

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INTERIM FINANCIAL STATEMENTS

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MARCH 31, 2018

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED BALANCE SHEET

As of March 31, 2018

(With comparative totals for March 31, 2017)

	GOVERNMENTAL FUND TYPES					PROPRIETARY	FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	INTERNAL SERVICE	AGENCY FUNDS	(Memorandum Only)	
						INTERNAL SERVICE	AGENCY FUNDS	March 2018	March 2017
ASSETS:									
Cash, cash equivalents and investments	\$ 572,578,679	\$ 57,797,490	\$ 36,702,418	\$ 77,532,106	\$ 358,768,192	\$ 223,269	\$ 16,571,485	\$ 1,120,173,639	\$ 1,206,316,504 (A)
Due from other agencies	878,021	24,833,752	-	-	76,744	-	-	25,788,517	49,277,798
Due from other funds	75,034,016	-	-	-	-	-	-	75,034,016	25,334,911 (B)
Inventories	7,199,073	6,831,967	-	-	-	42,457	-	14,073,497	10,878,308
Fixed assets	-	-	-	-	-	3,860	-	3,860	795
Prepays and Other assets	6,425,021	202,230	27,648	115,200	194,333	430	-	6,964,862	5,858,495
TOTAL ASSETS	\$ 662,114,810	\$ 89,665,439	\$ 36,730,066	\$ 77,647,306	\$ 359,039,269	\$ 270,016	\$ 16,571,485	\$ 1,242,038,391	\$ 1,297,666,811
LIABILITIES AND FUND EQUITY:									
LIABILITIES:									
Accounts payable and accrued expenditures/expenses	\$ 14,992,731	\$ 4,008,929	\$ 18,727,873	\$ 771,461	\$ 1,503,472	\$ 36,383	\$ 16,571,485	\$ 56,612,334	\$ 61,071,946
Salaries, benefits and payroll taxes payable	60,380,089	-	-	-	-	-	-	60,380,089	57,537,058
Deferred summer pay	73,166,788	-	-	-	-	-	-	73,166,788	66,833,106
Payroll deductions and withholdings payable	30,665,197	-	-	-	-	-	-	30,665,197	25,930,040
Due to other agencies	15,597,494	-	-	-	-	-	-	15,597,494	13,689,732
Due to other funds	-	16,170,378	-	-	58,863,638	-	-	75,034,016	25,334,911 (C)
Deferred revenue	149,356,552	2,822,996	1,998,809	-	46,917,472	-	-	201,095,829	271,972,751 (D)
Liability for compensated absences	6,889,978	93,178	-	-	-	-	-	6,983,156	6,989,489
Estimated liability for self-insured risks	11,519,329	-	-	-	-	-	-	11,519,329	20,470,116
Notes payable	125,000,000	-	-	-	-	-	-	125,000,000	125,000,000
Retainages payable	9,659	32,959	-	226,062	1,744,720	-	-	2,013,400	2,845,020
TOTAL LIABILITIES	487,577,817	23,128,440	20,726,682	997,523	109,029,302	36,383	16,571,485	658,067,632	677,674,169
FUND EQUITY:									
Net assets-invested in capital assets	-	-	-	-	-	6,047	-	6,047	-
Net assets-unrestricted	-	-	-	-	-	227,586	-	227,586	6,608
Fund balances:									
Nonspendable	21,295,705	6,831,967	-	-	-	-	-	28,127,672	10,864,303
Restricted-Other	21,632,819	46,099,365	16,003,384	29,271,097	214,382,098	-	-	327,388,763	429,777,431 (E)
Restricted-Capital Encumbrances	-	-	-	47,378,686	35,627,869	-	-	83,006,555	29,625,389 (E)
Committed	54,327,295	-	-	-	-	-	-	54,327,295	54,327,295
Assigned/Unassigned	77,281,174	13,605,667	-	-	-	-	-	90,886,841	95,391,616
TOTAL FUND EQUITY	174,536,993	66,536,999	16,003,384	76,649,783	250,009,967	233,633	-	583,970,759	619,992,642
TOTAL LIABILITIES AND FUND EQUITY	\$ 662,114,810	\$ 89,665,439	\$ 36,730,066	\$ 77,647,306	\$ 359,039,269	\$ 270,016	\$ 16,571,485	\$ 1,242,038,391	\$ 1,297,666,811

