

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INTERIM FINANCIAL STATEMENTS

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APRIL 30, 2018

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED BALANCE SHEET

As of April 30, 2018

(With comparative totals for April 30, 2017)

	GOVERNMENTAL FUND TYPES					PROPRIETARY	FIDUCIARY	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	FUND TYPE	FUND TYPE	(Memorandum Only)	
						INTERNAL SERVICE	AGENCY FUNDS	April 2018	April 2017
ASSETS:									
Cash, cash equivalents and investments	\$ 522,537,349	\$ 57,526,399	\$ 39,447,092	\$ 73,163,245	\$ 367,321,148	\$ 1,086,023	\$ 16,586,870	\$ 1,077,668,126	\$ 1,181,715,431 (A)
Due from other agencies	3,164,733	26,941,837	-	-	71,406	-	-	30,177,976	33,010,492
Due from other funds	80,227,099	-	-	-	-	-	-	80,227,099	28,770,967 (B)
Inventories	7,271,580	6,177,270	-	-	-	42,457	-	13,491,307	11,428,943
Fixed assets	-	-	-	-	-	3,860	-	3,860	-
Prepays and Other assets	5,424,837	243,225	36,694	61,482	251,394	532	-	6,018,164	4,719,332
TOTAL ASSETS	\$ 618,625,598	\$ 90,888,731	\$ 39,483,786	\$ 73,224,727	\$ 367,643,948	\$ 1,132,872	\$ 16,586,870	\$ 1,207,586,532	\$ 1,259,645,165
LIABILITIES AND FUND EQUITY:									
LIABILITIES:									
Accounts payable and accrued expenditures/expenses	\$ 15,613,154	\$ 4,454,869	\$ 18,727,984	\$ 1,098,401	\$ 627,198	\$ 878,359	\$ 16,586,870	\$ 57,986,835	\$ 57,570,370
Salaries, benefits and payroll taxes payable	58,307,599	-	-	-	-	-	-	58,307,599	53,022,085
Deferred summer pay	82,589,959	-	-	-	-	-	-	82,589,959	75,471,004
Payroll deductions and withholdings payable	27,421,882	-	-	-	-	-	-	27,421,882	25,983,738
Due to other agencies	13,372,609	-	-	-	-	-	-	13,372,609	11,678,094
Due to other funds	-	15,224,208	-	-	65,002,891	-	-	80,227,099	28,770,967 (C)
Deferred revenue	95,646,840	2,804,550	1,525,149	-	36,053,693	-	-	136,030,232	205,421,470 (D)
Liability for compensated absences	6,889,978	93,178	-	-	-	-	-	6,983,156	6,989,489
Estimated liability for self-insured risks	19,194,052	-	-	-	-	-	-	19,194,052	26,102,074
Notes payable	125,000,000	-	-	-	-	-	-	125,000,000	125,000,000
Retainages payable	9,659	32,959	-	348,122	1,716,098	-	-	2,106,838	2,715,907
TOTAL LIABILITIES	444,045,732	22,609,764	20,253,133	1,446,523	103,399,880	878,359	16,586,870	609,220,261	618,725,198
FUND EQUITY:									
Net assets-invested in capital assets	-	-	-	-	-	6,047	-	6,047	-
Net assets-unrestricted	-	-	-	-	-	248,466	-	248,466	79,409
Fund balances:									
Nonspendable	21,368,212	6,177,270	-	-	-	-	-	27,545,482	24,481,600
Restricted-Other	21,632,819	48,895,243	19,230,653	23,015,967	230,948,075	-	-	343,722,757	426,524,562 (E)
Restricted-Capital Encumbrances	-	-	-	48,762,237	33,295,993	-	-	82,058,230	39,132,345 (E)
Committed	54,327,295	-	-	-	-	-	-	54,327,295	54,327,295
Assigned/Unassigned	77,251,540	13,206,454	-	-	-	-	-	90,457,994	96,374,756
TOTAL FUND EQUITY	174,579,866	68,278,967	19,230,653	71,778,204	264,244,068	254,513	-	598,366,271	640,919,967
TOTAL LIABILITIES AND FUND EQUITY	\$ 618,625,598	\$ 90,888,731	\$ 39,483,786	\$ 73,224,727	\$ 367,643,948	\$ 1,132,872	\$ 16,586,870	\$ 1,207,586,532	\$ 1,259,645,165

