bonds, the Person (other than an Insurer) providing the Credit Facility, for a particular Series of Bonds.

“Debt Service Fund” shall mean the School District of Seminole County Sales Tax Revenue Bonds Debt Service Fund established pursuant to Section 4.4 hereof.

“Disclosure Dissemination Agent Agreement” shall mean the Disclosure Dissemination Agent Agreement dated the date of the Series 2025 Bonds to be executed by the Board and Digital Assurance Certification LLC, as Dissemination Agent. The form of the Disclosure Dissemination Agent Agreement is attached hereto as Exhibit C.

“District” shall mean the School District of Seminole County, Florida.

“Federal Securities” shall mean direct obligations of the United States of America and obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall include any certificates or any other evidences of an ownership interest in the aforementioned obligations or in specified portions thereof (which may consist of specified portions of the interest thereon).

“Federal Subsidy Bonds” shall mean Bonds issued under Section 54AA of the Code, Section 1400U-2 of the Code or any other similar provision of the Code, the interest on which is not exempt from federal income taxation, with respect to which the Board elects to receive, or is otherwise entitled to receive, Federal Subsidy Payments from the United States Department of Treasury.

“Federal Subsidy Payments” shall mean the direct payments made by the United States Department of Treasury to the District with respect to any Federal Subsidy Bonds pursuant to Sections 54AA(g), 6431 and 1400U-2 of the Code, or any other similar provision of the Code.

“Fiscal Year” shall mean the period commencing on July 1 of each year and continuing through the next succeeding June 30, or such other period as may be prescribed by law.

“Fitch” shall mean Fitch Ratings, and any assigns or successors thereto.

“Insurer” shall mean, with respect to any Series of Bonds, such Person as shall be insuring or guaranteeing the scheduled payment of principal of and interest on such Series of Bonds, when due, and with respect to the Series 2025 Bonds, shall mean the Series 2025 Insurer.

“Interest Account” shall mean the separate account in the Debt Service Fund established pursuant to Section 4.4 hereof.

“Interest Date” or **“Interest Payment Date”** shall be such date or dates for the payment of interest on a Series of Bonds as shall be provided in Section 2.1 hereof.

“Interlocal Agreement” shall mean the Interlocal Agreement electronically filed on July 8, 2024, with the Clerk of the Circuit Court of Seminole County, Florida, among the County, the District and the

municipalities located within the County providing for the distribution of the Sales Tax Revenues to the District.

“Maximum Annual Debt Service” shall mean the largest aggregate amount of the Annual Debt Service becoming due in any Bond Year in which Bonds are Outstanding, excluding all Bond Years which shall have ended prior to the Bond Year in which the Maximum Annual Debt Service shall at any time be computed.

“Maximum Interest Rate” shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution of the Board delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any time bear in the future in accordance with the terms of such Supplemental Resolution.

“Moody’s” or “Moody’s Ratings” shall mean Moody’s Ratings, and any assigns or successors thereto.

“NRSRO” shall mean a Nationally Recognized Statistical Rating Organization.

“Outstanding”, when used with reference to Bonds and as of any particular date, shall describe all Bonds theretofore and thereupon being authenticated and delivered except, (A) any Bond in lieu of which another Bond or other Bonds have been issued under agreement to replace lost, mutilated or destroyed Bonds, (B) any Bond surrendered by the Holder thereof in exchange for another Bond or other Bonds under Sections 2.6, 2.7 and 2.8 hereof, (C) Bonds deemed to have been paid pursuant to Section 8.1 hereof, and (D) Bonds canceled after purchase in the open market or because of payment at or redemption prior to maturity.

“Paying Agent” shall mean The Bank of New York Mellon Trust Company, N.A., for the Series 2025 Bonds and, for each Series of Additional Bonds, any paying agent for such Series of Bonds appointed by or pursuant to a Supplemental Resolution and its successor or assigns, and any other Person which may at any time be substituted in its place pursuant to this Resolution.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

“Pledged Funds” shall mean (A) the Sales Tax Revenues, and (B) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder except as for the Unrestricted Revenue Account and the Rebate Fund.

“Preliminary Official Statement” shall mean the Preliminary Official Statement relating to the Series 2025 Bonds authorized by the Board for distribution and use by the Underwriters in connection with the negotiated sale of the Series 2025 Bonds, the form of which is attached hereto as Exhibit B.

“Prerefunded Obligations” shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state (1) which are (A) not callable at the option of the obligor prior to maturity or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or Federal Securities, secured in the manner set forth in Section 8.1 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant

to such irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Federal Securities, which have been deposited in such fund along with any cash on deposit in such fund, are sufficient, as verified by an independent certified public accountant, to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above, and (4) which are rated in the highest rating category of Standard & Poor's, Fitch or Moody's.

"Principal Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.4 hereof.

"Project" shall mean the acquisition, construction and installation of certain capital improvements or capital costs as may be financed by the Sales Tax Revenues pursuant to the Act. Except for the Series 2025 Project which is described herein, the description of each Project shall be set forth in the Supplemental Resolution authorizing the issuance of Bonds which shall finance the acquisition and construction of such Project.

"Project Fund" shall mean the School District of Seminole County Sales Tax Revenue Bonds Project Fund established pursuant to Section 4.3 hereof.

"Purchase Agreement" shall mean the Bond Purchase Agreement to be executed between the Board and the Underwriters, the form of which is attached hereto as Exhibit A.

"Rebate Fund" shall mean the Rebate Fund established pursuant to Section 4.4 hereof.

"Redemption Price" shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

"Refunding Securities" shall mean the Federal Securities and the Prerefunded Obligations and other investments approved by Supplemental Resolution.

"Registrar" shall mean, initially, The Bank of New York Mellon Trust Company, N.A., for the Series 2025 Bonds and, for each Series of Additional Bonds, any registrar for such Series of Bonds appointed by or pursuant to a Supplemental Resolution and its successors and assigns, and any other Person which may at any time be substituted in its place pursuant to this Resolution.

"Reserve Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.4 hereof.

"Reserve Account Requirement" shall mean, as such term applies either to the Reserve Account or any subaccount therein, as of any date of calculation, an amount that does not exceed the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured by the Reserve Account or a subaccount therein, respectively, (2) 125% of the average annual debt service for all Outstanding Bonds secured by the Reserve Account or a subaccount therein, respectively, or (3) 10% of the aggregate original stated principal amount of Bonds Outstanding Bonds secured by the Reserve Account or a subaccount therein, respectively (except in determining the aggregate stated original principal amount of the Bonds for purposes of (3), the issue price of the Bonds (net of pre-issuance accrued interest) shall be substituted for the original stated principal amount if the Bonds are sold at either an original issue discount or premium exceeding two percent (2%) of the stated redemption price at maturity). In computing the Reserve Account Requirement in respect of any Outstanding Bonds that constitute Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be the greater of (a) 110% of the daily average interest rate on such Variable

Rate Bonds during the 12 months ending with the month preceding the date of calculation, or such shorter period of time that such Bonds shall have been Outstanding, or (b) the actual rate of interest borne by the Variable Rate Bonds on such date of calculation; provided, in no event shall the Reserve Account Requirement as adjusted on such date of calculation exceed the lesser of the amounts specified in the immediately preceding sentence. For the purpose of determining the Maximum Annual Debt Service with respect to additional parity Variable Rate Bonds then proposed to be issued and on Variable Rate Bonds then Outstanding shall be deemed to be the lesser of (i) the interest rate for the 30 year Revenue Bond Index published by The Bond Buyer no more than two weeks prior to the sale of the Variable Rate Additional Bonds, or (ii) the Maximum Interest Rate. In computing the Reserve Account Requirement in accordance with clause (3) of this definition in respect of any Capital Appreciation Bonds, the principal amount of such Bonds shall be the original principal amount thereof, not the Accreted Value. The Board may establish herein or by Supplemental Resolution a lower Reserve Requirement for a subaccount of the Reserve Account, which secures a Series of Bonds pursuant to Section 4.5(A)(4) hereof, which may be \$0.00.

“Reserve Fund Insurance Policy” shall mean an insurance policy or surety bond deposited in the Reserve Account in lieu of or in substitution for cash on deposit therein pursuant to Section 4.5(A)(4) hereof.

“Reserve Fund Letter of Credit” shall mean an unconditional irrevocable letter of credit or line of credit (other than a Reserve Fund Insurance Policy) deposited in the Reserve Account in lieu of or in substitution for cash on deposit therein pursuant to Section 4.5(A)(4) hereof.

“Resolution” shall mean this Resolution No. 2025-03 adopted by the Board on May 13, 2025, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

“Restricted Revenue Account” shall mean the separate account in the Revenue Fund established pursuant to Section 4.4 hereof.

“Revenue Fund” shall mean the School District of Seminole County Sales Tax Revenue Bonds Revenue Fund established pursuant to Section 4.4 hereof.

“Sales Tax Revenues” shall mean the proceeds received by the District from the levy by Seminole County, Florida of a one-cent local infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes, as amended, and any successor statute thereto, and distributed to the District pursuant to the Interlocal Agreement. Sales Tax Revenues shall not include Federal Subsidy Payments.

“Secretary” shall mean the Superintendent of the Board as the Ex Officio Secretary of the Board.

“Serial Bonds” shall mean all of the Bonds other than the Term Bonds.

“Series” shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.1 and 2.2 hereof or a Supplemental Resolution authorizing the issuance by the District of such Bonds as a separate Series, regardless of variations in maturity, interest rate, amortization installments or other provisions.

“Series 2025 Bonds” shall mean the District’s Sales Tax Revenue Bonds, Series 2025, authorized pursuant to Section 2.2 hereof.

“Series 2025 Insurance Policy” shall mean the insurance policy issued by the Series 2025 Insurer, if any, guaranteeing the scheduled payment of principal of and interest on the Series 2025 Bonds when due.

“Series 2025 Insurer” shall mean the issuer of the Series 2025 Insurance Policy, if any, selected pursuant to Section 8.7 hereof.

“Series 2025 Project” shall mean the acquisition, construction and installation of certain capital improvements made within the District including capital projects set forth on Exhibit D hereto, all as more particularly described in the plans and specifications on file or to be on file with the District, as the same may be modified or amended from time to time.

“Series 2025 Reserve Policy” shall mean the Debt Service Reserve Insurance Policy issued by the Series 2025 Insurer, if any, guaranteeing certain payments into the Reserve Account as provided herein and subject to the limitations stated therein.

“Standard & Poor’s” or **“S&P”** shall mean S&P Global Ratings, a business unit of Standard and Poor’s Financial Services, LLC and any assigns and successors thereto.

“State” shall mean the State of Florida.

“Subordinated Indebtedness” shall mean that indebtedness of the District, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 5.1 hereof and any Variable Rate Bonds which become Subordinated Indebtedness in accordance with Section 5.2 hereof.

“Superintendent” shall mean the Superintendent of Schools for the Board and the Ex Officio Secretary to the Board or, in his or her absence, anyone authorized to act on his or her behalf.

“Supplemental Resolution” shall mean any resolution of the Board amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 7.1, 7.2 and 7.3 hereof.

“Taxable Bond” shall mean any Bond which states, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income taxation purposes or that such interest is subject to federal income taxation. Notwithstanding the foregoing, except as otherwise provided herein, Taxable Bonds shall not include Federal Subsidy Bonds.

