

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INTERIM FINANCIAL STATEMENTS

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AUGUST 31, 2019

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED BALANCE SHEET

As of August 31, 2019

(With comparative totals for August 31, 2018)

	GOVERNMENTAL FUND TYPES					PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	TOTALS (Memorandum Only)	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	INTERNAL SERVICE	AGENCY FUNDS	August 2019	August 2018
ASSETS:									
Cash, cash equivalents and investments	\$ 313,994,057	\$ 39,775,741	\$ 44,039,518	\$ 181,464,387	\$ 253,508,058	\$ 310,125	\$ 19,027,216	\$ 852,119,102	\$ 533,091,046 (A)
Due from other agencies	116,955,973	21,158,897	2,517,647	-	60,971,113	-	-	201,603,630	161,952,402 (B)
Due from other funds	22,896,857	-	-	-	-	-	-	22,896,857	18,862,761
Inventories	6,289,292	1,849,115	-	-	-	41,790	-	8,180,197	7,787,090
Fixed assets	-	-	-	-	-	9,346	-	9,346	10,106
Prepays and Other assets	16,207,362	134,820	115	93,145	698	2	-	16,436,142	14,697,122
TOTAL ASSETS	\$ 476,343,541	\$ 62,918,573	\$ 46,557,280	\$ 181,557,532	\$ 314,479,869	\$ 361,263	\$ 19,027,216	\$ 1,101,245,274	\$ 736,400,527
LIABILITIES AND FUND EQUITY:									
LIABILITIES:									
Accounts payable and accrued expenditures/expenses	\$ 22,360,228	\$ 4,799,505	\$ 28,326,475	\$ 1,951,682	\$ 526,295	\$ 115,676	\$ 19,027,216	\$ 77,107,077	\$ 61,473,081
Salaries, benefits and payroll taxes payable	35,301,959	-	-	-	-	-	-	35,301,959	38,746,292
Deferred summer pay	1,170,388	-	-	-	-	-	-	1,170,388	320,610
Payroll deductions and withholdings payable	8,351,741	-	-	-	-	-	-	8,351,741	8,560,666
Due to other agencies	10,145,893	-	-	-	-	-	-	10,145,893	9,081,217
Due to other funds	-	12,970,234	-	-	9,926,623	-	-	22,896,857	18,862,761
Deferred revenue	48,354,734	907,200	-	-	24,599,844	-	-	73,861,778	73,478,057
Liability for compensated absences	7,961,073	102,505	-	-	-	-	-	8,063,578	7,189,223
Estimated liability for self-insured risks	3,062,000	-	-	-	-	-	-	3,062,000	2,956,500
Notes payable	157,480,000	-	-	-	-	-	-	157,480,000	- (C)
Retainages payable	50,389	-	-	3,533,962	1,695,276	-	-	5,279,627	2,872,728
TOTAL LIABILITIES	294,238,405	18,779,444	28,326,475	5,485,644	36,748,038	115,676	19,027,216	402,720,898	223,541,135
FUND EQUITY:									
Net assets-invested in capital assets	-	-	-	-	-	9,345	-	9,345	10,106
Net assets-unrestricted	-	-	-	-	-	236,242	-	236,242	426,034
Fund balances:									
Nonspendable	36,405,709	1,849,115	-	-	-	-	-	38,254,824	22,243,510
Restricted-Other	9,512,324	42,290,014	18,230,805	2,035,021	164,277,545	-	-	236,345,709	263,279,537 (D)
Restricted-Capital Encumbrances	-	-	-	174,036,867	113,454,286	-	-	287,491,153	91,587,973 (D)
Committed	54,327,295	-	-	-	-	-	-	54,327,295	54,327,295
Assigned/Unassigned	81,859,808	-	-	-	-	-	-	81,859,808	80,984,937
TOTAL FUND EQUITY	182,105,136	44,139,129	18,230,805	176,071,888	277,731,831	245,587	-	698,524,376	512,859,392
TOTAL LIABILITIES AND FUND EQUITY	\$ 476,343,541	\$ 62,918,573	\$ 46,557,280	\$ 181,557,532	\$ 314,479,869	\$ 361,263	\$ 19,027,216	\$ 1,101,245,274	\$ 736,400,527

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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

ALL GOVERNMENTAL FUND TYPES

For The Two Months Ended August 31, 2019

(With comparative amounts for the two months ended August 31, 2018)