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
For The Ten Months Ended April 30, 2018**

(With comparative amounts for the ten months ended April 30, 2017)

	GOVERNMENTAL FUND TYPES					TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	(Memorandum Only)	
						April 2018	April 2017
REVENUES:							
Local sources:							
Ad valorem taxes	\$ 792,850,296	\$ -	\$ 10,094,503	\$ -	\$ 231,493,426	\$ 1,034,438,225	\$ 967,269,810 (F)
Food sales	-	10,358,076	-	-	-	10,358,076	13,087,682
Interest income and other	54,029,220	6,216,895	35,994	941,595	16,206,940	77,430,644	76,093,498
Total local sources	<u>846,879,516</u>	<u>16,574,971</u>	<u>10,130,497</u>	<u>941,595</u>	<u>247,700,366</u>	<u>1,122,226,945</u>	<u>1,056,450,990</u>
State sources:							
Florida education finance program	595,554,771	-	-	-	-	595,554,771	565,718,630 (G)
Other	334,163,257	14,234,719	-	-	11,883,663	360,281,639	346,232,822
Total state sources	<u>929,718,028</u>	<u>14,234,719</u>	<u>-</u>	<u>-</u>	<u>11,883,663</u>	<u>955,836,410</u>	<u>911,951,452</u>
Federal sources:							
Food service	-	83,440,753	-	-	-	83,440,753	80,427,792
Other	16,387,939	163,963,915	-	-	-	180,351,854	162,205,685
Total federal sources	<u>16,387,939</u>	<u>247,404,668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,792,607</u>	<u>242,633,477</u>
TOTAL REVENUES	<u>1,792,985,483</u>	<u>278,214,358</u>	<u>10,130,497</u>	<u>941,595</u>	<u>259,584,029</u>	<u>2,341,855,962</u>	<u>2,211,035,919</u>
EXPENDITURES:							
Current Operating:							
Instructional services	1,250,654,639	123,939,374	-	-	-	1,374,594,013	1,284,782,547 (H)
Student and instructional support services	144,043,140	47,741,403	-	-	-	191,784,543	176,811,552
Student transportation services	76,820,448	633,528	-	-	-	77,453,976	70,945,892
Operation and maintenance of plant	200,201,015	9,458,776	-	-	-	209,659,791	187,820,376 (I)
School administration	118,311,662	969,215	-	-	-	119,280,877	111,370,558
Food service	-	89,637,968	-	-	-	89,637,968	90,748,044
Instruction related technology	26,864,958	-	-	-	-	26,864,958	21,921,246
General administration	69,074,561	8,254,036	-	-	-	77,328,597	72,550,044
Total current operating	<u>1,885,970,423</u>	<u>280,634,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,166,604,723</u>	<u>2,016,950,259</u>
Debt Service:							
Principal reduction	-	-	12,384,781	-	-	12,384,781	10,257,969
Interest and other charges	-	-	41,418,796	-	-	41,418,796	42,203,147
Capital Outlay	-	-	-	35,683,577	80,807,934	116,491,511	88,351,644 (J)
TOTAL EXPENDITURES	<u>1,885,970,423</u>	<u>280,634,300</u>	<u>53,803,577</u>	<u>35,683,577</u>	<u>80,807,934</u>	<u>2,336,899,811</u>	<u>2,157,763,019</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(92,984,940)</u>	<u>(2,419,942)</u>	<u>(43,673,080)</u>	<u>(34,741,982)</u>	<u>178,776,095</u>	<u>4,956,151</u>	<u>53,272,900</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	-	-	-	-	11,968,196	11,968,196	22,300,000
Proceeds from sale capital assets	-	-	-	-	6,756,869	6,756,869	565,168
Payments to refunded bond escrow agents	-	-	(244,042,742)	-	-	(244,042,742)	-
Operating transfers in	77,579,563	18,040,000	49,408,046	-	-	145,027,609	117,952,112
Operating transfers out	(40,000)	(1,113,333)	(3,450)	-	(143,870,826)	(145,027,609)	(117,952,112)
TOTAL OTHER FINANCING SOURCES (USES)	<u>77,539,563</u>	<u>16,926,667</u>	<u>52,877,020</u>	<u>-</u>	<u>(125,145,761)</u>	<u>22,197,489</u>	<u>23,840,168</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(15,445,377)</u>	<u>14,506,725</u>	<u>9,203,940</u>	<u>(34,741,982)</u>	<u>53,630,334</u>	<u>27,153,640</u>	<u>77,113,068</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>563,727,490</u>
FUND BALANCES, END OF PERIOD	<u>\$ 174,579,866</u>	<u>\$ 68,278,967</u>	<u>\$ 19,230,653</u>	<u>\$ 71,778,204</u>	<u>\$ 264,244,068</u>	<u>\$ 598,111,758</u>	<u>\$ 640,840,558</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND

