

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INTERIM FINANCIAL STATEMENTS

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MAY 31, 2018

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED BALANCE SHEET

As of May 31, 2018

(With comparative totals for May 31, 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	May 2018	May 2017
ASSETS:									
Cash, cash equivalents and investments	\$ 447,968,702	\$ 55,954,577	\$ 37,276,801	\$ 67,078,069	\$ 367,626,657	\$ 306,222	\$ 16,573,233	\$ 992,784,261	\$ 1,097,057,854 (A)
Due from other agencies	15,446,634	30,916,724	-	-	119,714	-	-	46,483,072	41,712,225
Due from other funds	86,048,426	-	-	-	-	-	-	86,048,426	39,696,369 (B)
Inventories	6,618,943	6,256,005	-	-	-	42,457	-	12,917,405	12,096,283
Fixed assets	-	-	-	-	-	3,860	-	3,860	-
Prepays and Other assets	4,594,907	273,467	46,095	55,938	304,324	905	-	5,275,636	19,116,896
TOTAL ASSETS	\$ 560,677,612	\$ 93,400,773	\$ 37,322,896	\$ 67,134,007	\$ 368,050,695	\$ 353,444	\$ 16,573,233	\$ 1,143,512,660	\$ 1,209,679,627
LIABILITIES AND FUND EQUITY:									
LIABILITIES:									
Accounts payable and accrued expenditures/expenses	\$ 14,317,643	\$ 3,731,814	\$ 18,536,586	\$ 476,192	\$ 1,098,753	\$ 21,324	\$ 16,573,233	\$ 54,755,545	\$ 56,738,299
Salaries, benefits and payroll taxes payable	75,231,102	-	-	-	-	-	-	75,231,102	68,517,326
Deferred summer pay	92,079,743	-	-	-	-	-	-	92,079,743	84,045,814
Payroll deductions and withholdings payable	29,938,841	-	-	-	-	-	-	29,938,841	30,496,214
Due to other agencies	13,327,623	-	-	-	-	-	-	13,327,623	12,801,890
Due to other funds	-	19,781,307	-	-	66,267,119	-	-	86,048,426	39,696,369 (C)
Deferred revenue	11,378,535	1,055,058	518,986	-	12,976,535	-	-	25,929,114	87,891,958 (D)
Liability for compensated absences	6,889,978	93,178	-	-	-	-	-	6,983,156	6,989,489
Estimated liability for self-insured risks	20,002,868	-	-	-	-	-	-	20,002,868	29,064,214
Notes payable	125,000,000	-	-	-	-	-	-	125,000,000	125,000,000
Retainages payable	19,972	32,959	-	543,228	1,762,176	-	-	2,358,335	2,724,558
TOTAL LIABILITIES	388,186,305	24,694,316	19,055,572	1,019,420	82,104,583	21,324	16,573,233	531,654,753	543,966,131
FUND EQUITY:									
Net assets-invested in capital assets	-	-	-	-	-	6,047	-	6,047	-
Net assets-unrestricted	-	-	-	-	-	326,073	-	326,073	129,076
Fund balances:									
Nonspendable	20,715,575	6,256,005	-	-	-	-	-	26,971,580	25,391,814
Restricted-Other	21,632,819	49,120,582	18,267,324	13,796,957	247,955,209	-	-	350,772,891	437,234,565 (E)
Restricted-Capital Encumbrances	-	-	-	52,317,630	37,990,903	-	-	90,308,533	41,538,991 (E)
Committed	54,327,295	-	-	-	-	-	-	54,327,295	54,327,295
Assigned/Unassigned	75,815,618	13,329,870	-	-	-	-	-	89,145,488	107,091,755
TOTAL FUND EQUITY	172,491,307	68,706,457	18,267,324	66,114,587	285,946,112	332,120	-	611,857,907	665,713,496
TOTAL LIABILITIES AND FUND EQUITY	\$ 560,677,612	\$ 93,400,773	\$ 37,322,896	\$ 67,134,007	\$ 368,050,695	\$ 353,444	\$ 16,573,233	\$ 1,143,512,660	\$ 1,209,679,627