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, 2018
(With comparative amounts for the nine months ended March 31, 2017)**

	GOVERNMENTAL FUND TYPES					TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	(Memorandum Only)	
						March 2018	March 2017
REVENUES:							
Local sources:							
Ad valorem taxes	\$ 708,724,363	\$ -	\$ 9,187,095	\$ -	\$ 210,700,828	\$ 928,612,286	\$ 864,032,908 (F)
Food sales	-	8,747,624	-	-	-	8,747,624	11,816,212
Interest income and other	48,052,289	5,517,361	9,982	849,958	15,312,412	69,742,002	68,693,240
Total local sources	<u>756,776,652</u>	<u>14,264,985</u>	<u>9,197,077</u>	<u>849,958</u>	<u>226,013,240</u>	<u>1,007,101,912</u>	<u>944,542,360</u>
State sources:							
Florida education finance program	538,990,418	-	-	-	-	538,990,418	505,506,794 (G)
Other	302,047,590	13,831,712	-	-	11,122,369	327,001,671	307,587,750
Total state sources	<u>841,038,008</u>	<u>13,831,712</u>	<u>-</u>	<u>-</u>	<u>11,122,369</u>	<u>865,992,089</u>	<u>813,094,544</u>
Federal sources:							
Food service	-	71,871,063	-	-	-	71,871,063	74,992,542
Other	8,435,808	145,449,136	-	-	-	153,884,944	145,885,212
Total federal sources	<u>8,435,808</u>	<u>217,320,199</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,756,007</u>	<u>220,877,754</u>
TOTAL REVENUES	<u>1,606,250,468</u>	<u>245,416,896</u>	<u>9,197,077</u>	<u>849,958</u>	<u>237,135,609</u>	<u>2,098,850,008</u>	<u>1,978,514,658</u>
EXPENDITURES:							
Current Operating:							
Instructional services	1,124,334,772	110,626,371	-	-	-	1,234,961,143	1,147,935,264 (H)
Student and instructional support services	129,644,817	42,589,451	-	-	-	172,234,268	159,020,902
Student transportation services	69,187,103	560,263	-	-	-	69,747,366	64,401,888
Operation and maintenance of plant	175,212,268	8,965,997	-	-	-	184,178,265	173,642,970
School administration	107,394,764	917,895	-	-	-	108,312,659	101,018,667
Food service	-	78,527,029	-	-	-	78,527,029	85,336,177
Instruction related technology	23,569,507	-	-	-	-	23,569,507	19,941,008
General administration	63,062,808	7,401,346	-	-	1	70,464,155	67,026,399
Total current operating	<u>1,692,406,039</u>	<u>249,588,352</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1,941,994,392</u>	<u>1,818,323,275</u>
Debt Service:							
Principal reduction	-	-	10,334,410	-	-	10,334,410	8,241,563
Interest and other charges	-	-	43,101,220	-	-	43,101,220	41,599,849
Capital Outlay	-	-	-	30,720,361	75,171,391	105,891,752	77,918,626 (I)
TOTAL EXPENDITURES	<u>1,692,406,039</u>	<u>249,588,352</u>	<u>53,435,630</u>	<u>30,720,361</u>	<u>75,171,392</u>	<u>2,101,321,774</u>	<u>1,946,083,313</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(86,155,571)</u>	<u>(4,171,456)</u>	<u>(44,238,553)</u>	<u>(29,870,403)</u>	<u>161,964,217</u>	<u>(2,471,766)</u>	<u>32,431,345</u>
OTHER FINANCING SOURCES (USES):							
Proceeds of loans	-	-	-	-	-	-	975,000
Proceeds of bonds sold	-	-	-	-	-	-	-
Proceeds of certificates of participation	-	-	211,440,618	-	-	211,440,618	-
Premiums on refunding bonds	-	-	36,074,548	-	-	36,074,548	-
Proceeds of capital leases	-	-	-	-	5,243,541	5,243,541	22,300,000
Proceeds from sale capital assets	-	-	-	-	6,534,809	6,534,809	552,200
Payments to refunded bond escrow agents	-	-	(244,042,742)	-	-	(244,042,742)	-
Operating transfers in	70,667,321	18,000,000	46,746,250	-	-	135,413,571	107,985,717
Operating transfers out	-	(1,063,787)	(3,450)	-	(134,346,334)	(135,413,571)	(107,985,717)
TOTAL OTHER FINANCING SOURCES (USES)	<u>70,667,321</u>	<u>16,936,213</u>	<u>50,215,224</u>	<u>-</u>	<u>(122,567,984)</u>	<u>15,250,774</u>	<u>23,827,200</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(15,488,250)</u>	<u>12,764,757</u>	<u>5,976,671</u>	<u>(29,870,403)</u>	<u>39,396,233</u>	<u>12,779,008</u>	<u>56,258,545</u>
FUND BALANCES, BEGINNING OF PERIOD	<u>190,025,243</u>	<u>53,772,242</u>	<u>10,026,713</u>	<u>106,520,186</u>	<u>210,613,734</u>	<u>570,958,118</u>	<u>563,727,489</u>
FUND BALANCES, END OF PERIOD	<u>\$ 174,536,993</u>	<u>\$ 66,536,999</u>	<u>\$ 16,003,384</u>	<u>\$ 76,649,783</u>	<u>\$ 250,009,967</u>	<u>\$ 583,737,126</u>	<u>\$ 619,986,034</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND

For The Nine Months Ended March 31, 2018

(With comparative amounts for the nine months ended March 31, 2017)

	<u>BUDGET</u>	<u>REVENUES YEAR-TO-DATE</u>	<u>BALANCE REMAINING</u>	<u>REVENUES Y-T-D AS % OF BUDGET</u>	<u>REVENUES AS OF MARCH 2017</u>
REVENUES:					
Local sources:					
Ad valorem taxes - current year	\$ 923,835,821	\$ 708,724,363	\$ 215,111,458	77%	\$ 667,603,795
Interest on investments	3,250,000	3,123,559	126,441	96%	2,856,771
After school supervision	19,000,000	14,992,460	4,007,540	79%	14,844,136
Course fees	10,380,000	7,338,314	3,041,686	71%	7,351,772
Gifts, grants, bequests	-	14,853	(14,853)	OVER 100%	- (J)
Receipt of federal indirect cost rate	8,700,000	8,330,156	369,844	96%	7,188,647
Rental income	1,500,000	1,206,950	293,050	80%	1,069,456
E-rate rebate	3,150,000	2,721,769	428,231	86%	2,480,442
Other	13,950,000	10,324,228	3,625,772	74%	10,405,035
Total local sources	<u>983,765,821</u>	<u>756,776,652</u>	<u>226,989,169</u>	77%	<u>713,800,054</u>
State sources:					
Florida education finance program	706,259,870	538,990,418	167,269,452	76%	505,506,794
Workforce development	73,370,726	55,431,583	17,939,143	76%	51,505,544
Adult w/Disabilities	800,000	604,400	195,600	76%	581,600
Discretionary lottery funds	501,777	379,093	122,684	76%	-
Class size reduction	307,794,997	232,539,120	75,255,877	76%	224,007,415
State license tax	300,000	255,174	44,826	85%	269,405
Racing commission	446,500	334,875	111,625	75%	334,875
School recognition/merit schools	13,887,539	10,492,036	3,395,503	76%	8,903,224
Other	2,479,564	2,011,309	468,255	81%	3,098,024
Total state sources	<u>1,105,840,973</u>	<u>841,038,008</u>	<u>264,802,965</u>	76%	<u>794,206,881</u>
Federal sources:					
Federal impact					
ROTC	2,000,000	1,423,064	576,936	71%	1,398,205
Other	17,700,000	7,012,744	10,687,256	40%	9,920,416 (K)
Total federal sources	<u>19,700,000</u>	<u>8,435,808</u>	<u>11,264,192</u>	43%	<u>11,318,621</u>
Other financing sources:					
Transfer from general fund	-	-	-	-	-
Transfer from special revenue funds	800,000	1,063,787	(263,787)	OVER 100%	837,530 (L)
Transfer from capital projects funds	92,129,098	69,603,534	22,525,564	76%	60,717,757
Proceeds of bonds sold	-	-	-	-	975,000
Total other financing sources	<u>92,929,098</u>	<u>70,667,321</u>	<u>22,261,777</u>	76%	<u>62,530,287</u>
TOTAL REVENUES & OTHER FINANCING SOURCES	<u>\$ 2,202,235,892</u>	<u>\$ 1,676,917,789</u>	<u>\$ 525,318,103</u>	76%	<u>\$ 1,581,855,843</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