For The Ten Months Ended April 30, 2018

(With comparative amounts for the ten months ended April 30, 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 APRIL 2017</u>
REVENUES:					
Local sources:					
Ad valorem taxes - current year	\$ 923,835,821	\$ 792,850,296	\$ 130,985,525	86%	\$ 747,368,196
Ad valorem taxes - prior years *	-	-	-	-	-
Interest on investments	3,250,000	3,801,999	(551,999)	OVER 100%	3,306,061
After school supervision	19,000,000	16,553,747	2,446,253	87%	16,865,063
Course fees	10,380,000	7,893,252	2,486,748	76%	8,460,499
Gifts, grants, bequests	-	14,853	(14,853)	OVER 100%	- (K)
Receipt of federal indirect cost rate	8,700,000	9,207,431	(507,431)	OVER 100%	7,934,249
Rental income	1,500,000	1,315,452	184,548	88%	1,228,028
E-rate rebate	3,150,000	2,721,769	428,231	86%	2,480,442
Other	13,950,000	12,520,717	1,429,283	90%	12,275,991
Total local sources	<u>983,765,821</u>	<u>846,879,516</u>	<u>136,886,305</u>	86%	<u>799,918,529</u>
State sources:					
Florida education finance program	706,259,870	595,554,771	110,705,099	84%	565,718,630
Workforce development	73,370,726	61,307,845	12,062,881	84%	57,669,206
Adult w/Disabilities	800,000	668,472	131,528	84%	651,200
Discretionary lottery funds	501,777	419,280	82,497	84%	-
Class size reduction	307,794,997	257,190,422	50,604,575	84%	250,814,355
State license tax	300,000	266,664	33,336	89%	279,740
Racing commission	446,500	446,500	-	100%	446,500
School recognition/merit schools	13,887,539	11,604,289	2,283,250	84%	11,286,712
Other	2,479,564	2,259,785	219,779	91%	3,376,217
Total state sources	<u>1,105,840,973</u>	<u>929,718,028</u>	<u>176,122,945</u>	84%	<u>890,242,560</u>
Federal sources:					
Federal impact					
ROTC	2,000,000	1,631,369	368,631	82%	1,676,545
Other	17,700,000	14,756,570	2,943,430	83%	9,958,568 (L)
Total federal sources	<u>19,700,000</u>	<u>16,387,939</u>	<u>3,312,061</u>	83%	<u>11,635,113</u>
Other financing sources:					
Transfer from general fund	-	-	-	-	-
Transfer from special revenue funds	800,000	1,113,333	(313,333)	OVER 100%	918,006 (M)
Transfer from capital projects funds	92,129,098	76,466,230	15,662,868	83%	67,983,843
Proceeds of bonds sold	-	-	-	-	975,000
Total other financing sources	<u>92,929,098</u>	<u>77,579,563</u>	<u>15,349,535</u>	83%	<u>69,876,849</u>
TOTAL REVENUES & OTHER FINANCING SOURCES	<u>\$ 2,202,235,892</u>	<u>\$ 1,870,565,046</u>	<u>\$ 331,670,846</u>	85%	<u>\$ 1,771,673,051</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

GENERAL FUND

For The Ten Months Ended April 30, 2018

(With comparative amounts for the ten months ended April 30, 2017)