“Term Bonds” shall mean (i) with respect to the Series 2025 Bonds, the Series 2025 Bonds designated as Term Bonds in the final Official Statement, if any, and (ii) with respect to any Additional Bonds, those Bonds which shall be designated as Term Bonds hereby or by Supplemental Resolution of the Board and which are subject to mandatory redemption by Amortization Installment.

“Underwriters” shall mean Raymond James & Associates, Inc., on behalf of itself and as representative of BofA Securities, Inc. and Jefferies LLC, and any other underwriters named in the Purchase Agreement to be entered into by the School District with respect to the sale of the Series 2025 Bonds.

“Unrestricted Revenue Account” shall mean the separate account in the Revenue Fund established pursuant to Section 4.4 hereof.

“Value” which shall be determined as of the end of each month, means that the value of any investments shall be calculated as follows:

- (a) as to investments the bid and asked prices of which are published on a regular basis in The Wall Street Journal (or, if not there, then in The New York Times): the

average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

- (b) as to investments the bid and asked prices of which are not published on a regular basis in The Wall Street Journal or The New York Times: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Board in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;
- (c) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and
- (d) as to any investment not specified above: the value thereof established by prior agreement between the Board and the Insurer.

“Variable Rate Bonds” shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar terms, shall refer to this Resolution; the term “heretofore” shall mean before the date of adoption of this Resolution; and the term “hereafter” shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.2 AUTHORITY FOR RESOLUTION. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.3 RESOLUTION TO CONSTITUTE CONTRACT. In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the District with the Holders of the Bonds and any Credit Facility Provider and Insurer and shall be deemed to be and shall constitute a contract between the District and the Holders from time to time of the Bonds and any Credit Facility Provider and Insurer. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the District shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and for the benefit, protection and security of any Credit Facility Provider and Insurer. All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.4 FINDINGS. It is hereby ascertained, determined and declared that:

(A) Pursuant to Ordinance No. 2024-18, enacted by the Board of County Commissioners of Seminole County, Florida (the “**County**”) on June 11, 2024 (the “**Ordinance**”), a local government infrastructure surtax of one percent (1%) upon taxable transactions occurring within the County pursuant to Section 212.055(2), Florida Statutes (the “**Surtax**”), was imposed subject to referendum approval;

(B) Such Ordinance provided for the distribution of the proceeds of the Surtax among the County, the District and the municipalities located within the County (collectively, the “**Participants**”) and

further required that such Participants enter an Interlocal Agreement agreeing to the distribution of the Surtax;

(C) On July 8, 2024, the Participants recorded an Interlocal Agreement agreeing to the distribution of the proceeds of the Surtax, including the portion to be distributed to the District (the “**Sales Tax Revenues**”);

(D) On November 5, 2024, the electors of Seminole County, Florida approved the referendum for the Surtax, which referendum approved a one-cent surtax be levied for a period of ten years commencing January 1, 2025;

(E) Pursuant to the Act, the District is authorized to pledge the Sales Tax Revenues to pay the principal of, premium, if any, and interest on the Bonds.

(F) The Board deems it desirable and in the best interest of the District to acquire, construct and equip the Project, by issuing Bonds secured by the Pledged Funds.

(G) That the estimated Pledged Funds will be sufficient to pay the principal of and interest on the Bonds to be issued pursuant to this Resolution, as the same become due, and all other payments provided for in this Resolution.

(H) The principal of and interest on the Bonds to be issued pursuant to this Resolution, and all other payments provided for in this Resolution will be paid solely from the Pledged Funds, and the ad valorem taxing power of the District will never be necessary or authorized to pay the principal of and interest on the Bonds to be issued pursuant to this Resolution and, except as otherwise provided herein, the Bonds shall not constitute a lien upon any property of the District.

(I) The Series 2025 Project constitutes authorized expenditures within the meaning of Section 212.055(2), Florida Statutes.

ARTICLE II. AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF BONDS

SECTION 2.1 AUTHORIZATION OF BONDS. This Resolution creates an issue of Bonds of the District to be designated as “**School District of Seminole County, Florida, Sales Tax Revenue Bonds**” which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Board pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Board may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates; all as determined herein or by Supplemental Resolution of the Board.

The Bonds shall be issued in such denominations and such registered form; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature on October 1 in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Resolution of the Board, and, in the case of the Series 2025 Bonds, by Section 2.2 hereof. The District may issue Bonds which may be secured by a Credit Facility or by a Bond Insurance Policy of an Insurer all as shall be determined by Supplemental Resolution of the Board.

Except to the extent otherwise provided in a Supplemental Resolution authorizing a Series of Bonds, the Board elects to use an immobilization system or pure book-entry system with respect to issuance of the Bonds, provided adequate records will be kept with respect to the ownership of Bonds issued in book-entry form or the beneficial ownership of Bonds issued in the name of a nominee. As long as any Bonds are Outstanding in book-entry form, the provisions of Sections 2.4 and 2.8 of this Resolution shall not be applicable to such book-entry Bonds.

SECTION 2.2 AUTHORIZATION AND DESCRIPTION OF SERIES 2025 BONDS.

(A) A Series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in the aggregate principal amount of not exceeding \$175,000,000 for the principal purpose of acquiring, installing and constructing the Series 2025 Project, and paying the costs of issuance incurred with respect to the Series 2025 Bonds. Such Series of Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, “School District of Seminole County, Florida, Sales Tax Revenue Bonds, Series 2025”; provided the Board may change such designation in the event that the total amount of the Series 2025 Bonds authorized herein is not issued in a simultaneous transaction or the Series 2025 Bonds are not issued in calendar year 2025.

The Series 2025 Bonds shall be dated the day of their delivery or such other date as may be set forth by Supplemental Resolution of the Board; shall be issued as fully registered bonds in denominations of \$5,000 and integral multiples thereof, shall be numbered consecutively from one upward in order of maturity. The exact principal amount of the Series 2025 Bonds to be issued shall be determined by the Superintendent in accordance with this Section, provided such aggregate principal amount does not exceed \$175,000,000 and the final maturity date is no later than October 1, 2034. Said Series 2025 Bonds shall be payable semi-annually, on April 1 and October 1 of each year (the “**Interest Dates**”) commencing October 1, 2025. The Series 2025 Bonds shall bear interest at such rates and yields, shall mature on October 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions, if any, as specified in the final Bond Purchase Agreement executed by the District in accordance with and subject to the conditions of Section 8.4 hereof.

Due to the present volatility of the market for tax-exempt obligations such as the Series 2025 Bonds, the complexity of the transactions relating to such Series 2025 Bonds, it is in the best interest of the Board that the Series 2025 Bonds be sold by a delegated negotiated sale in accordance with the terms hereof, allowing market entry at the most advantageous time, rather than at a specified advertised date, thereby obtaining the best possible price and interest rate for the Series 2025 Bonds.

(B) Except as otherwise provided in the following paragraph, the principal of the Series 2025 Bonds is payable upon presentation and surrender of the Series 2025 Bonds at the office of the Paying Agent. Interest payable on the Series 2025 Bonds on any Interest Date will be paid by check or draft to the Holder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) next preceding such Interest Date, or, unless otherwise provided by Supplemental Resolution, at the option of the Paying Agent, and at the request and expense of such Holder, by bank wire transfer for the account of such Holder. All payments of principal of or

Redemption Price, if applicable, and interest on the Series 2025 Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(C) The Series 2025 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities of the Series 2025 Bonds. Upon initial issuance, the ownership of each such Series 2025 Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). Except as provided in this Section 2.2, all of the Outstanding Series 2025 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2025 Bonds shall be registered in the name of Cede & Co., all payments of principal on such Series 2025 Bonds shall be made by the Paying Agent by check or draft or by wire transfer to Cede & Co., as Holder of the Series 2025 Bonds.

With respect to Series 2025 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Board, the Registrar and the Paying Agent shall have no responsibility or obligation to any participant in the DTC book-entry program (a “DTC Participant”) or to any indirect participant. Without limiting the immediately preceding sentence, the Board, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest on the Series 2025 Bonds, (B) the delivery to any DTC Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2025 Bonds, including any notice of redemption, or (C) the payment to any DTC Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2025 Bonds. The Board, the Registrar and the Paying Agent may treat and consider the Person in whose name each Series 2025 Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Series 2025 Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Series 2025 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2025 Bond, for the purpose of registering transfers with respect to such Series 2025 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, redemption premium, if any, and interest on the Series 2025 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Board’s obligations with respect to payment of principal, redemption premium, if any, and interest on the Series 2025 Bond to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Series 2025 Bond evidencing the obligation of the Board to make payments of principal, redemption premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the Board of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to transfers during the fifteen (15) days next preceding any Interest Payment Date or mailing of notice of redemption, the words “Cede & Co.” in this Resolution shall refer to such new nominee of DTC; and upon receipt of such notice, the Board shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (1) receipt by the Board of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Series 2025 Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2025 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or

(2) determination by the Board that such book-entry only system is burdensome to the Board, the Series 2025 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions hereof. In such event, the Board shall issue and the Registrar shall authenticate, transfer and exchange Series 2025 Bonds of like principal amount and maturity, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the letter of representations executed by the Board and the Registrar and delivered to DTC in order to induce DTC to act as securities depository for the Series 2025 Bonds shall apply to the payment of principal of and interest on the Series 2025 Bonds. As long as any Series 2025 Bonds are Outstanding in book-entry form, the provisions of Section 2.8 of this Resolution related to exchange and transfer of the Series 2025 Bonds shall not be applicable to such book-entry Series 2025 Bonds.

SECTION 2.3 APPLICATION OF BOND PROCEEDS. Except as otherwise provided by Supplemental Resolution of the Board, the proceeds derived from the sale of a Series of Bonds, including accrued interest and premium, if any, shall, simultaneously with the delivery of the Series of Bonds to the purchaser or purchasers thereof, be applied by the District as follows:

(A) Accrued interest, if any, and capitalized interest, shall be deposited in the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Series of Bonds;

(B) An amount equal to the Reserve Account Requirement, if any, shall be deposited in the Reserve Account, or a sufficient amount of the Series of Bonds proceeds shall be applied to the payment of the premiums of any Bond Insurance Policy and Reserve Fund Insurance Policy applicable to the Series of Bonds, if any, and to the payment of costs and expenses relating to the issuance of the Series of Bonds. Such amount or any portion thereof may, at the option of the District, be deposited in and disbursed from the Project Fund; and

(C) The balance of the Series of Bond proceeds, if any, shall be deposited in the Project Fund.

SECTION 2.4 EXECUTION OF BONDS. The Bonds shall be executed in the name of the District with the manual or facsimile signature of the Chair and the official seal of the Board shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Superintendent of Schools and Ex Officio Secretary to the Board. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Board before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Board by such person who at the actual time of the execution of such Bond shall hold the proper office of the Board, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Board may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

SECTION 2.5 AUTHENTICATION. No Bond of any Series shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Board for such purpose. Such certificate on any Bond shall be conclusive evidence that

such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.9 hereof.

SECTION 2.6 TEMPORARY BONDS. Until the definitive Bonds of any Series are prepared, the Board may execute, in the same manner as is provided in Section 2.4 hereof, and deliver, upon authentication by the Registrar pursuant to Section 2.5 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Board by Supplemental Resolution, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Board, at its own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

SECTION 2.7 BONDS MUTILATED, DESTROYED, STOLEN OR LOST. In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Board may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the District and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the District or the Registrar may prescribe and paying such expenses as the Board and the Registrar may incur. All Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Board may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.7 shall constitute original, additional contractual obligations on the part of the District whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

SECTION 2.8 INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER. Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same Series and maturity of any other authorized denominations.