GENERAL FUND

For The Nine Months Ended March 31, 2018

(With comparative amounts for the nine months ended March 31, 2017)

	BUDGET	EXPENDITURES YEAR-TO-DATE	BALANCE AVAILABLE	EXPENDITURES Y-T-D AS % OF BUDGET	EXPENDITURES AS OF MARCH 2017
EXPENDITURES:					
Instructional services	\$ 1,451,802,657	\$ 1,108,915,745	\$ 342,886,912	76%	\$ 1,039,095,266
Pupil personnel services	116,648,140	89,738,354	26,909,786	77%	82,566,101
Instructional media	22,533,138	16,319,445	6,213,693	72%	16,772,681
Instruction & curriculum development	23,647,481	18,696,867	4,950,614	79%	16,739,442
Instruction & staff training	5,125,659	4,890,151	235,508	95%	3,281,213
Technology-Instructional	24,524,741	19,731,238	4,793,503	80%	17,966,377
Board of education	4,666,642	3,982,487	684,155	85%	3,314,305
General administration	6,647,767	4,560,260	2,087,507	69%	4,282,970
School administration	135,825,557	107,394,764	28,430,793	79%	100,372,380
Fiscal services	9,312,300	6,853,060	2,459,240	74%	6,610,803
Central services	59,988,200	47,667,001	12,321,199	79%	46,275,150
Technology-Administrative	11,688,887	3,838,269	7,850,618	33%	1,974,631 (M)
Transportation services	87,458,206	69,187,103	18,271,103	79%	63,994,628
Operation services	182,088,004	134,765,494	47,322,510	74%	125,958,560
Maintenance services	66,094,920	40,446,774	25,648,146	61%	47,643,553
Community services	21,258,991	15,419,027	5,839,964	73%	14,978,474
Debt Service	1,480,417	-	1,480,417	(100)%	114,950 (N)
TOTAL EXPENDITURES	2,230,791,707	1,692,406,039	538,385,668	76%	1,591,941,484
Other financing uses:					
Transfer to special revenue funds	40,000	-	40,000	-	40,000 (O)
Transfer to capital projects funds	-	-	-	-	8,452
Total other financing uses	40,000	-	40,000	-	48,452
TOTAL EXPENDITURES & OTHER FINANCING USES	\$ 2,230,831,707	\$ 1,692,406,039	\$ 538,425,668	76%	\$ 1,591,989,936

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF FUND BALANCE UTILIZATION

GENERAL FUND

For The Nine Months Ended March 31, 2018

(With comparative amounts for the nine months ended March 31, 2017)