	BUDGET	EXPENDITURES YEAR-TO-DATE	BALANCE AVAILABLE	EXPENDITURES	
				Y-T-D AS % OF BUDGET	EXPENDITURES AS OF APRIL 2017
EXPENDITURES:					
Instructional services	\$ 1,451,802,657	\$ 1,233,519,537	\$ 218,283,120	85%	\$ 1,161,607,821
Pupil personnel services	116,648,140	99,942,096	16,706,044	86%	92,004,680
Instructional media	22,533,138	18,552,511	3,980,627	82%	18,785,459
Instruction & curriculum development	23,647,481	20,690,750	2,956,731	87%	18,650,442
Instruction & staff training	5,125,659	4,857,783	267,876	95%	3,671,680
Technology-Instructional	24,524,741	21,844,369	2,680,372	89%	19,762,935
Board of education	4,666,642	4,256,685	409,957	91%	3,706,310
General administration	6,647,767	4,995,595	1,652,172	75%	4,764,782
School administration	135,825,557	118,311,662	17,513,895	87%	110,679,931
Fiscal services	9,312,300	7,655,472	1,656,828	82%	7,260,909
Central services	59,988,200	52,166,809	7,821,391	87%	49,527,854
Technology-Administrative	11,688,887	5,020,589	6,668,298	43%	2,158,311 (N)
Transportation services	87,458,206	76,820,448	10,637,758	88%	70,490,988
Operation services	182,088,004	150,427,522	31,660,482	83%	136,382,290
Maintenance services	66,094,920	49,773,493	16,321,427	75%	51,393,104
Community services	21,258,991	17,135,102	4,123,889	81%	16,708,968
Debt Service	1,480,417	-	1,480,417	(100)%	114,950 (O)
TOTAL EXPENDITURES	2,230,791,707	1,885,970,423	344,821,284	85%	1,767,671,414
Other financing uses:					
Transfer to special revenue funds	40,000	40,000	-	100%	40,000
Transfer to capital projects funds	-	-	-	-	8,452
Total other financing uses	40,000	40,000	-	100%	48,452
TOTAL EXPENDITURES & OTHER FINANCING USES	\$ 2,230,831,707	\$ 1,886,010,423	\$ 344,821,284	85%	\$ 1,767,719,866

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF FUND BALANCE UTILIZATION

GENERAL FUND

For The Ten Months Ended April 30, 2018

(With comparative amounts for the ten months ended April 30, 2017)

	<u>APRIL 2018</u>	<u>APRIL 2017</u>
BEGINNING FUND BALANCE	\$ 190,025,243	\$ 179,183,128
Plus:		
Revenues and other financing sources	1,870,565,046	1,771,673,051
Less:		
Expenditures and other financing uses	<u>1,886,010,423</u>	<u>1,767,719,866</u>
 EXCESS OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>(15,445,377)</u>	 <u>3,953,185</u>
 ENDING FUND BALANCE:		
Nonspendable	21,368,212	20,958,832
Restricted	21,632,819	15,900,689
Committed	54,327,295	54,327,295
Assigned/Unassigned	77,251,540	91,949,497
TOTAL ENDING FUND BALANCE	<u>\$ 174,579,866</u>	<u>\$ 183,136,313</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues	 <u>3.66%</u>	 <u>4.43%</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues excluding charter school revenues	 <u>4.34%</u>	 <u>5.24%</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPLANATION FOR COMBINED BALANCE SHEET
For The Ten Months Ended April 30, 2018

ASSETS

- (A) Cash, cash equivalents and investments decreased by \$104.0 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 \$51.5 million due to the timing difference of the funds transferred from the Capital Project and Special Revenue funds to the General Fund.

LIABILITIES

- (C) Due to other funds increased by \$51.5 million due to the timing difference of the funds transferred from the Capital Project and Special Revenue funds to the General Fund.
- (D) Deferred revenue decreased by \$69.4 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 \$82.8 million and Restricted-Capital Encumbrances increased by \$42.9 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 Ten Months Ended April 30, 2018**

REVENUES

LOCAL SOURCES

(F) Ad valorem taxes

The increase of \$67.2 million is due to the property tax revenues being proportionately recognized during the year.

STATE SOURCES

(G) Florida education finance program

The increase of \$29.8 million is due to additional revenues from the state in fiscal year 2018.

EXPENDITURES

(H) Instructional services

The increase of \$89.8 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) Operation and maintenance of plant

The \$21.8 million increase in expenditures is due to the following: (a) 2017-18 approved salary increases; (b) payroll and repairs cost associated with the disaster recovery efforts for Hurricane Irma; and (c) increase in utility cost.

(J) Capital outlay

The \$28.1 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 Ten Months Ended April 30, 2018

ESTIMATED REVENUES

LOCAL SOURCES

(K) 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

(L) 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

(M) Transfer from Special Revenue Funds

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

EXPENDITURES

(N) Technology-Administrative

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

(O) Debt Service

The Tax Anticipation Notes will be paid in June 2018.