

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INTERIM FINANCIAL STATEMENTS

TABLE OF CONTENTS

MARCH 31, 2016

	<u>PAGE</u>
COMBINED BALANCE SHEET - ALL FUND TYPES	1
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES	2
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - GENERAL FUND	3
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - GENERAL FUND	4
SCHEDULE OF FUND BALANCE UTILIZATION - GENERAL FUND	5
SCHEDULE OF EXPLANATION FOR COMBINED BALANCE SHEET	6
SCHEDULE OF EXPLANATION FOR COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES	7
SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL - GENERAL FUND	8

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED BALANCE SHEET

As of March 31, 2016

(With comparative totals for March 31, 2015)

	GOVERNMENTAL FUND TYPES				PROPRIETARY	FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	INTERNAL SERVICE	AGENCY FUNDS	(Memorandum Only)	
							March 2016	March 2015
ASSETS:								
Cash, cash equivalents and investments	\$ 498,854,847	\$ 46,441,003	\$ 19,471,895	\$ 449,002,537	\$ 97,412	\$ 15,241,362	\$ 1,029,109,056	\$ 821,219,376 (A)
Due from other agencies	9,708,912	25,541,456	-	570,992	-	-	35,821,360	29,660,581 (B)
Due from other funds	19,284,430	-	-	-	-	-	19,284,430	18,099,314
Inventories	7,912,085	3,652,483	-	-	21,638	-	11,586,206	10,467,633
Fixed assets	-	-	-	-	857	-	857	655
Other assets	3,095,929	98,827	2,286	115,829	32	-	3,312,903	5,255,450
TOTAL ASSETS	<u>\$ 538,856,203</u>	<u>\$ 75,733,769</u>	<u>\$ 19,474,181</u>	<u>\$ 449,689,358</u>	<u>\$ 119,939</u>	<u>\$ 15,241,362</u>	<u>\$ 1,099,114,812</u>	<u>\$ 884,703,009</u>
LIABILITIES AND FUND EQUITY:								
LIABILITIES:								
Accounts payable and accrued expenditures/expenses	\$ 5,295,093	\$ 5,473,530	\$ 10,210,244	\$ 2,576,090	\$ -	\$ 15,241,362	\$ 38,796,319	\$ 41,337,381
Salaries, benefits and payroll taxes payable	62,208,535	-	-	-	-	-	62,208,535	46,808,031 (C)
Deferred summer pay	61,613,974	-	-	-	-	-	61,613,974	69,955,900
Payroll deductions and withholdings payable	24,642,250	-	-	-	-	-	24,642,250	25,289,522
Due to other agencies	20,308,331	-	-	-	-	-	20,308,331	11,454,577
Due to other funds	-	17,130,698	-	2,153,732	-	-	19,284,430	18,099,314
Deferred revenue	164,276,194	46,839	1,942,456	42,509,257	-	-	208,774,746	164,634,797 (D)
Liability for compensated absences	7,657,253	97,505	-	-	-	-	7,754,758	9,129,263
Estimated liability for self-insured risks	28,524,161	-	-	-	-	-	28,524,161	30,018,773
Retainages payable	-	-	-	4,490,419	-	-	4,490,419	5,699,444
TOTAL LIABILITIES	<u>374,525,791</u>	<u>22,748,572</u>	<u>12,152,700</u>	<u>51,729,498</u>	<u>-</u>	<u>15,241,362</u>	<u>476,397,923</u>	<u>422,427,002</u>
FUND EQUITY:								
Net assets-invested in capital assets	-	-	-	-	857	-	857	655
Net assets-unrestricted	-	-	-	-	119,082	-	119,082	99,982
Fund balances:								
Nonspendable	21,476,882	3,652,483	-	-	-	-	25,129,365	10,445,995 (E)
Restricted	3,972,622	45,868,097	7,321,481	397,959,860	-	-	455,115,060	311,710,928 (F)
Committed	54,634,639	-	-	-	-	-	54,634,639	55,018,639
Assigned/Unassigned	84,246,269	3,464,617	-	-	-	-	87,717,886	84,999,808
TOTAL FUND EQUITY	<u>164,330,412</u>	<u>52,985,197</u>	<u>7,321,481</u>	<u>397,959,860</u>	<u>119,939</u>	<u>-</u>	<u>622,716,889</u>	<u>462,276,007</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 538,856,203</u>	<u>\$ 75,733,769</u>	<u>\$ 19,474,181</u>	<u>\$ 449,689,358</u>	<u>\$ 119,939</u>	<u>\$ 15,241,362</u>	<u>\$ 1,099,114,812</u>	<u>\$ 884,703,009</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES

For The Nine Months Ended March 31, 2016

(With comparative amounts for the nine months ended March 31, 2015)