The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the District shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

The transfer of any Bond shall be registered only upon the books of the District, at the office of the Registrar, under such reasonable regulations as the District may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of

transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the registration or transfer of any such Bond, the District shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount, Series and maturity as the surrendered Bond. The Board, the Registrar and any Paying Agent or fiduciary of the Board may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the District as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price, if applicable, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the District nor the Registrar nor any Paying Agent or other fiduciary of the District shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to any Series of Bonds, forthwith (A) following the fifteenth day prior to an Interest Payment Date for such Series; (B) following the fifteenth day next preceding the date of first mailing of notice of redemption of any Bonds of such Series; and (C) at any other time as reasonably requested by the Paying Agent of such Series, certify and furnish to such Paying Agent the names, addresses and holdings of Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or the transfer of Bonds shall be registered, the Board shall execute and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the Chair and Superintendent of Schools and Ex Officio Secretary to the Board for purposes of exchanging, replacing or registering the transfer of Bonds may occur at the time of the original delivery of the Series of which such Bonds are a part. All Bonds surrendered in any such exchanges or registration of transfer shall be held by the Registrar in safekeeping until directed by the Board to be cancelled by the Registrar. For every such exchange or registration of transfer, the District or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The District and the Registrar shall not be obligated to make any such exchange or transfer of Bonds of any Series during the fifteen (15) days next preceding an Interest Date on the Bonds of such Series (other than Capital Appreciation Bonds and Variable Rate Bonds), or, in the case of any proposed redemption of Bonds of such series, then, for the Bonds subject to redemption, during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption and continuing until such redemption date.

SECTION 2.9 FORM OF BONDS. The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Board, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chair or the Superintendent of Schools and Ex Officio Secretary to the Board prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the District's delivery of the Bonds to the purchaser or purchasers thereof):

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[FORM OF BONDS]

No. R-

\$

UNITED STATES OF AMERICA
STATE OF FLORIDA
SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA
SALES TAX REVENUE BOND, SERIES _____

Interest Rate	Maturity Date	Date of Original Issue	CUSIP
_____%	October 1, ____	_____, ____	_____

Registered Holder:

Principal Amount:

The School District of Seminole County, Florida, a governmental authority created by Article IX, Section 4 of the Florida Constitution (the “**District**”), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue identified above or from the most recent Interest Payment Date to which interest has been paid at the Interest Rate identified above on April 1 and October 1 of each year commencing _____ until such Principal Amount shall have been paid, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

Such Principal Amount and interest and the premium, if any, on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount and the premium, if any, on this Bond, are payable, upon presentation and surrender hereof, at the corporate trust office of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Paying Agent. Payment of each installment of interest shall be made to the person in whose name this Bond shall be registered on the registration books of the District maintained by The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding each Interest Payment Date and shall be paid by a check or draft of such Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the option of such Paying Agent, and at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder.

This Bond shall be issued initially pursuant to a book-entry-only system administered by The Depository Trust Company, New York, New York (“DTC”), which shall act as securities depository for the Series 2025 Bonds, with no physical distribution of certificates to be made. Any provisions of the Resolution or of the Bonds requiring physical delivery of the Bonds shall, under the book-entry-only system, be deemed to be satisfied by a notation on the records maintained by DTC of ownership interests of its participants (“DTC Participants”) and other institutions that clear through or maintain a custodial

relationship with a DTC Participant, either directly or indirectly (“Indirect Participants”). DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Bonds (the “Beneficial Owners”).

This Bond shall initially be registered in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form, Cede & Co. shall be considered the registered holder for all purposes hereof, including the payment of principal of and interest hereon. Payments to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Paying Agent or the District.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$_____ (the “**Bonds**”) of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued to finance certain educational facilities in and for the District, under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 1001, Florida Statutes, Chapter 212, Part I, Florida Statutes, and other applicable provisions of law (collectively, the “**Act**”) and a Sales Tax Revenue Bond Resolution No. 2025-03 duly adopted by the Board on May 13, 2025, as amended and supplemented (the “**Resolution**”), and is subject to all the terms and conditions of the Resolution.

This Bond and the interest hereon are payable solely from and secured by a lien upon and a pledge of (A) the Sales Tax Revenues (as defined in the Resolution), and (B) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain of the funds and accounts established by the Resolution, all in the manner and to the extent described in the Resolution (collectively, the “**Pledged Funds**”).

IT IS EXPRESSLY AGREED BY THE REGISTERED HOLDER OF THIS BOND THAT THE FULL FAITH AND CREDIT OF THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THIS BOND AND THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL, PREMIUM, IF ANY, AND INTEREST. THIS BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE DISTRICT, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS. THE DISTRICT MAY ISSUE ADDITIONAL OBLIGATIONS ON PARITY WITH THE BONDS IN ACCORDANCE WITH THE TERMS OF THE RESOLUTION.

Neither the members of the Board nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

Except when this Bond is registered in a book-entry-only system, the transfer of this Bond is registrable in accordance with the terms of the Resolution only upon the books of the District kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. For every such exchange or registration of transfer, the District or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid

with respect to such exchange or registration of transfer. The Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The District, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The District and the Registrar shall not be obligated to make any exchange or transfer of the Bonds during the fifteen (15) days next preceding an Interest Payment Date or, in the case of any proposed redemption of the Bonds, then, for the Bonds subject to redemption, during the fifteen (15) days next preceding the date of the first mailing of notice of such redemption.

(INSERT REDEMPTION PROVISIONS)

Redemption of this Bond under the preceding paragraphs shall be made as provided in the Resolution upon notice given by first class mail sent at least thirty (30) days prior to the redemption date to the Registered Holder hereof at the address shown on the registration books maintained by the Registrar; provided, however, that failure to mail notice to the Registered Holder hereof, or any defect therein, shall not affect the validity of the proceedings for redemption of other Bonds as to which no such failure or defect has occurred. In the event that less than the full principal amount hereof shall have been called for redemption, the Registered Holder hereof shall surrender this Bond in exchange for one or more Bonds in an aggregate principal amount equal to the unredeemed portion of principal, as provided in the Resolution.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the District.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

[Signature Page Follows]

IN WITNESS WHEREOF, the School District of Seminole County, Florida has issued this Bond and has caused the same to be executed by the manual or facsimile signature of its Chair and by the manual or facsimile signature of the Superintendent of Schools and Ex Officio Secretary to the Board and its official seal or a facsimile thereof to be affixed or reproduced hereon, all as of the _____ day of _____, 20__.

SCHOOL DISTRICT OF SEMINOLE
COUNTY, FLORIDA

(SEAL)

Chair, The School Board of
Seminole County, Florida

Superintendent of Schools and Ex Officio
Secretary, The School Board of
Seminole County, Florida

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Issue described in the within-mentioned Resolution.

DATE OF AUTHENTICATION: _____

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., Registrar

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto _____, _____ [Insert Social Security or Other Identifying Number of Assignee],

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____, as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN-- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- _____
(Cust.)

Custodian for _____

under Uniform Transfers to Minors Act of _____
(State)

Additional abbreviations may also be used though not in list above.

[End of Form of Bond]

ARTICLE III. REDEMPTION OF BONDS

SECTION 3.1 PRIVILEGE OF REDEMPTION. A Series of Bonds may be subject to optional and mandatory redemption in accordance with the terms of the Supplemental Resolution authorizing the issuance of such Series of Bonds. The Series 2025 Bonds shall be subject to optional and mandatory sinking fund redemption, if any, as set forth in the final Official Statement approved as provided herein.

SECTION 3.2 SELECTION OF BONDS TO BE REDEEMED. The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The District shall, at least forty-five (45) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar but in no event less than thirty-five (35) days) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed.

For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than forty-five (45) and not less than thirty-five (35) days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the District or, if not so designated, by such other method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof. If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the District and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

SECTION 3.3 NOTICE OF REDEMPTION. Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the District, and (A) shall be filed with the Paying Agents of such Bonds and (B) shall be mailed first class, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred.

Each notice of redemption shall state: (A) the CUSIP numbers of all Bonds being redeemed, (B) the original issue date of such Bonds, (C) the maturity date and rate of interest borne by each Bond being redeemed, (D) the redemption date, (E) the Redemption Price, (F) the date on which such notice is mailed, (G) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed, (H) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (I) that the Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Registrar at an address specified and (J) unless sufficient funds have been set aside by the Board for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption; and provided, further, that such notice and the redemption set forth therein may be subject to the satisfaction of one or more additional conditions set forth therein.

The Board may provide that a redemption be contingent upon the occurrence of certain conditions and that if such conditions do not occur the notice of redemption will be rescinded, provided notice of rescission shall be mailed in the manner described above to all affected Bondholders not later than three business days prior to the date of redemption.

SECTION 3.4 REDEMPTION OF PORTIONS OF BONDS. Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Board shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same Series, interest rate and maturity, and of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

SECTION 3.5 PAYMENT OF REDEEMED BONDS. Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the District shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of Bonds being redeemed shall bear the number or numbers of such Bonds and identify the payments applicable to each CUSIP number. All Bonds which have been redeemed shall be canceled by the Registrar and shall not be reissued.

SECTION 3.6 PURCHASE IN LIEU OF OPTIONAL REDEMPTION. Notwithstanding anything in this Resolution to the contrary, at any time the Bonds are subject to optional redemption pursuant to this Resolution, all or a portion of the Bonds to be redeemed as specified in the notice of redemption, may be purchased by the Paying Agent, as trustee, at the direction of the District, on the date which would be the redemption date if such Bonds were redeemed rather than purchased in lieu thereof, at a purchase price equal to the Redemption Price which would have been applicable to such Bonds on the redemption date for the account of and at the direction of the District who shall give the Paying Agent, as trustee, notice at least ten days prior to the scheduled redemption date accompanied by an opinion of Bond Counsel to the effect that such purchase will not adversely affect the exclusion from gross income for federal income tax purposes of interest on such Bonds or any other Outstanding Bonds. In the event the Paying Agent, as trustee, is so directed to purchase Bonds in lieu of optional redemption, no notice to the holders of the Bonds to be so purchased (other than the notice of redemption otherwise required under this Resolution) shall be required, and the Paying Agent, as trustee, shall be authorized to apply to such purchase the funds which would have been used to pay the Redemption Price for such Bonds if such Bonds had been redeemed rather than purchased. Each Bond so purchased shall not be canceled or discharged and shall be registered in the name of the District. Bonds to be purchased under this Resolution in the manner set forth above which are not delivered to the Paying Agent, as trustee, on the purchase date shall be deemed to have been so purchased and not optionally redeemed on the purchase date and shall cease to accrue interest as to the former holder thereof on the purchase date.

ARTICLE IV. SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 4.1 BONDS NOT TO BE INDEBTEDNESS OF DISTRICT. The Bonds shall not be or constitute general obligations or indebtedness of the District as “bonds” within the meaning of any constitutional or statutory provision, but shall be special obligations of the District, payable solely from and

secured by a lien upon and pledge of the Pledged Funds in accordance with and to the extent set forth in this Resolution. No Holder of any Bond or any Credit Facility Provider or Insurer shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the District except from the Pledged Funds in the manner provided herein.

SECTION 4.2 SECURITY FOR BONDS. (A) Except as otherwise provided herein, the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, a Series of Bonds may be further secured by a Credit Facility or a Bond Insurance Policy of an Insurer in addition to the security provided herein; and provided further that a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a Reserve Account for such Series of Bonds. The District does hereby irrevocably pledge the Pledged Funds to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds in accordance with the provisions hereof. The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District.