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
For The Eleven Months Ended May 31, 2018**

(With comparative amounts for the eleven months ended May 31, 2017)

	GOVERNMENTAL FUND TYPES					TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	(Memorandum Only)	
						May 2018	May 2017
REVENUES:							
Local sources:							
Ad valorem taxes	\$ 887,001,482	\$ -	\$ 11,249,662	\$ -	\$ 257,986,409	\$ 1,156,237,553	\$ 1,084,113,265 (F)
Food sales	-	11,882,395	-	-	-	11,882,395	14,898,651
Interest income and other	66,059,444	7,077,485	211,999	1,093,749	21,937,490	96,380,167	89,813,551
Total local sources	<u>953,060,926</u>	<u>18,959,880</u>	<u>11,461,661</u>	<u>1,093,749</u>	<u>279,923,899</u>	<u>1,264,500,115</u>	<u>1,188,825,467</u>
State sources:							
Florida education finance program	660,134,134	-	-	-	-	660,134,134	633,528,241 (G)
Other	372,245,532	15,689,751	-	-	12,655,471	400,590,754	387,161,299
Total state sources	<u>1,032,379,666</u>	<u>15,689,751</u>	<u>-</u>	<u>-</u>	<u>12,655,471</u>	<u>1,060,724,888</u>	<u>1,020,689,540</u>
Federal sources:							
Food service	-	94,479,183	-	-	-	94,479,183	91,387,665
Other	16,590,548	185,373,005	-	-	-	201,963,553	185,685,673
Total federal sources	<u>16,590,548</u>	<u>279,852,188</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>296,442,736</u>	<u>277,073,338</u>
TOTAL REVENUES	<u>2,002,031,140</u>	<u>314,501,819</u>	<u>11,461,661</u>	<u>1,093,749</u>	<u>292,579,370</u>	<u>2,621,667,739</u>	<u>2,486,588,345</u>
EXPENDITURES:							
Current Operating:							
Instructional services	1,390,844,197	139,421,565	-	-	-	1,530,265,762	1,439,608,726 (H)
Student and instructional support services	162,229,355	54,292,925	-	-	-	216,522,280	199,799,672
Student transportation services	86,837,860	718,021	-	-	-	87,555,881	80,477,453
Operation and maintenance of plant	223,619,003	9,499,063	-	-	-	233,118,066	205,735,967 (I)
School administration	130,924,306	1,039,551	-	-	-	131,963,857	123,044,270
Food service	-	101,977,161	-	-	-	101,977,161	102,515,003
Instruction related technology	29,941,789	-	-	-	-	29,941,789	24,125,264
General administration	76,951,693	9,464,491	-	-	-	86,416,184	79,626,293
Total current operating	<u>2,101,348,203</u>	<u>316,412,777</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,417,760,980</u>	<u>2,254,932,648</u>
Debt Service:							
Principal reduction	-	-	15,503,270	-	-	15,503,270	13,370,771
Interest and other charges	-	-	41,925,801	-	-	41,925,801	42,661,036
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,499,348</u>	<u>84,325,701</u>	<u>125,825,049</u>	<u>96,650,728 (J)</u>
TOTAL EXPENDITURES	<u>2,101,348,203</u>	<u>316,412,777</u>	<u>57,429,071</u>	<u>41,499,348</u>	<u>84,325,701</u>	<u>2,601,015,100</u>	<u>2,407,615,183</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(99,317,063)</u>	<u>(1,910,958)</u>	<u>(45,967,410)</u>	<u>(40,405,599)</u>	<u>208,253,669</u>	<u>20,652,639</u>	<u>78,973,162</u>
OTHER FINANCING SOURCES (USES):							
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	-	-	-	-	6,769,305	6,769,305	583,768
Payments to refunded bond escrow agents	-	-	(246,337,638)	-	-	(246,337,638)	-
Operating transfers in	81,823,127	18,040,000	53,033,943	-	-	152,897,070	129,913,854
Operating transfers out	(40,000)	(1,194,827)	(3,450)	-	(151,658,792)	(152,897,069)	(129,913,854)
TOTAL OTHER FINANCING SOURCES (USES)	<u>81,783,127</u>	<u>16,845,173</u>	<u>54,208,021</u>	<u>-</u>	<u>(132,921,291)</u>	<u>19,915,030</u>	<u>22,883,768</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(17,533,936)</u>	<u>14,934,215</u>	<u>8,240,611</u>	<u>(40,405,599)</u>	<u>75,332,378</u>	<u>40,567,669</u>	<u>101,856,930</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>\$ 172,491,307</u>	<u>\$ 68,706,457</u>	<u>\$ 18,267,324</u>	<u>\$ 66,114,587</u>	<u>\$ 285,946,112</u>	<u>\$ 611,525,787</u>	<u>\$ 665,584,420</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND

For The Eleven Months Ended May 31, 2018

(With comparative amounts for the eleven months ended May 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 MAY 2017</u>
REVENUES:					
Local sources:					
Ad valorem taxes - current year	\$ 923,835,821	\$ 887,001,482	\$ 36,834,339	96%	\$ 837,644,856
Interest on investments	3,250,000	4,675,703	(1,425,703)	OVER 100%	3,785,099
After school supervision	19,000,000	18,993,389	6,611	100%	18,858,114
Course fees	10,380,000	9,015,490	1,364,510	87%	9,244,060
Gifts, grants, bequests	-	14,853	(14,853)	OVER 100%	- (K)
Receipt of federal indirect cost rate	8,700,000	10,511,691	(1,811,691)	OVER 100%	8,852,284
Rental income	1,500,000	1,521,235	(21,235)	OVER 100%	1,395,569
E-rate rebate	3,150,000	3,737,769	(587,769)	OVER 100%	3,362,784
Other	13,950,000	17,589,314	(3,639,314)	OVER 100%	14,509,932
Total local sources	<u>983,765,821</u>	<u>953,060,926</u>	<u>30,704,895</u>	97%	<u>897,652,698</u>
State sources:					
Florida education finance program	703,547,059	660,134,134	43,412,925	94%	633,528,241
Workforce development	73,370,726	68,278,798	5,091,928	93%	64,647,605
Adult w/Disabilities	800,000	744,480	55,520	93%	730,000
Discretionary lottery funds	499,282	464,632	34,650	93%	-
Class size reduction	307,794,997	286,434,024	21,360,973	93%	281,164,740
State license tax	300,000	274,512	25,488	92%	288,199
Racing commission	446,500	446,500	-	100%	446,500
School recognition/merit schools	13,887,539	12,923,744	963,795	93%	12,652,487
Other	2,479,564	2,678,842	(199,278)	OVER 100%	3,569,687
Total state sources	<u>1,103,125,667</u>	<u>1,032,379,666</u>	<u>70,746,001</u>	94%	<u>997,027,459</u>
Federal sources:					
Federal impact					
ROTC	2,000,000	1,833,978	166,022	92%	1,855,818
Other	17,700,000	14,756,570	2,943,430	83%	13,579,557 (L)
Total federal sources	<u>19,700,000</u>	<u>16,590,548</u>	<u>3,109,452</u>	84%	<u>15,435,375</u>
Other financing sources:					
Transfer from special revenue funds	800,000	1,194,827	(394,827)	OVER 100%	1,002,873 (M)
Transfer from capital projects funds	80,628,300	80,628,300	-	100%	76,210,389
Total other financing sources	<u>81,428,300</u>	<u>81,823,127</u>	<u>(394,827)</u>	100%	<u>77,213,262</u>
TOTAL REVENUES & OTHER FINANCING SOURCES	<u>\$ 2,188,019,788</u>	<u>\$ 2,083,854,267</u>	<u>\$ 104,165,521</u>	95%	<u>\$ 1,987,328,794</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

GENERAL FUND

For The Eleven Months Ended May 31, 2018

(With comparative amounts for the eleven months ended May 31, 2017)