	GOVERNMENTAL FUND TYPES				TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	March 2016	March 2015
REVENUES:						
Local sources:						
Ad valorem taxes	\$ 668,660,392	\$ -	\$ 8,333,295	\$ 176,073,982	\$ 853,067,669	\$ 828,509,493 (G)
Food sales	-	11,929,728	-	-	11,929,728	13,168,077
Interest income and other	42,335,512	6,218,323	136,518	18,244,284	66,934,637	69,874,037
Total local sources	<u>710,995,904</u>	<u>18,148,051</u>	<u>8,469,813</u>	<u>194,318,266</u>	<u>931,932,034</u>	<u>911,551,607</u>
State sources:						
Florida education finance program	484,587,366	-	-	-	484,587,366	475,443,892
Other	290,689,070	2,094,581	-	12,129,944	304,913,595	310,445,360
Total state sources	<u>775,276,436</u>	<u>2,094,581</u>	<u>-</u>	<u>12,129,944</u>	<u>789,500,961</u>	<u>785,889,252</u>
Federal sources:						
Food service	-	59,459,709	-	-	59,459,709	58,784,492
Other	7,082,810	132,051,607	-	-	139,134,417	140,195,811
Total federal sources	<u>7,082,810</u>	<u>191,511,316</u>	<u>-</u>	<u>-</u>	<u>198,594,126</u>	<u>198,980,303</u>
TOTAL REVENUES	<u>1,493,355,150</u>	<u>211,753,948</u>	<u>8,469,813</u>	<u>206,448,210</u>	<u>1,920,027,121</u>	<u>1,896,421,162</u>
EXPENDITURES:						
Current Operating:						
Instructional services	1,033,119,493	89,610,976	-	-	1,122,730,469	1,123,581,213
Student and instructional support services	111,771,633	38,429,734	-	-	150,201,367	148,030,227
Pupil transportation services	57,065,138	296,264	-	-	57,361,402	60,052,361
Operation and maintenance of plant	170,769,760	40,321	-	-	170,810,081	171,849,651
School administration	97,571,472	44,325	-	-	97,615,797	97,772,960
Food service	-	73,625,607	-	-	73,625,607	73,186,867
Instruction related technology	17,782,332	-	-	-	17,782,332	17,879,409
General administration	55,370,746	6,225,628	-	-	61,596,374	60,769,134
Total current operating	<u>1,543,450,574</u>	<u>208,272,855</u>	<u>-</u>	<u>-</u>	<u>1,751,723,429</u>	<u>1,753,121,822</u>
Debt Service:						
Principal reduction	-	-	8,102,824	-	8,102,824	7,126,262
Interest and other charges	125,257	-	44,225,983	-	44,351,240	45,005,362
Capital Outlay	-	29,245	-	95,595,575	95,624,820	52,835,376 (H)
TOTAL EXPENDITURES	<u>1,543,575,831</u>	<u>208,302,100</u>	<u>52,328,807</u>	<u>95,595,575</u>	<u>1,899,802,313</u>	<u>1,858,088,822</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(50,220,681)</u>	<u>3,451,848</u>	<u>(43,858,994)</u>	<u>110,852,635</u>	<u>20,224,808</u>	<u>38,332,340</u>
OTHER FINANCING SOURCES (USES):						
Proceeds of certificates of participation	-	-	65,205,000	-	65,205,000	423,165,000 (I)
Premiums on refunding bonds	-	-	-	-	-	84,088,845
Proceeds of capital leases	-	-	-	-	-	6,000,000
Proceeds from sale capital assets	-	-	-	687,305	687,305	509,641
Payments to refunded bond escrow agents	-	-	(65,000,000)	-	(65,000,000)	(505,318,426) (I)
Operating transfers in	53,119,196	-	48,261,696	-	101,380,892	113,104,815
Operating transfers out	-	(613,916)	-	(100,766,976)	(101,380,892)	(113,104,815)
TOTAL OTHER FINANCING SOURCES (USES)	<u>53,119,196</u>	<u>(613,916)</u>	<u>48,466,696</u>	<u>(100,079,671)</u>	<u>892,305</u>	<u>8,445,060</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>2,898,515</u>	<u>2,837,932</u>	<u>4,607,702</u>	<u>10,772,964</u>	<u>21,117,113</u>	<u>46,777,400</u>
FUND BALANCES, BEGINNING OF PERIOD	<u>161,431,897</u>	<u>50,147,265</u>	<u>2,713,779</u>	<u>387,186,896</u>	<u>601,479,837</u>	<u>415,397,970</u>
FUND BALANCES, END OF PERIOD	<u>\$ 164,330,412</u>	<u>\$ 52,985,197</u>	<u>\$ 7,321,481</u>	<u>\$ 397,959,860</u>	<u>\$ 622,596,950</u>	<u>\$ 462,175,370</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND

For The Nine Months Ended March 31, 2016

(With comparative amounts for the nine months ended March 31, 2015)

	BUDGET	REVENUES YEAR-TO-DATE	BALANCE REMAINING	REVENUES Y-T-D AS % OF BUDGET	REVENUES AS OF MARCH 2015
REVENUES:					
Local sources:					
Ad valorem taxes - current year	\$ 901,618,384	\$ 668,660,392	\$ 232,957,992	74%	\$ 662,564,474
Interest on investments	1,350,000	950,701	399,299	70%	716,115
After school supervision	15,900,000	13,180,935	2,719,065	83%	12,206,782
Course fees	10,544,567	7,375,698	3,168,869	70%	7,023,487
Gifts, grants, bequests	-	292	(292)		10,000
Receipt of federal indirect cost rate	8,400,000	5,299,070	3,100,930	63%	6,596,854
Rental income	1,500,000	993,715	506,285	66%	1,047,387
E-rate rebate	3,300,000	1,961,803	1,338,197	59%	3,274,051 (J)
Other	17,300,000	12,573,298	4,726,702	73%	20,148,596
Total local sources	<u>959,912,951</u>	<u>710,995,904</u>	<u>248,917,047</u>	74%	<u>713,587,746</u>
State sources:					
Florida education finance program	653,434,959	484,587,366	168,847,593	74%	475,443,892
Workforce development	70,923,617	52,596,954	18,326,663	74%	54,104,654
Adult w/Disabilities	-	-	-	-	592,882
Discretionary lottery funds	980,758	727,330	253,428	74%	2,013,912
Class size reduction	303,738,465	225,252,446	78,486,019	74%	227,226,023
State license tax	301,000	274,718	26,282	91%	271,190 (K)
Racing commission	446,500	334,875	111,625	75%	334,875
School recognition/merit schools	12,111,086	8,981,581	3,129,505	74%	8,935,721
Other	2,623,565	2,521,166	102,399	96%	1,281,297 (L)
Total state sources	<u>1,044,559,950</u>	<u>775,276,436</u>	<u>269,283,514</u>	74%	<u>770,204,446</u>
Federal sources:					
ROTC	2,000,000	1,465,094	534,906	73%	1,337,990
Other	10,405,655	5,617,716	4,787,939	54%	6,648,202 (M)
Total federal sources	<u>12,405,655</u>	<u>7,082,810</u>	<u>5,322,845</u>	57%	<u>7,986,192</u>
Other financing sources:					
Transfer from special revenue funds	800,000	613,916	186,084	77%	620,899
Transfer from capital projects funds	70,800,000	52,505,280	18,294,720	74%	54,522,925
Total other financing sources	<u>71,600,000</u>	<u>53,119,196</u>	<u>18,480,804</u>	74%	<u>55,143,824</u>
TOTAL REVENUES & OTHER FINANCING SOURCES	<u>\$ 2,088,478,556</u>	<u>\$ 1,546,474,346</u>	<u>\$ 542,004,210</u>	74%	<u>\$ 1,546,922,208</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

GENERAL FUND

For The Nine Months Ended March 31, 2016

(With comparative amounts for the nine months ended March 31, 2015)

	BUDGET	EXPENDITURES YEAR-TO-DATE	BALANCE AVAILABLE	EXPENDITURES Y-T-D AS % OF BUDGET	EXPENDITURES AS OF MARCH 2015
EXPENDITURES:					
Instructional services	\$ 1,381,391,136	\$ 1,019,647,940	\$ 361,743,196	74%	\$ 1,018,922,292
Pupil personnel services	109,608,178	79,614,678	29,993,500	73%	80,262,952
Instructional media	21,894,233	15,074,062	6,820,171	69%	16,051,029
Instruction & curriculum development	18,852,788	14,315,903	4,536,885	76%	13,132,801
Instruction & staff training	4,642,933	2,766,990	1,875,943	60%	2,890,069 (N)
Technology-Instructional	22,000,629	15,858,119	6,142,510	72%	15,847,842
Board of education	4,566,948	3,132,006	1,434,942	69%	3,408,604
General administration	5,954,924	4,253,205	1,701,719	71%	4,001,809
School administration	130,113,189	97,571,472	32,541,717	75%	96,220,348
Fiscal services	8,402,473	6,453,373	1,949,100	77%	5,870,739
Central services	58,350,535	41,532,162	16,818,373	71%	41,658,279
Technology-Administrative	2,655,062	1,924,213	730,849	72%	1,962,112
Transportation services	81,559,964	57,065,138	24,494,826	70%	59,590,737
Operation services	174,448,947	124,412,657	50,036,290	71%	125,200,391
Maintenance services	62,581,103	46,357,103	16,224,000	74%	46,541,389
Community services	18,265,369	13,471,553	4,793,816	74%	13,434,104
Debt Service	125,838	125,257	581	100%	123,914 (O)
TOTAL EXPENDITURES	2,105,414,249	1,543,575,831	561,838,418	73%	1,545,119,411
Other financing uses:					
Transfer to special revenue funds	40,000	-	40,000	-	40,000
Transfer to capital projects funds	-	-	-	-	652,000
Transfer to debt service funds	5,021,638	-	5,021,638	-	466,803
Total other financing uses	5,061,638	-	5,061,638	-	1,158,803
TOTAL EXPENDITURES & OTHER FINANCING USES	\$ 2,110,475,887	\$ 1,543,575,831	\$ 566,900,056	73%	\$ 1,546,278,214