SECTION 4.3 PROJECT FUND. The District covenants and agrees to establish a special fund to be known as the “**School District of Seminole County Sales Tax Revenue Bonds Project Fund,**” which shall be used only for payment of the Cost of the Projects. Moneys in the Project Fund, until applied in payment of any item of the Cost of a Project in the manner hereinafter provided, shall be held in trust by the District and shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The District shall establish within the Project Fund a separate account for each Project (including the Series 2025 Project), the Cost of which is to be paid in whole or in part out of the Project Fund.

The District covenants that the acquisition, construction and installation of each Project will be completed with due diligence and in accordance with sound engineering practices. The District shall make disbursements or payments from the Project Fund to pay the Cost of a Project upon the filing with the Superintendent of documents and/or certificates signed by the Superintendent, stating with respect to each disbursement or payment to be made: (A) the item number of the payment, (B) the name and address of the Person to whom payment is due, (C) the amount to be paid, (D) the Project Fund account from which payment is to be made, (E) the purpose, by general classification, for which payment is to be made, and (F) that (1) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Cost of a Project and is a proper charge against the account of the Project Fund from which payment is to be made and has not been the basis of any previous disbursement or payment, or (2) each obligation, item of cost or expense mentioned therein has been paid by the District, is a reimbursement of a part of the Cost of a Project, is a proper charge against the account of the Project Fund from which payment is to be made, has not been theretofore reimbursed to the District or otherwise been the basis of any previous disbursement or payment and the District is entitled to reimbursement thereof. The Superintendent shall retain all such certificates of the Superintendent for three (3) years from the dates of such documents and/or certificates. The Superintendent shall make available the documents and/or certificates at all reasonable times for inspection by any Holder of any of the Bonds or the agent or representative of any Holder of any of the Bonds.

Notwithstanding any of the other provisions of this Section 4.3, to the extent that other moneys are not available therefor, amounts in an account of the Project Fund with respect to any Series of Bonds shall be applied to the payment of principal and interest on such Bonds when due.

The date of completion of acquisition, construction and installation of a Project shall be determined by the Superintendent. Promptly after the date of the completion of a Project, and after paying or making provisions for the payment of all unpaid items of the Cost of such Project, the District shall deposit in the following order of priority any balance of moneys remaining in the Project Fund in (A) another account of the Project Fund for which the Authorized Board Officer has stated that there are insufficient moneys present to pay the Cost of the related Project or any account in the Debt Service Fund to remedy a deficiency therein, and (B) such other fund or account established hereunder as shall be determined by the District, provided the District has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Bonds from gross income for purposes of federal income taxation.

SECTION 4.4 FUNDS AND ACCOUNTS. The District covenants and agrees to establish special funds to be known as the “School District of Seminole County Sales Tax Revenue Bonds Revenue Fund”, the “School District of Seminole County Sales Tax Revenue Bonds Debt Service Fund,” and the “School District of Seminole County Sales Tax Revenue Bonds Rebate Fund.” The District shall maintain in the Revenue Fund two accounts: the “Restricted Revenue Account” and the “Unrestricted Revenue Account.” The District shall maintain in the Debt Service Fund four accounts: the “Interest Account,” the “Principal Account,” the “Bond Amortization Account” and the “Reserve Account.” The District may create and establish by Supplemental Resolution, separate subaccounts in the Reserve Account with respect to and securing separate Series of Bonds, provided that moneys in the separate subaccounts in the Reserve Account shall secure only the Bonds of the Series designated to be secured thereby. Moneys in the aforementioned funds and accounts, other than the Rebate Fund and the Unrestricted Revenue Account, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The District may at any time and from time to time appoint one or more depositaries to hold, for the benefit of the Bondholders, any one or more of the funds, accounts and subaccounts established hereby. Such depository or depositaries shall perform at the direction of the District the duties of the District in depositing, transferring and disbursing moneys to and from each of such funds and accounts as herein set forth, and all records of such depository in performing such duties shall be open at all reasonable times to inspection by the District and its agent and employees. Any such depository shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and be qualified under State law for such purposes.

SECTION 4.5 DISPOSITION OF REVENUES.

(A) The District shall promptly deposit or credit the Sales Tax Revenues to the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the last day of each month, commencing in the month immediately following receipt of Sales Tax Revenues from the State, in the following manner and in the following order of priority.

(1) Interest Account. There shall be deposited or credited to the Interest Account an amount which, together with the balance in said Account, shall equal the interest on all Bonds Outstanding (except as to Capital Appreciation Bonds) accrued and unpaid and to accrue to the end of the current calendar month (assuming that a year consists of twelve (12) months of thirty (30) days each). All Federal Subsidy Payments shall be deposited directly to the Interest Account upon receipt. Moneys in the Interest Account shall be used to pay interest on the Bonds as and when the same become due, whether by redemption or otherwise, and for no other purpose. Any Federal Subsidy Payments deposited to the Interest Account shall be deemed to have been applied to the payment of interest on the Federal Subsidy Bonds to which such Federal Subsidy Payments relate. The District shall adjust the amount of the deposit into the Interest Account not later than

the month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. No further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date.

(2) Principal Account. Commencing in the month which is one (1) year prior to the first principal payment date, there shall be deposited or credited to the Principal Account an amount which, together with the balance in said Account, shall equal the principal on Serial Bonds Outstanding due and unpaid and that portion of the principal next due which would have accrued on said Bonds during the then current calendar month if such principal amounts were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding principal due date, or if there is no such preceding principal due date, from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be used to pay the principal of the Bonds as and when the same shall mature, and for no other purpose. Serial Capital Appreciation Bonds shall be payable from the Principal Account in the Bond Year in which such Bonds mature and monthly deposits or credits into the Principal Account shall commence in the month which is one year prior to the date on which such Bonds mature. The District shall adjust the amount of deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding Amortization Installment due date, from a date one (1) year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner herein provided, and for no other purpose. The District shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

Amounts accumulated in the Bond Amortization Account with respect to any Amortization Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Amortization Installment was established) may be applied by the District, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Amortization Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until

such Amortization Installment due date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due date of any such Amortization Installment, the District shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.3 hereof, Term Bonds of the Series and maturity for which such Amortization Installment was established (except in the case of Term Bonds maturing on an Amortization Installment due date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Amortization Installment. The District shall pay out of the Bond Amortization Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the District from the Restricted Revenue Fund.

(4) Reserve Account. The District shall next deposit into the Reserve Account and the various subaccounts therein, if any, a sum sufficient to restore the funds on deposit in the Reserve Account and any subaccounts therein to an amount equal to the applicable Reserve Account Requirement, respectively. Moneys in the Reserve Account and any subaccounts therein shall be used only for the purpose of the payment of maturing principal of or interest or Amortization Installments on the Bonds to which they secure when the other moneys in the Debt Service Fund are insufficient therefor, and for no other purpose. However, whenever the moneys on deposit in the Reserve Account or any subaccount therein exceed the Reserve Account Requirement thereof, such excess shall be withdrawn and deposited into the Interest Account.

Upon the issuance of any Additional Bonds under the terms, limitations and conditions as herein provided, the District shall, on the date of delivery of such Additional Bonds, increase the sum required to be accumulated and maintained on deposit in the Reserve Account or create a subaccount therein and deposit therein an amount to be at least equal to the Reserve Account Requirement on all Outstanding Bonds including the Additional Bonds then issued for which such Reserve Account or subaccount secures. Such required sum may be paid in full or in part from the proceeds of such Additional Bonds or may be accumulated in equal monthly payments to the Reserve Account or subaccount therein over a period of months from the date of issuance of the Additional Bonds, which shall not exceed the greater of (a) twelve (12) months, or (b) the number of months for which interest on such Additional Bonds has been capitalized, as determined by Supplemental Resolution. In the event moneys in the Reserve Account or subaccount therein are accumulated as provided above, (i) the amount in said Reserve Account or subaccount therein on the date of delivery of the Additional Bonds shall not be less than the Reserve Account Requirement on all Bonds Outstanding and secured by the Reserve Account or subaccount therein (excluding the Additional Bonds) on such date, and (ii) the incremental difference between the Reserve Account Requirement on all Bonds Outstanding and secured by the Reserve Account or subaccount therein (excluding the Additional Bonds) on the date of delivery of the Additional Bonds and the Reserve Account Requirement on all such Bonds and the Additional Bonds shall be fifty percent (50%) funded upon delivery of the Additional Bonds.

Notwithstanding the foregoing, in lieu of or in substitution for the required deposits into the Reserve Account or a subaccount therein, the District may, with the prior written consent of the Insurer of a Series of Bonds, if any, or the holders of not less than a majority of the Series of Bonds, cause to be deposited into the Reserve Account or a subaccount therein a Reserve Fund Insurance Policy and/or a Reserve Fund Letter of Credit in an amount equal to the difference between the Reserve Account Requirement and the sums then on deposit in the Reserve Account or a subaccount therein plus the amounts to be deposited therein pursuant to the preceding paragraph. The issuer providing such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit shall either be (a) an insurer (i) whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issue results in such issues being rated in one of the three highest rating categories (without regard to gradations, such as "plus"

or “minus” of such category) by either Standard & Poor’s, Moody’s or Fitch or (ii) who holds the highest policyholder rating accorded insurers by A.M. Best & Company, or any comparable service, or (b) a commercial bank, insurance company or other financial institution the obligations payable or guaranteed by which have been assigned a rating by Moody’s, Standard & Poor’s or Fitch in one of the two highest rating categories (without regard to gradations, such as “plus” or “minus” of such categories).

In the event the Reserve Account or a subaccount therein contains both a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and cash, the cash shall be drawn down completely prior to any draw on the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit. In the event more than one Reserve Fund Insurance Policy or Reserve Fund Letter of Credit is on deposit in the Reserve Account or a subaccount therein, amounts required to be drawn thereon shall be done on a pro-rata basis calculated by reference to the maximum amounts available thereunder. The District agrees to pay all amounts owing in regard to any Reserve Fund Insurance Policy or Reserve Fund Letter of Credit from the Sales Tax Revenues. Sales Tax Revenues shall be applied in accordance with this Section 4.5 (A)(4), on a pro-rata basis, to reimburse the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for amounts advanced under such instruments, replenish any cash deficiencies in the Reserve Account or a subaccount therein, and to pay the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit interest on amounts advanced under such instruments. This Resolution shall not be discharged or defeased while any obligations are owing in regard to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit in the Reserve Account or a subaccount therein. The District agrees not to optionally redeem or exercise its rights to an extraordinary mandatory redemption or refund Bonds unless all amounts owing in regard to a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit on deposit in the Reserve Account and any subaccount therein have been paid in full.

If five (5) days prior to an Interest Payment Date, principal payment date or mandatory Amortization Installment is due or such other period of time as shall be established pursuant to a Supplemental Resolution, the District shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest, principal or mandatory Amortization Installment due on the Bonds on such date, the District shall immediately notify (1) the issuer of the applicable Reserve Fund Insurance Policy and/or the issuer of the Reserve Fund Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Fund Insurance Policy and/or Reserve Fund Letter of Credit, and (2) the Paying Agent of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such District to provide moneys sufficient to pay all amounts due on such payment date.