	BUDGET	EXPENDITURES YEAR-TO-DATE	BALANCE AVAILABLE	EXPENDITURES	
				Y-T-D AS % OF BUDGET	EXPENDITURES AS OF MAY 2017
EXPENDITURES:					
Instructional services	\$ 1,437,117,949	\$ 1,371,574,769	\$ 65,543,180	95%	\$ 1,300,010,082
Pupil personnel services	118,765,140	112,087,462	6,677,678	94%	102,743,658
Instructional media	22,533,138	21,817,463	715,675	97%	22,106,194
Instruction & curriculum development	23,561,481	22,924,584	636,897	97%	21,058,755
Instruction & staff training	5,062,660	5,399,846	(337,186)	OVER 100%	4,223,493
Technology-Instructional	24,524,741	24,165,600	359,141	99%	21,771,881
Board of education	4,764,218	4,617,847	146,371	97%	4,078,677
General administration	6,642,892	5,529,370	1,113,522	83%	5,317,428
School administration	135,861,448	130,924,306	4,937,142	96%	122,297,552
Fiscal services	9,312,300	8,618,750	693,550	93%	8,108,119
Central services	60,322,332	58,185,726	2,136,606	96%	53,991,679
Technology-Administrative	11,688,887	5,776,189	5,912,698	49%	2,353,383 (N)
Transportation services	87,299,031	86,837,860	461,171	99%	79,941,413
Operation services	182,365,406	168,484,893	13,880,513	92%	148,172,632
Maintenance services	66,134,335	55,134,110	11,000,225	83%	57,513,738
Community services	21,258,991	19,269,428	1,989,563	91%	18,955,468
Debt Service	1,480,417	-	1,480,417	(100)%	1,250 (O)
TOTAL EXPENDITURES	2,218,695,366	2,101,348,203	117,347,163	95%	1,972,645,402
Other financing uses:					
Transfer to special revenue funds	40,000	40,000	-	100%	40,000
Transfer to capital projects funds	-	-	-	-	8,452
Transfer to debt service funds	2,561,888	-	2,561,888		-
Total other financing uses	2,601,888	40,000	2,561,888	2%	48,452
TOTAL EXPENDITURES & OTHER FINANCING USES	\$ 2,221,297,254	\$ 2,101,388,203	\$ 119,909,051	95%	\$ 1,972,693,854

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF FUND BALANCE UTILIZATION

GENERAL FUND

For The Eleven Months Ended May 31, 2018

(With comparative amounts for the eleven months ended May 31, 2017)

	<u>MAY 2018</u>	<u>MAY 2017</u>
BEGINNING FUND BALANCE	\$ 190,025,243	\$ 179,183,128
Plus:		
Revenues and other financing sources	2,083,854,267	1,987,328,794
Less:		
Expenditures and other financing uses	<u>2,101,388,203</u>	<u>1,972,693,854</u>
 EXCESS OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>(17,533,936)</u>	 <u>14,634,940</u>
 ENDING FUND BALANCE:		
Nonspendable	20,715,575	20,958,832
Restricted	21,632,819	15,900,689
Committed	54,327,295	54,327,295
Assigned/Unassigned	75,815,618	102,631,252
TOTAL ENDING FUND BALANCE	<u>\$ 172,491,307</u>	<u>\$ 193,818,068</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues	 <u>3.60%</u>	 <u>4.95%</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues excluding charter school revenues	 <u>4.27%</u>	 <u>5.84%</u>

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

ASSETS

- (A) Cash, cash equivalents and investments decreased by \$104.3 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 \$46.4 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 \$46.4 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 \$62.0 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 \$86.5 million and Restricted-Capital Encumbrances increased by \$48.8 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 Eleven Months Ended May 31, 2018

REVENUES

LOCAL SOURCES

(F) Ad valorem taxes

The increase of \$72.1 million is due to the property tax revenues being proportionately recognized during the year.

STATE SOURCES

(G) Florida education finance program

The increase of \$26.6 million is due to additional revenues from the state in fiscal year 2018.

EXPENDITURES

(H) Instructional services

The increase of \$90.7 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 \$27.4 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 \$29.2 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 Eleven Months Ended May 31, 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.