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF FUND BALANCE UTILIZATION

GENERAL FUND

For The Nine Months Ended March 31, 2016

(With comparative amounts for the nine months ended March 31, 2015)

	<u>MARCH 2016</u>	<u>MARCH 2015</u>
BEGINNING FUND BALANCE	\$ 161,431,897	\$ 144,780,664
Plus:		
Revenues and other financing sources	1,546,474,346	1,546,922,208
Less:		
Expenditures and other financing uses	<u>1,543,575,831</u>	<u>1,546,278,214</u>
 EXCESS OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>2,898,515</u>	 <u>643,994</u>
 ENDING FUND BALANCE:		
Nonspendable	21,476,882	7,138,616
Restricted	3,972,622	1,292,193
Committed	54,634,639	55,018,639
Assigned/Unassigned	84,246,269	81,975,210
TOTAL ENDING FUND BALANCE	<u>\$ 164,330,412</u>	<u>\$ 145,424,658</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues	 <u>4.18%</u>	 <u>4.15%</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues excluding charter school revenues	 <u>4.84%</u>	 <u>4.82%</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPLANATION FOR COMBINED BALANCE SHEET
For The Nine Months Ended March 31, 2016

TOTAL ASSETS

- (A) Cash, cash equivalents and investments increased by \$207.9 million resulting from the issuance of the General Obligation Bond (GOB), and an increase in Ad Valorem taxes and Florida Education Finance Program (FEFP) revenues.
- (B) Due from other agencies increased by \$6.2 million due to the timing of the receipt of the school recognition funds that were received in April this year as compared to March in the previous year.

TOTAL LIABILITIES

- (C) Salaries, benefits and payroll taxes payable increased by \$15.4 million resulting from additional payroll as compared to last year which generates additional liability for salaries, benefits and payroll taxes.
- (D) Deferred revenue increased by \$44.1 million as the District received additional Ad Valorem taxes and FEFP revenues of approximately \$76 million in fiscal year 2015-16. This additional increase in revenues is proportionately recognized during the year.

TOTAL FUND EQUITY

- (E) Nonspendable fund balance increased by \$14.7 million resulting from an accounting change in the treatment of prepaid insurance recommended by the auditors.
- (F) Restricted fund balance increased by \$143.4 million for capital project funds resulting from the issuance of the General Obligation Bond (GOB).

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPLANATION FOR COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES

For The Nine Months Ended March 31, 2016

REVENUES

LOCAL SOURCES

(G) Ad valorem taxes

There is an increase in Ad Valorem tax revenue as compared to last year as the District received additional Ad Valorem taxes and FEFP revenues of approximately \$76 million in fiscal year 2015-16. This additional increase in revenues is proportionately recognized during the year.

EXPENDITURES

(H) Capital Outlay

The increase is primarily due to the ongoing SMART initiative, capital improvements, and purchase of buses and trucks.

OTHER FINANCING SOURCES (USES):

(I) Proceeds of Certificates of Participation & Payments to refunded bond escrow agents

In fiscal year 2015-16, the refunding of Certificate of Participation Series 2006B and issuance of Series 2015C resulted in proceeds and payments of \$65 million.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL

GENERAL FUND

For The Nine Months Ended March 31, 2016

ESTIMATED REVENUES

LOCAL SOURCES

(J) E-Rate Rebate

The estimated revenue of \$3.3 million has been collected as of May 2016.

STATE SOURCES

(K) State License Tax

Most of this revenue was collected at the beginning of the year and therefore the state license tax revenue collection rate through March 2016 was 91%. The remaining estimated revenue is anticipated to be received by the end of the school year.

(L) Other

Most of the other revenues were received from the State in the beginning of the year such as Florida's Best and Brightest Teacher Scholarship funds.

FEDERAL SOURCES

(M) Medicaid

The estimated revenue is anticipated to be received by the end of the school year. \$9.9 million has been collected as of May 2016.

EXPENDITURES

(N) Instruction and Staff Training

The budgeted allocation is anticipated to be paid by the end of the school year when most of the training generally takes place.

(O) Debt Service

The Tax Anticipation Notes were paid in January 2016.