The District may evidence its obligation to reimburse the issuer of any Reserve Fund Letter of Credit or Reserve Fund Insurance Policy by executing and delivering to such issuer a promissory note or reimbursement agreement therefor; provided, however, any such note or agreement (1) shall not be or create a general obligation of the District the payment of which is secured by the full faith and credit or taxing power of the District, and (2) shall be payable or obligate the District to pay solely from the Pledged Funds in the manner provided herein.

To the extent the District causes to be deposited into the Reserve Account or a subaccount therein a Reserve Fund Insurance Policy and/or a Reserve Fund Letter of Credit for a term of years shorter than the life of the Bonds, then the Reserve Fund Insurance Policy and/or the Reserve Fund Letter of Credit shall provide, among other things, that the issuer thereof shall provide the District and the Paying Agents with notice as of each anniversary of the date of the issuance of the Reserve Fund Insurance Policy and/or the Reserve Fund Letter of Credit of the intention of the issuer thereof to either (1) extend the term of the Reserve Fund Insurance Policy and/or the Reserve Fund Letter of Credit beyond the expiration dates thereof, or (2) terminate the Reserve Fund Insurance Policy and/or the Reserve Fund Letter of Credit on the initial expiration dates thereof or such other future date as the issuer thereof shall have established. If the

issuer of the Reserve Fund Insurance Policy and/or the Reserve Fund Letter of Credit notifies the District pursuant to clause (2) of the immediately preceding sentence or if the District terminates the Reserve Fund Letter of Credit and/or Reserve Fund Insurance Policy, then the District shall deposit into the Reserve Account, on or prior to the end of the first full calendar month following the date on which such notice is received or given by the District and each month thereafter, such sums as shall be sufficient to pay an amount equal to a fraction, the numerator of which is one (1) and the denominator of which is equal to the number of months remaining in the term of the Reserve Fund Insurance Policy and/or the Reserve Fund Letter of Credit on the date such notice was received or given multiplied by the maximum amount available, assuming full reimbursement by the District, under the Reserve Fund Letter of Credit and/or the Reserve Fund Insurance Policy until amounts on deposit in the Reserve Account, as a result of the aforementioned deposits, and no later than upon the expiration of such Reserve Fund Insurance Policy and/or such Reserve Fund Letter of Credit, shall be equal to the Reserve Account Requirement.

Additionally, Reserve Fund Letters of Credit shall be for a term of not less than three years. The issuer of the Reserve Fund Letter of Credit shall be required to notify the District and the Paying Agent, not later than thirty (30) months prior to the stated expiration date of the Reserve Fund Letter of Credit, as to whether such expiration date shall be extended, and if so, shall indicate the new expiration date.

The Reserve Fund Letter of Credit shall permit to draw in full not less than two weeks prior to the expiration or termination of such Reserve Fund Letter of Credit if the Reserve Fund Letter of Credit has not been replaced or renewed. The Reserve Fund Letter of Credit shall direct the Paying Agent to draw upon the Reserve Fund Letter of Credit five days prior to its expiration or termination unless an acceptable replacement is in place or the funds contained in the Reserve Account or a subaccount therein is equal to the applicable Reserve Account Requirement on all Outstanding Bonds theretofore issued and secured by such Reserve Account or subaccount.

The obligation to reimburse the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit for any fees, expenses, claims or draws upon such Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be subordinate to the payment of debt service on the Bonds. The right of the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit to payment of reimbursement of its fees and expenses shall be subordinated to cash replenishment of the Reserve Account, and subject to the second and third succeeding sentences, its right to reimbursement for claims or draws shall be prior to the replenishment of the cash drawn from the Reserve Account or a subaccount therein. The Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall provide for a revolving feature under which the amount available thereunder will be reinstated to the extent of any reimbursement of draws or claims paid. If the revolving feature is suspended or terminated for any reason, the right of the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit reimbursement will be further subordinated to cash replenishment of the Reserve Fund or subaccount therein to an amount equal to the difference between the full original amount available under the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit and the amount then available for further draws or claims. If (1) the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit becomes insolvent or (2) the issuer of a Reserve Fund Insurance Policy or Reserve Fund Letter of Credit defaults in its payment obligations thereunder or (3) the claims-paying ability of the issuer of the Reserve Fund Insurance Policy does not equal at least a S&P “AA-” or Moody’s “Aa3” or Fitch “AA-” or (4) the rating of the issuer of the Reserve Fund Letter of Credit does not equal at least a S&P “AA-” or Moody’s “Aa3” or Fitch “AA-”, the obligation to reimburse the issuer of the Reserve Fund Insurance Policy or Reserve Fund Letter of Credit shall be subordinate to the cash replenishment of the Reserve Account or subaccount therein.

(5) Annual Funding. There shall be next deposited to the Interest Account, the Principal Account and the Bond Amortization Account, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest and principal (including

any Amortization Installment) next coming due on all Outstanding Bonds during the current Bond Year.

(6) Unrestricted Revenue Account. (A) The balance of any moneys after the deposits required by Sections 4.5 (A)(1) through 4.5 (A)(5) hereof may be transferred, at the discretion of the District, to the Unrestricted Revenue Account or any other appropriate fund or account of the District and may be used for any lawful purpose. In the event moneys on deposit in the Interest Account, the Principal Account and the Bond Amortization Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due at such Interest Date, the District shall transfer moneys from the Unrestricted Revenue Account to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(B) The District agrees that moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be used to pay the principal of or Redemption Price, if applicable, and interest on the Bonds only to the extent that such moneys are permitted to be used for such purpose by the Act. The District shall employ such accounting procedures as shall be necessary to ensure compliance with the Act.

(C) The District, in its discretion, may use moneys in the Principal Account and the Interest Account to purchase or redeem Bonds coming due on the next principal payment date, provided such purchase or redemption does not adversely affect the District's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased or redeemed.

(D) At least two (2) business days prior to the date established for payment of any principal of or Redemption Price, if applicable, or interest on the Bonds, the District shall withdraw from the appropriate account of the Debt Service Fund sufficient moneys to pay such principal or Redemption Price, if applicable, or interest and deposit such moneys with the Paying Agent for the Bonds to be paid.

(E) In the event the District shall issue a Series of Bonds secured by a Credit Facility, the District may establish such separate subaccounts in the Interest Account, the Principal Account and the Bond Amortization Account to provide for payment of the principal of and interest on such Series; provided one Series of Bonds shall not have preference in payment from Pledged Funds over any other Series of Bonds. The District may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in this Section 4.5 as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds.

In the case of Bonds secured by a Credit Facility, amounts on deposit in any subaccounts established for such Bonds may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Facility Provider for amounts drawn under such Credit Facility to pay the principal of or Redemption Price, if applicable, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the Holders thereof for payment.

SECTION 4.6 REBATE FUND. Amounts on deposit in the Rebate Fund shall be held in trust by the District and used solely to make required rebates to the United States (except to the extent the same may be transferred to the District) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. For any Series of Bonds for which the rebate requirements of Section 148(f) of the Code are applicable, the District agrees to undertake all actions required of it in its arbitrage certificate related to such Series of Bonds, including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the District such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.6 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above-described arbitrage certificate may be amended without the consent of any Holder, Credit Facility Provider or Insurer from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

SECTION 4.7 INVESTMENTS. Moneys on deposit in the Project Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Project Fund, the Restricted Revenue Account and the Debt Service Fund other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such fund or account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments which shall mature not later than the maturity date of the Series of Bonds secured. All investments shall be valued at least annually at the current market value.

Any and all income received by the District from the investment of moneys in each account of the Project Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account and subaccounts therein (to the extent the amount on deposit therein is no less than the applicable Reserve Account Requirement) shall be retained in such respective Fund, Account or subaccount. Any and all income received by the District from investment of moneys in the Reserve Account or a subaccount therein (to the extent the amount on deposit therein is greater than the applicable Reserve Account Requirement) shall be deposited in the Interest Account.

Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

SECTION 4.8 SEPARATE ACCOUNTS. The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE V.
SUBORDINATED INDEBTEDNESS, ADDITIONAL BONDS, AND COVENANTS OF
DISTRICT

SECTION 5.1 SUBORDINATED INDEBTEDNESS. The District will not issue any other obligations, except under the conditions and expressly in the manner provided herein, payable from the Pledged Funds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon. The District may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of the Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution. The District shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to Section 5.2 hereof. The District agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

SECTION 5.2 ISSUANCE OF ADDITIONAL BONDS. No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided.

The District may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing the Cost of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the District. No such Additional Bonds shall be issued unless the following conditions are complied with:

(A) Except as otherwise provided in Section 5.2(H) hereof, there shall have been obtained and filed with the District a statement of the Chief Financial Officer: (1) stating that the books and records of the District relating to the Sales Tax Revenues have been reviewed by such officer; (2) setting forth the amount of the Sales Tax Revenues which have been received by the District during any twelve (12) consecutive months designated by the District within the eighteen (18) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made, which amounts need not be audited; and (3) stating that the amount of the Sales Tax Revenues received during the aforementioned 12-month period equals at least 1.35 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such report of the Chief Financial Officer may be partially based upon certification of certain matters related to the calculation of Maximum Annual Debt Service by the District's financial advisor.

(B) For the purpose of determining the Maximum Annual Debt Service under this Section 5.2, the interest rate on additional parity Variable Rate Additional Bonds then proposed to be issued and on Variable Rate Bonds then Outstanding shall be deemed to be the lesser of (1) the interest rate for the 30 year Revenue Bond Index published by The Bond Buyer no more than two weeks prior to the sale of the Variable Rate Additional Bonds, or (2) the Maximum Interest Rate.

(C) Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Resolution. Except as provided in Sections 4.2 and 4.5 hereof, all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the District shall include a provision in any Supplemental Resolution authorizing the issuance of Variable Rate Additional Bonds pursuant to this

Section 5.2 that in the event the principal thereof is accelerated due to such Bonds being held by the issuer of a Credit Facility, the lien of such Bonds on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by this Resolution.

(D) Each Supplemental Resolution authorizing the issuance of Additional Bonds will recite that all of the covenants herein contained applicable to the Additional Bonds, will be applicable to such Additional Bonds and shall require the debt service requirements of such Additional Bonds be included in the determination of the Maximum Annual Debt Service for purposes of meeting the applicable Reserve Account requirements.

(E) The District shall not be in breach of the covenants and obligations assumed hereunder, and all payments herein required to have been made into the funds and accounts, as provided hereunder, shall have been made to the full extent required.

(F) In the event that the Act is amended to provide for additional sales tax revenues and the District elects by Supplemental Resolution to include such additional sales tax revenues within the pledge created by the Resolution, the Superintendent shall assume that such additional amounts were collected during the applicable twelve (12) consecutive month period if such additional sales tax revenues are a result of (1) an increase in the sales tax levied on the same sales tax base, or (2) an increase in the minimum portion of sales tax revenues distributed to the District on the same sales tax base.

(G) Prior to the issuance of Additional Bonds, the District shall certify to each provider of Reserve Fund Insurance Policies and Reserve Fund Letters of Credit that the receipt of Sales Tax Revenues are sufficient to meet the requirements of subparagraph (A) of this Section 5.2 and be sufficient to pay all policy costs then due and owing under such Reserve Fund Insurance Policies and Reserve Fund Letters of Credit.

(H) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section 5.2(A) hereof shall not apply, provided that the issuance of such Additional Bonds shall not result in an increase of aggregate debt service in any Bond Year. The conditions of Section 5.2(A) hereof shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

SECTION 5.3 BOND ANTICIPATION NOTES. The District may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution including Sections 5.1 and 5.2 hereof; related to parity or subordinate obligations, as shall be provided by resolution of the District.