	<u>MARCH 2018</u>	<u>MARCH 2017</u>
BEGINNING FUND BALANCE	\$ 190,025,243	\$ 179,183,128
Plus:		
Revenues and other financing sources	1,676,917,789	1,581,855,843
Less:		
Expenditures and other financing uses	<u>1,692,406,039</u>	<u>1,591,989,936</u>
 EXCESS OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>(15,488,250)</u>	 <u>(10,134,093)</u>
 ENDING FUND BALANCE:		
Nonspendable	21,295,705	7,706,052
Restricted	21,632,819	15,900,689
Committed	54,327,295	54,327,295
Assigned/Unassigned	77,281,174	91,114,999
TOTAL ENDING FUND BALANCE	<u>\$ 174,536,993</u>	<u>\$ 169,049,035</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues	 <u>3.66%</u>	 <u>4.41%</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues excluding charter school revenues	 <u>4.31%</u>	 <u>5.21%</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPLANATION FOR COMBINED BALANCE SHEET
For The Nine Months Ended March 31, 2018

ASSETS

- (A) Cash, cash equivalents and investments decreased by \$86.1 million as the District continues to complete approved projects funded by the accumulated capital reserves of the General Obligation Bond and other Capital Outlay resources.
- (B) Due from other funds increased by \$49.7 million due to the timing difference of the funds received by the General Fund from the Capital Project and Special Revenue funds.

LIABILITIES

- (C) Due to other funds increased by \$49.7 million due to the timing difference of the funds to be received by the General Fund from the Capital Project and Special Revenue funds.
- (D) Deferred revenue decreased by \$70.9 million as the revenues such as FEFP and Ad Valorem taxes are proportionately recognized during the year.

FUND EQUITY

- (E) Restricted-Other fund balance decreased by \$102.4 million and Restricted-Capital Encumbrances increased by \$53.4 million as the District continues to complete approved projects funded by the accumulated capital reserves of the General Obligation Bond and other Capital Outlay resources.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**SCHEDULE OF EXPLANATION FOR COMBINED REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
For The Nine Months Ended March 31, 2018**

REVENUES

LOCAL SOURCES

(F) Ad valorem taxes

The increase of \$64.6 million is due to the property tax revenues being proportionately recognized during the year.

STATE SOURCES

(G) Florida education finance program

The increase of \$33.5 million is due to additional revenues from the state in fiscal year 2018.

EXPENDITURES

(H) Instructional Services

The increase of \$87.0 million is due to the 2016-2017 approved teachers salary increases that were implemented in June 2017 as well as increases in materials and supplies expenditures. The increase is also due to the 2017-18 approved teachers salary increases that were implemented in January 2018.

(I) Capital Outlay

The \$28.0 million increase in capital outlay expenditures is primarily due to the buses and technology equipment ordered in fiscal year 2017 but not delivered, invoiced and paid until fiscal year 2018. These purchases are included in the current capital outlay budget as carryover funding from capital equipment leases secured during fiscal year 2017. Additionally, there were capital outlay expenditures utilizing the accumulated capital reserves of the General Obligation Bond and other Capital Outlay resources.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL

GENERAL FUND

For The Nine Months Ended March 31, 2018

ESTIMATED REVENUES

LOCAL SOURCES

(J) Gifts, grants and bequests

The increase is due to the receipt of donation for the Coordinated Student Health Services Department, Butler Foundation, and the Florida Bar grant for law clerk.

FEDERAL SOURCES

(K) Other federal sources (Medicaid)

Medicaid revenues will be received in the later part of the year. The budgeted revenues are anticipated to be received by the end of the year.

OTHER FINANCING SOURCES

(L) Transfer from Special Revenue Funds

Transfers are recorded as the After Care fees are collected. More revenue has been collected than anticipated.

EXPENDITURES

(M) Technology-Administrative

The expenditures as compared to last year increased due to the SAP upgrade and ARIBA projects.

(N) Debt Service

The Tax Anticipation Notes will be paid in June 2018.

(O) Transfer to Special Revenue Funds

The budgeted appropriation will be transferred by the end of the year.