SECTION 5.4 ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS. The District may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the District shall meet all the requirements imposed upon the issuance of Additional Bonds by Section 5.2 hereof, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds and (B) the Reserve Account or a subaccount therein, upon such accession, shall contain an amount equal to the applicable Reserve Account Requirement in accordance with Section 4.5(A)(4) hereof. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Resolution.

SECTION 5.5 BOOKS AND RECORDS. The District will keep books and records of the receipt of the Sales Tax Revenues in accordance with generally accepted accounting principles, and any

Credit Facility Provider, Insurer, or Holder or Holders of at least \$1,000,000 aggregate principal amount of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the District relating thereto.

SECTION 5.6 ANNUAL AUDIT. The District shall, immediately after the close of each Fiscal Year, cause the financial statements of the District to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accountants, and shall require such accountants to complete their report on the annual financial statements in accordance with applicable law. The annual financial statement shall be prepared in conformity with generally accepted accounting principles as applied to governmental entities.

SECTION 5.7 RECEIPT OF SALES TAX REVENUES. The District covenants to do all things necessary or required on its part by the Act, or otherwise to maintain the levy, collection and receipt of the Sales Tax Revenues. The District shall exercise all legally available remedies to enforce such levy, collection and receipt now or hereafter available under law. The District will not take any action, or enter into any agreement that shall result in reducing the level of Sales Tax Revenues received by the District from that level prevailing at the time the District takes such action or enters into such agreement.

SECTION 5.8 COVENANTS WITH CREDIT FACILITY PROVIDERS AND INSURERS. The District may make such covenants as it may, in its sole discretion, determine to be appropriate with any Insurer, Credit Facility Provider or other financial institution that shall agree to insure or to provide for Bonds of any one or more Series credit or liquidity support that shall enhance the security or the value of such Bonds. Such covenants may be set forth in the applicable Supplemental Resolution and shall be binding on the District, the Registrar, the Paying Agent and all the Holders of Bonds the same as if such covenants were set forth in full in this Resolution.

SECTION 5.9 FEDERAL INCOME TAX COVENANTS; TAXABLE BONDS.

(A) The District covenants with the Holders of each Series of Bonds (other than Taxable Bonds and Federal Subsidy Bonds), that it shall not use the proceeds of such Series of Bonds in any manner which would cause the interest on such Series of Bonds to be or become includable in gross income for purposes of federal income taxation.

(B) The District covenants with the Holders of each Series of Bonds (other than Taxable Bonds and Federal Subsidy Bonds) that neither the District nor any Person under its control or direction will make any use of the proceeds of such Series of Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause such Series of Bonds to be “arbitrage bonds” within the meaning of the Code and neither the District nor any other Person shall do any act or fail to do any act which would cause the interest on such Series of Bonds to become includable in gross income for purposes of federal income taxation.

(C) The District hereby covenants with the Holders of each Series of Bonds (other than Taxable Bonds and Federal Subsidy Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

(D) The District may, if it so elects, issue one or more Series of Taxable Bonds the interest on which is or may be includable in the gross income of the Holder thereof for federal income taxation purposes, so long as each Bond of such Series states in the body thereof that interest payable thereon is or may be subject to federal income taxation and provided that the issuance thereof will not cause the interest on any other Bonds theretofore issued hereunder to be or become subject to federal income taxation. The

covenants set forth in paragraphs (A), (B) and (C) above shall not apply to any Taxable Bonds and Federal Subsidy Bonds.

SECTION 5.10 COVENANTS RELATING TO FEDERAL SUBSIDY BONDS.

The District covenants with respect to any Bonds issued as Federal Subsidy Bonds that it will:

(A) File, on a timely basis, Internal Revenue Service Form 8038-CP or such other form or forms required by the United States Department of Treasury to receive Federal Subsidy Payments in connection with any Bonds issued as Federal Subsidy Bonds.

(B) Deposit promptly the Federal Subsidy Payments received from the United States Department of Treasury, if any, to the Interest Account of the Debt Service Fund to pay interest on the Federal Subsidy Bonds.

(C) Comply with all provisions of the Code, all Treasury Regulations promulgated thereunder, and any applicable notice, ruling or other formal interpretation issued by the United States Department of Treasury or the Internal Revenue Service, in order for the Bonds issued as Federal Subsidy Bonds to be and to remain Federal Subsidy Bonds.

(D) Not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the District's receipt of Federal Subsidy Payments or the status of the Bonds issued as Federal Subsidy Bonds, or any portion thereof, as Federal Subsidy Bonds. The District covenants that it will not directly or indirectly use or permit the use of any proceeds of Bonds issued as Federal Subsidy Bonds or any other of its funds or take or omit to take any action that would cause the Bonds issued as Federal Subsidy Bonds to be or become "arbitrage bonds" within the meaning of Section 148(a) or to fail to meet any other applicable requirements of the Code.

ARTICLE VI. DEFAULTS AND REMEDIES

SECTION 6.1 EVENTS OF DEFAULT. The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of, Amortization Installment, redemption premium or interest on any Bond when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the District, or the filing by the District of a voluntary petition in bankruptcy, or the commission by the District of any act of bankruptcy, or adjudication of the District as a bankrupt, or assignment by the District for the benefit of its creditors, or appointment of a receiver for the District, or the entry by the District into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the District in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The District shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the District to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of Bonds Outstanding or the Insurer of such amount of Bonds or any

Credit Facility Provider. Notwithstanding the foregoing, the District shall not be deemed in default hereunder if such default can be cured within a reasonable period of time, but not to exceed 60 days without the consent of the Insurer, and if the District in good faith institutes curative action and diligently pursues such action until the default has been corrected.

SECTION 6.2 REMEDIES. Any Holder of Bonds issued under the provisions of this Resolution or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the District or by any officer thereof; provided, however, that no Holder, trustee or receiver shall have the right to declare the Bonds immediately due and payable.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of the Bonds then Outstanding may, by a duly executed certificate in writing, appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Superintendent. Notice of such appointment, together with evidence of the requisite signatures of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the District and the trustee and notice of appointment shall be given to all Holders of Bonds in the same manner as notices of redemption are given hereunder. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

SECTION 6.3 DIRECTIONS TO TRUSTEE AS TO REMEDIAL PROCEEDINGS. The Holders of a majority in principal amount of the Bonds then Outstanding (or any Insurer insuring any then Outstanding Bonds) have the right, by an instrument or concurrent instruments in writing executed and delivered to the trustee, to direct the method and place of conducting all remedial proceedings to be taken by the trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any such direction which in the opinion of the trustee would be unjustly prejudicial to Holders of Bonds not parties to such direction.

SECTION 6.4 REMEDIES CUMULATIVE. No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 6.5 WAIVER OF DEFAULT. No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 6.2 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient. No Event of Default may be waived without the consent of each Insurer, which has not failed to honor all its obligations under its bond insurance policy.

SECTION 6.6 APPLICATION OF MONEYS AFTER DEFAULT. If an Event of Default shall happen and shall not have been remedied, the District or a trustee or receiver appointed for the purpose shall apply all Pledged Funds (except for amounts in the Reserve Account or a subaccount therein which

shall be applied to the payment of the Series of Bonds for which it was established) as follows and in the following order:

(A) To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver, Registrar and Paying Agent hereunder; and

(B) To the payment of the interest and principal or Redemption Price, if applicable, then due on the Bonds (provided such payments are made in accordance with applicable law), as follows:

(a) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference;

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of Section 8.1 of this Resolution), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD: to the payment of the Redemption Price of any Bonds called for optional redemption pursuant to the provisions of this Resolution.

(b) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

SECTION 6.7 CONTROL BY INSURER. Upon the occurrence and continuance of an Event of Default, each Insurer, if such Insurer shall not have defaulted under its Bond Insurance Policy, Reserve Fund Insurance Policy and Reserve Fund Letter of Credit, shall be entitled to direct and control the enforcement of all right and remedies with respect to the Bonds it shall insure, including any waiver of an Event of Default and it shall be considered the sole Holder of such Series of Bonds for purposes of exercising remedies available hereunder. The District shall provide each Insurer and Credit Facility Provider immediate notice of any Event of Default described in Section 6.1(A) hereof and notice of any other Event of Default occurring hereunder within thirty (30) days of the occurrence thereof.

ARTICLE VII. SUPPLEMENTAL RESOLUTIONS

SECTION 7.1 SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT. The Board, from time to time and at any time, may adopt such Supplemental Resolutions

without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder;

(B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders;

(C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed;

(D) To add to the covenants and agreements of the District in this Resolution other covenants and agreements thereafter to be observed by the District or to surrender any right or power herein reserved to or conferred upon the District;

(E) To specify and determine the matters and things referred to in Sections 2.1, 2.2 or 2.9 hereof, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds;

(F) To authorize Projects or to change or modify the description of any Project;

(G) To specify and determine matters necessary or desirable for the issuance of Capital Appreciation Bonds, Federal Subsidy Bonds or Variable Rate Bonds;

(H) To provide for the establishment of a Reserve Account to additionally secure one or more Series of Bonds issued hereunder or to substitute a Reserve Fund Insurance Policy or a Reserve Fund Letter of Credit as permitted by Section 4.5(A)(4) hereof; or

(I) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds issued hereunder.

(J) To make any other change that, in the opinion of the District, would not materially adversely affect the security for the Bonds; provided the District receives the written consent of the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect.

SECTION 7.2 SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' AND INSURER'S CONSENT. Subject to the terms and provisions contained in this Section 7.2 and Sections 7.1 and 7.3 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the District for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 7.2. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 7.2 shall also require the written consent of the Insurer of any Bonds which are Outstanding at the time such Supplemental Resolution shall take effect. No Supplemental Resolution may be approved or adopted which shall permit

or require (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the Redemption Price or the rate of interest thereon, (C) the creation of a lien upon or a pledge of other than the lien and pledge created by this Resolution which adversely affects any Bondholders, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds (except as to the establishment of Reserve Account), or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or the Insurer of the adoption of any Supplemental Resolution as authorized in Section 7.1 hereof.

If at any time the District shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 7.2, the Superintendent shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books kept by the Registrar and to all Insurers of Bonds Outstanding. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Superintendent and the Registrar for inspection by all Bondholders. The District shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 7.2 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 7.2.

Whenever the Board shall deliver to the Superintendent an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Board may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Board from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 7.2, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Board and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

SECTION 7.3 AMENDMENT WITH CONSENT OF INSURER ONLY. If all of the Bonds Outstanding hereunder are insured as to payment of principal and interest by an Insurer or Insurers, and the Bonds, at the time of the hereinafter described amendment, shall be rated by the rating agencies which shall have rated the Bonds at the time such Bonds were insured no lower than the ratings assigned thereto by such rating agencies on the date of being insured, the Board may enact one or more Supplemental Resolutions amending all or any part of Articles 1, 2, 3, 4, 5 and 6 hereof with the written consent of said Insurer or Insurers and the acknowledgment by said Insurer or Insurers that its insurance or guaranty policy will remain in full force and effect. The consent of the Holders of any Bonds shall not be necessary. The foregoing right of amendment, however, does not apply to any amendment to Section 5.9 hereof with respect to the exclusion, if applicable, of interest on said Bonds from gross income for purposes of Federal

income taxation nor may any such amendment deprive the Holders of any Bond of right to payment of the Bonds from, and their lien on the Pledged Funds with respect to all Bonds. Upon filing with the Superintendent of evidence of such consent of the Insurer or Insurers as aforesaid, the Board may adopt such Supplemental Resolution. After the adoption by the Board of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notice of an amendment under Section 7.2 hereof.

ARTICLE VIII. MISCELLANEOUS

SECTION 8.1 DEFEASANCE. If (A) the District shall pay or cause to be paid or there shall otherwise be paid to the Holders of any Series of Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution and (B) all provisions regarding any amounts to be rebated to the United States government have been complied with and all amounts due the Insurer shall have been paid in full, then the pledge of the Pledged Funds with respect to all Bonds; all covenants, agreements and other obligations of the District to the holders of such Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the District all money or securities held by them pursuant to the Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Section 8.1 if (A) in case any such Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (B) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the District either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant to be in such amount that the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such banking institution or trust company at the same time shall be sufficient, to pay the principal of or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such banking institution or trust company nor any moneys received by such bank or trust company on account of principal of or Redemption Price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or Redemption Price, if applicable, of the Bonds for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption; provided, however, the District may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of or Redemption Price, if applicable, and interest on the refunded Bonds.

For purposes of determining whether Variable Rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 8.1, the interest to come due on such Variable Rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to satisfy this Section 8.1, such excess shall be

paid to the District free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution.

In the event the Bonds for which moneys are to be deposited for the payment thereof in accordance with this Section 8.1 are not by their terms subject to redemption within the next succeeding sixty (60) days, the District shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 8.1 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 8.1 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of or Redemption Price, if applicable, and interest on said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 8.1.

Nothing herein shall be deemed to require the District to call any of the Outstanding Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the District in determining whether to exercise any such option for early redemption.

In the event that the principal of or Redemption Price, if applicable, and interest due on the Bonds shall be paid by an Insurer or Insurers, such Bonds shall remain Outstanding, shall not be defeased and shall not be considered paid by the District, and the pledge of the Pledged Funds with respect to all Bonds, and all covenants, agreements and other obligations of the District to the Bondholders shall continue to exist and such Insurer or Insurers shall be subrogated to the rights of such Bondholders.

SECTION 8.2 CAPITAL APPRECIATION BONDS. For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the District or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to this Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

SECTION 8.3 SALE OF BONDS. Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and the Supplemental Resolution related to a Series of Bonds and other applicable provisions of law. See Section 2.2(A) herein for the requirements related to the sale of the Series 2025 Bonds.

SECTION 8.4 BOND PURCHASE AGREEMENT. The preliminary form of a purchase agreement relating to the Series 2025 Bonds between the Board and the Underwriters (the “**Bond Purchase Agreement**”), submitted to this meeting and attached hereto as Exhibit A, is hereby approved, and the Board hereby authorizes execution of the Bond Purchase Agreement. If, between the date hereof and the sale of the Series 2025 Bonds, the Board and the Underwriters agree to any insertions, modifications or changes to the Bond Purchase Agreement, the Chair and the Superintendent are each hereby authorized to approve such insertions, changes and modifications. Execution of the Bond Purchase Agreement by the parties thereto shall constitute conclusive evidence of the approval of any changes to the form of the Bond Purchase Agreement.

Authority is hereby delegated to the Chair and the Superintendent to execute such Bond Purchase Agreement if the following requirements are satisfied: (i) the aggregate principal amount of the Series 2025 Bonds may not exceed \$175,000,000 and the final maturity date is no later than October 1, 2034, (ii) a true interest cost not exceeding an amount equal to 4.50%, and (iii) an underwriting discount (including

management fee and all expenses) not in excess of \$4.00 per thousand of the initial par amount of the Bonds.

SECTION 8.5 PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT. The form of a Preliminary Official Statement relating to the Bonds (the “**Preliminary Official Statement**”), submitted to this meeting and attached hereto as Exhibit B, is hereby approved, and the Board hereby authorizes the distribution and use of the Preliminary Official Statement by the Underwriters in connection with the public offering of the Series 2025 Bonds. If, between the date hereof and the mailing of the Preliminary Official Statement it is necessary to make insertions, modifications and changes to the Preliminary Official Statement, the Chair, the Superintendent or the Chief Finance Officer are each hereby authorized to approve such insertions, changes and modifications. The Chair, the Superintendent or the Chief Finance Officer are each further authorized to deem the Preliminary Official Statement “final” within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the “**Rule**”), in the form as mailed, and in furtherance thereof to execute a certificate evidencing the same. Execution of such certificate shall constitute conclusive evidence of the approval of any changes to the form of the Preliminary Official Statement. In connection with the delivery of the final Bond Purchase Agreement in compliance with Section 8.4 hereof, the District shall deliver to the Underwriters a final Official Statement, that includes the information omitted from the Preliminary Official Statement, in substantially the form of the Preliminary Official Statement attached hereto, with such changes, amendments, modifications, omissions and additions as shall be approved by the Chair who is hereby authorized to execute and deliver such Official Statement. Execution of the Official Statement by the Chair and the Superintendent shall constitute conclusive evidence of the approval of any changes to the form of the Official Statement.

SECTION 8.6 CONTINUING DISCLOSURE. The Board hereby covenants and agrees that, in order to provide for compliance by the Underwriters with the secondary market disclosure requirements of rule 15c2-12 of the Security and Exchange Commission (the “**Rule**”), it will comply with and carry out all of the provisions of the Disclosure Dissemination Agent Agreement dated the date of the Series 2025 Bonds, executed by the Board and Digital Assurance Certification LLC., as Disclosure Dissemination Agent (the “**Disclosure Dissemination Agent**” or “**DAC**”) for the benefit of the Holder, as it may be amended from time to time in accordance with the terms thereof. The Disclosure Dissemination Agent Agreement shall be substantially in the form attached hereto as Exhibit C, with such changes, amendments, modifications, omissions and additions as shall be approved up on the advice of Disclosure Counsel by the Chair who is hereby authorized to execute and deliver such Disclosure Dissemination Agent Agreement. Execution of the Disclosure Dissemination Agent Agreement by the parties thereto shall constitute conclusive evidence of the approval of any changes to the form of the Disclosure Dissemination Agent Agreement. Notwithstanding any other provision of this Resolution, failure of the District to comply with such Disclosure Dissemination Agent Agreement shall not be considered an Event of Default under the Resolution; provided, however, any Holder of a Series 2025 Bond may take such actions as may be deemed necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Board to comply with its obligations under this Section and the Disclosure Dissemination Agent Agreement. For the purposes of this Section, “**Holder**” shall mean a person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Series 2025 Bonds (including persons holding Series 2025 Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any Series 2025 Bonds for federal income tax purposes.

SECTION 8.7 AUTHORIZATION OF BOND INSURANCE POLICY. The Board is hereby authorized to insure the payment of principal and interest on all, some or none of the Series 2025 Bonds (the “**Insured Bonds**”), whichever is determined by the Superintendent to be in the Board’s best interests based on the advice of the Financial Advisor, and further authorizes the Chair and the Superintendent to

take any action and do all things necessary in order to accept such Series 2025 Insurance Policy and enter an Insurance Agreement related thereto.

SECTION 8.8 NO SERIES 2025 BONDS RESERVE ACCOUNT. The Board hereby determines that the Reserve Account Requirement applicable to the Series 2025 Bonds shall be zero; provided, however, that the Reserve Account Requirement may be increased to an amount not exceeding an amount permitted by the definition of Reserve Account Requirement in this Resolution by the Chair upon the advice of the Financial Advisor as finally established at the time of marketing the Series 2025 Bonds. Any such Reserve Account Requirement in excess of \$0.00 shall be established in the final Bond Purchase Agreement and the Series 2025 Bonds delivered herewith. If the Chair deems it in the Board's best interest, based on financial advice of the Financial Advisor, the Chair is authorized to purchase a Reserve Fund Insurance Policy for deposit in the Reserve Account and enter an Insurance Agreement related thereto.

SECTION 8.9 APPOINTMENT OF PAYING AGENT AND REGISTRAR. The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, is hereby designated Registrar and Paying Agent for the Series 2025 Bonds. The Chair and the Superintendent are hereby authorized to enter into any agreement which may be necessary to effect the transactions contemplated by this Section.

SECTION 8.10 DECLARATION OF OFFICIAL INTENT. The Board hereby declares the official intent of the School District to reimburse itself from the proceeds of Bonds for expenses incurred and to be incurred with respect to the capital improvements to the extent permitted by Treasury Regulation Section 1.150-2 of the Internal Revenue Code. The Bonds intended to finance the capital improvements are expected not to exceed an aggregate principal amount of \$175,000,000.

SECTION 8.11 FURTHER OFFICIAL ACTION. Each Authorized Board Officer is hereby authorized and directed to execute and deliver any and all documents and instruments, and to do and cause to be done any and all things necessary or desirable for carrying out the transactions contemplated by this Resolution, including, without limitation, the issuance of the Bonds.

SECTION 8.12 SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

SECTION 8.13 REPEAL OF INCONSISTENT RESOLUTIONS. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 8.14 EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

[Signature page follows]

Approved by The School Board of Seminole County, Florida, this 13th day of May, 2025.

(SEAL)

/s/ Kristine Kraus

Kristine Kraus

Chair

Attest:

/s/ Serita D. Beamon

Serita D. Beamon

Secretary and District Superintendent

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

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FORM OF LEGAL OPINION OF BOND COUNSEL

On the date of issuance of the Sales Tax Revenue Bonds, Series 2025, Greenberg Traurig, P.A., Bond Counsel, proposes to issue its approving opinion in substantially the following form:

[Date of Delivery]

School District of Seminole County, Florida
400 East Lake Mary Boulevard
Sanford, Florida 32773

Re: School District of Seminole County, Florida
\$ Sales Tax Revenue Bonds, Series 2025

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the School District of Seminole County, Florida (the “District”) of its \$_____ aggregate principal amount of Sales Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”), issued and delivered on this date pursuant to the constitution and laws of the State of Florida, particularly, Chapter 1001 et seq., Florida Statutes, Sections 212.054 and 212.055, Florida Statutes (collectively, the “Act”), and other applicable provisions of law and Resolution No. 2025-03 adopted by The School Board of Seminole County, Florida (the “School Board”), acting as the governing body of the District, on May 13, 2025 (the “Resolution”). Any capitalized term used herein and not otherwise defined shall have the meanings ascribed thereto in the Resolution.

In order to secure the payment of the Series 2025 Bonds, and subject to the terms of the Resolution, the School Board has pledged to the holders of the Series 2025 Bonds, and granted a lien to the holders of the Series 2025 Bonds on (1) the Sales Tax Revenues and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain of the funds and accounts established by the Resolution other than the Unrestricted Revenue Account and the Rebate Fund (collectively, the “Pledged Funds”).

We have examined the Act, the Resolution and such certified copies of the proceedings of the School Board and such other documents and opinions as we have deemed necessary to render this opinion. As to the questions of fact material to our opinion, we have relied upon representations of the School Board furnished to us, without undertaking to verify such representations by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The District and the School Board are duly organized under Section 4, Article IX of the Constitution of Florida and Chapter 1001, Florida Statutes, with the power to adopt the Resolution, to perform their obligations thereunder and to issue the Series 2025 Bonds.

2. The Resolution has been duly adopted by the School Board. The Resolution creates a valid pledge of the Pledged Funds and the moneys held in the funds and accounts created under the Resolution and constitutes a valid and binding obligation of the District and the School Board enforceable against the District and the School Board in accordance with its terms.

3. The issuance and sale of the Series 2025 Bonds have been duly authorized by the School Board and, the Series 2025 Bonds constitute valid and binding limited obligations of the District, payable in accordance with, and as limited by, the terms of the Resolution.

4. The Internal Revenue Code of 1986, as amended (the "Code") includes requirements which the District must continue to meet after the issuance of the Series 2025 Bonds in order that interest on the Series 2025 Bonds be excludable from gross income for federal income tax purposes. The failure of the District to meet these requirements may cause interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted in the Resolution to take the actions required by the Code in order to maintain the excludability from gross income for federal income tax purposes of interest on the Series 2025 Bonds. The District has full legal power and authority to comply with such covenants.

Under existing statutes, regulations, rulings and court decisions, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes; and furthermore, interest on the Series 2025 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. We express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of, the Series 2025 Bonds.

In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Series 2025 Bonds in order that interest on the Series 2025 Bonds not be included in gross income for federal income tax purposes.

5. The Series 2025 Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined therein.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

The opinions set forth in numbered paragraphs 2. and 3. above are subject to state and federal laws relating to bankruptcy, insolvency, reorganization, moratorium and similar laws, and to equitable principles, affecting the enforcement of creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

We express no opinion regarding tax consequences arising with respect to any payments received in connection with the Series 2025 Bonds other than as expressly set forth herein.

We wish to call to your attention that the Series 2025 Bonds are limited obligations of the District payable solely out of the Pledged Funds as provided in the Resolution, and neither the full faith and credit nor the taxing power of the District, Seminole County, Florida, the State of Florida or any political subdivision thereof is pledged as security for the payment of the Series 2025 Bonds. The Series 2025 Bonds do not constitute an indebtedness of the District within the meaning of any constitutional or statutory provision or limitation.

Our opinions expressed herein are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

[GREENBERG TRAURIG, P.A.]

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APPENDIX E

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

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DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of [CLOSING DATE], 2025, is executed and delivered by THE DISTRICT SCHOOL BOARD OF SEMINOLE COUNTY, FLORIDA (the "School Board") and DIGITAL ASSURANCE CERTIFICATION LLC, as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the School Board through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the School Board or anyone on the School Board's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary. DAC is not a "Municipal Advisor" as such term is defined in Section 15B of the Securities Exchange Act of 1939, as amended, and related rules.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), hereof, by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Audited Financial Statements" means the annual financial statements of the School Board for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board, or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the School Board and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Dissemination Agent" means Digital Assurance Certification LLC, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the School Board pursuant to Section 9 hereof.

"Disclosure Representative" means the Chief Financial Officer or their designee, or such other person as the School Board shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"District" means the School District of Seminole County, Florida.

"Failure to File Event" means the School Board's failure to file an Annual Report on or before the Annual Filing Date.

"Financial Obligation" as used in this Disclosure Agreement is defined in the Rule, as may be amended, as (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as a security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure

Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements, the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor thereto, established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the District, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

"Official Statement" means that Official Statement prepared by the School Board in connection with the Bonds, as listed on Appendix A.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(10) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports. (a) The School Board shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than 195 days following the end of each fiscal year of the School Board, commencing with the Fiscal Year ending June 30, 2025. Such date and each anniversary thereof is the Annual Filing

Date. The Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the School Board of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the School Board will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent to immediately send a Failure to File Event notice to the MSRB in substantially the form attached as Exhibit B, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the School Board irrevocably directs the Disclosure Dissemination Agent to immediately send a Failure to File notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, which may be accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the School Board are prepared but not available prior to the Annual Filing Date, the School Board shall, when the Audited Financial Statements are available, provide at such time an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) hereof with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) hereof with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) hereof with the MSRB, identifying the Notice Event as instructed by the School Board pursuant to Section 4(a) or 4(b)(ii) hereof (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies";
2. "Non-Payment related defaults, if material";
3. "Unscheduled draws on debt service reserves reflecting financial difficulties";
4. "Unscheduled draws on credit enhancements reflecting financial difficulties";
5. "Substitution of credit or liquidity providers, or their failure to perform";
6. "Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds";
7. "Modifications to rights of securities holders, if material";
8. "Bond calls, if material, and tender offers";
9. "Defeasances";
10. "Release, substitution, or sale of property securing repayment of the securities, if material";
11. "Rating changes";
12. "Bankruptcy, insolvency, receivership or similar event of the Obligated Person";
13. "The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material"; and

14. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material";

15 "Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material"; and

16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties."

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) hereof with the MSRB, identifying the Voluntary Event Disclosure as instructed by the School Board pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking";
2. "change in Obligated Person";
3. "notice to investors pursuant to bond documents";
4. "certain communications from the Internal Revenue Service";
5. "secondary market purchases";
6. "bid for auction rate or other securities";
7. "capital or other financing plan";
8. "litigation/enforcement action";
9. "change of tender agent, remarketing agent, or other on-going party"; and
10. "other event-based disclosures."

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) hereof with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the School Board pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information";
2. "change in fiscal year/timing of annual disclosure";
3. "change in accounting standard";
4. "interim/additional financial information/operating data";
5. "budget";
6. "investment/debt/financial policy";
7. "information provided to rating agency, credit/liquidity provider or other third party";
8. "consultant reports"; and
9. "other financial/operating data."

(viii) provide the School Board with evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The School Board may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Anything in this Disclosure Agreement to the contrary notwithstanding, any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports. (a) Each Annual Report shall contain Annual Financial Information with respect to the School Board, including the financial information and operating data of the type included with respect to the School Board, in the Official Statement, including but not limited to:

(a) Updates of information set forth in the Official Statement relating to:

1. Summary of statistical data for the past five years under the subheading "Historical Growth" under the heading "SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA";

2. Sales Tax Revenues as set forth in the table entitled "Sales Tax Revenue Receipts" under the heading "SECURITY FOR THE SERIES 2025 BONDS – Infrastructure Sales Surtax";

3. Financial information about the District in the tables entitled, "Statement of Revenues, Expenditures and Changes in General Fund Balances" and "General Long Term Debt" under the heading "SCHOOL DISTRICT OF SEMINOLE COUNTY, FLORIDA";

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. In such event, Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the School Board is an "Obligated Person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final Official Statement, it must be available from the MSRB. The School Board will clearly identify each such document so incorporated by reference.

The School Board will reserve the right to modify from time to time the specific type of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the School Board; provided that the School Board will agree that any such modification will be done in a manner consistent with the Rule.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events. (a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Certificate holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all

of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

15. Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of an Obligated Person, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

The School Board shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the School Board or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of

the Notice Event, if the School Board determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the School Board as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall, in a timely manner not in excess of ten business days after the occurrence of such Notice Event, file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the School Board shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The School Board acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the School Board, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The School Board acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing. (a) The School Board may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information,

and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the School Board as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The School Board may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the School Board desires to make, contain the written authorization of the School Board for the Disclosure Dissemination Agent to disseminate such information, and identify the date the School Board desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the School Board as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the School Board is not obligated pursuant to the Rule or the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the School Board from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the School Board chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the School Board shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the School Board and the Disclosure Dissemination Agent under this Disclosure Agreement

shall terminate with respect to the Bonds upon the legal defeasance, prior prepayment or payment in full of all of the Bonds, when the School Board is no longer an Obligated Person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The School Board has appointed Digital Assurance Certification LLC as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The School Board may, upon thirty (30) days written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the School Board or DAC, the School Board agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the School Board shall remain liable to the Disclosure Dissemination Agent until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the School Board.

SECTION 10. Remedies in Event of Default. In the event of a failure of the School Board or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent. (a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the School Board has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the School Board and shall not be deemed to be acting in any fiduciary capacity for the School Board, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the School Board's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty

to determine, or liability for failing to determine, whether the School Board has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the School Board at all times.

The obligations of the School Board under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder. The reasonable fees and expenses of such counsel shall be payable by the School Board.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the School Board and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the School Board and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the School Board or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days' written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the School Board, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank]

The Disclosure Dissemination Agent and the School Board have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

**DIGITAL ASSURANCE CERTIFICATION
LLC, as Disclosure Dissemination Agent**

By: _____
Brianna Steger
Senior Vice President

**THE DISTRICT SCHOOL BOARD OF
SEMINOLE COUNTY, FLORIDA**

By: _____
Kristine Kraus
Chair

EXHIBIT A
NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer: The School District of Seminole County, Florida

Obligated Person(s): The District School Board of Seminole County, Florida

Name of Bond Issue: Sales Tax Revenue Bonds, Series 2025

Date of Issuance: [CLOSING DATE], 2025

Date of Official Statement: [SALE DATE], 2025

CUSIP Numbers:

EXHIBIT B
NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer: The School District of Seminole County, Florida

Obligated Person: The District School Board of Seminole County, Florida

Name(s) of Bond Issue(s): Sales Tax Revenue Bonds, Series 2025

Date(s) of Issuance: [CLOSING DATE], 2025

Date(s) of Disclosure Agreement: [CLOSING DATE], 2025

CUSIP Numbers:

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification LLC, as Disclosure Dissemination Agent.

Dated: _____

DIGITAL ASSURANCE CERTIFICATION
LLC, as Disclosure Dissemination Agent, on
behalf of the Issuer

cc: _____

EXHIBIT C-1 EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

The School District of Seminole County, Florida

Issuer's Six-Digit CUSIP Number: 70253Q

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies";
2. _____ "Non-Payment related defaults, if material";
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties";
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties";
5. _____ "Substitution of credit or liquidity providers, or their failure to perform";
6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security";
7. _____ "Modifications to rights of securities holders, if material";
8. _____ "Bond calls, if material"; Tender offers;
9. _____ "Defeasances";
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material";
11. _____ "Rating changes";
12. _____ "Bankruptcy, insolvency, receivership or similar event of the Obligated Person";
13. _____ "Merger, consolidation, or acquisition of the Obligated Person, if material";
14. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material";
15. _____ "Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material"; and
16. _____ "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Obligated Person, any of which reflect financial difficulties."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification LLC
315 East Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of [CLOSING DATE], 2025 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

The School District of Seminole County, Florida

Issuer's Six-Digit CUSIP Number: 70253Q

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking";
2. _____ "change in Obligated Person";
3. _____ "notice to investors pursuant to bond documents";
4. _____ "certain communications from the Internal Revenue Service";
5. _____ "secondary market purchases";
6. _____ "bid for auction rate or other securities";
7. _____ "capital or other financing plan";
8. _____ "litigation/enforcement action";
9. _____ "change of tender agent, remarketing agent, or other on-going party"; and
10. _____ "other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification LLC
315 East Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of [CLOSING DATE], 2025 between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

The School District of Seminole County, Florida

Issuer's Six-Digit CUSIP Number: 70253Q

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

____ Description of Voluntary Financial Disclosure (Check One):

1. _____ "quarterly/monthly financial information";
2. _____ "change in fiscal year/timing of annual disclosure";
3. _____ "change in accounting standard";
4. _____ "interim/additional financial information/operating data";
5. _____ "budget";
6. _____ "investment/debt/financial policy";
7. _____ "information provided to rating agency, credit/liquidity provider or other third party";
8. _____ "consultant reports"; and
9. _____ "other financial/operating data."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: _____

Name: _____ Title: _____

Digital Assurance Certification LLC
315 East Robinson Street
Suite 300
Orlando, FL 32801
407-515-1100

Date: _____

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APPENDIX F

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)