	GOVERNMENTAL FUND TYPES					TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	(Memorandum Only)	
						August 2019	August 2018
REVENUES:							
Local sources:							
Ad valorem taxes	\$ 111,882,005	\$ -	\$ 2,522,658	\$ -	\$ 36,273,557	\$ 150,678,220	\$ 138,260,994 (E)
Food sales	-	986,912	-	-	-	986,912	957,603
Interest income and other	10,974,022	381,317	13,843	504,249	419,758	12,293,189	7,637,657
Total local sources	122,856,027	1,368,229	2,536,501	504,249	36,693,315	163,958,321	146,856,254
State sources:							
Florida education finance program	88,898,013	-	-	-	-	88,898,013	80,530,601 (F)
Other	46,441,772	1,588,111	-	-	4,087,386	52,117,269	48,239,460
Total state sources	135,339,785	1,588,111	-	-	4,087,386	141,015,282	128,770,061
Federal sources:							
Food service	-	6,933,082	-	-	-	6,933,082	6,985,019
Other	3,834,009	13,695,484	-	-	-	17,529,493	18,885,740
Total federal sources	3,834,009	20,628,566	-	-	-	24,462,575	25,870,759
TOTAL REVENUES	262,029,821	23,584,906	2,536,501	504,249	40,780,701	329,436,178	301,497,074
EXPENDITURES:							
Current Operating:							
Instructional services	140,751,486	8,377,486	-	-	-	149,128,972	148,800,619
Student and instructional support services	19,651,570	6,735,062	-	-	-	26,386,632	26,777,698
Student transportation services	10,361,289	146,930	-	-	-	10,508,219	9,652,389
Operation and maintenance of plant	38,163,151	18,543	-	-	-	38,181,694	36,947,115
School administration	21,577,883	130,493	-	-	-	21,708,376	22,278,334
Food service	-	10,747,759	-	-	-	10,747,759	10,485,925
Instruction related technology	5,668,343	-	-	-	-	5,668,343	5,121,833
General administration	17,847,356	576,459	-	-	-	18,423,815	17,274,708
Total current operating	254,021,078	26,732,732	-	-	-	280,753,810	277,338,621
Debt Service:							
Principal reduction	-	-	1,954,678	-	-	1,954,678	646,202
Interest and other charges	-	-	303,215	-	-	303,215	911,722
Capital Outlay	1,101,131	11,837	-	10,569,696	8,110,272	19,792,936	14,157,826
TOTAL EXPENDITURES	255,122,209	26,744,569	2,257,893	10,569,696	8,110,272	302,804,639	293,054,371
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,907,612	(3,159,663)	278,608	(10,065,447)	32,670,429	26,631,539	8,442,703
OTHER FINANCING SOURCES (USES):							
Proceeds of bonds sold	-	-	-	-	-	-	-
Proceeds of certificates of participation	-	-	-	-	-	-	-
Premiums on refunding bonds	-	-	-	-	-	-	-
Proceeds of capital leases	-	-	-	-	-	-	5,484
Proceeds from sale capital assets	-	-	-	-	43,778	43,778	12,030
Payments to refunded bond escrow agents	-	-	-	-	-	-	-
Operating transfers in	14,000,123	-	2,257,893	-	-	16,258,016	13,151,219
Operating transfers out	-	-	-	-	(16,258,016)	(16,258,016)	(13,151,219)
TOTAL OTHER FINANCING SOURCES (USES)	14,000,123	-	2,257,893	-	(16,214,238)	43,778	17,514
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	20,907,735	(3,159,663)	2,536,501	(10,065,447)	16,456,191	26,675,317	8,460,217
FUND BALANCES, BEGINNING OF PERIOD	161,197,401	47,298,792	15,694,304	186,137,335	261,275,640	671,603,472	503,963,035
FUND BALANCES, END OF PERIOD	\$ 182,105,136	\$ 44,139,129	\$ 18,230,805	\$ 176,071,888	\$ 277,731,831	\$ 698,278,789	\$ 512,423,252

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND

For The Two Months Ended August 31, 2019

(With comparative amounts for the two months ended August 31, 2018)

	BUDGET	REVENUES YEAR-TO-DATE	BALANCE REMAINING	REVENUES Y-T-D AS % OF BUDGET	REVENUES AS OF AUGUST 2018
REVENUES:					
Local sources:					
Ad valorem taxes - current year	\$ 1,049,741,946	\$ 110,385,417	\$ 939,356,529	11%	\$ 102,907,477
Ad valorem taxes - prior years	12,923,901	1,496,588	11,427,313	12%	-
Interest on investments	11,000,000	2,355,519	8,644,481	21%	50,187
After school supervision	21,000,000	2,637,944	18,362,056	13%	1,366,154
Course fees	11,026,008	689,803	10,336,205	6%	858,542
Gifts, grants, bequests	-	-	-	-	13,239
Receipt of federal indirect cost rate	12,600,000	605,532	11,994,468	5%	600,927
Rental income	1,500,000	263,178	1,236,822	18%	161,547
E-rate rebate	2,500,000	861,021	1,638,979	34%	982,992 (G)
Other	17,632,000	3,561,025	14,070,975	20%	1,895,334 (H)
Total local sources	1,139,923,855	122,856,027	1,017,067,828	11%	108,836,399
State sources:					
Florida education finance program	767,685,777	88,898,013	678,787,764	12%	80,530,601
Workforce development	77,642,799	8,991,036	68,651,763	12%	8,203,466
Adult w/Disabilities	800,000	92,640	707,360	12%	88,000
Discretionary lottery funds	939,800	108,829	830,971	12%	54,437
Class size reduction	302,023,964	34,974,375	267,049,589	12%	33,813,829
State license tax	300,000	43,064	256,936	14%	38,753
Racing commission	446,500	-	446,500	-	-
School recognition/merit schools	12,365,000	1,431,867	10,933,133	12%	1,527,629
Other	3,500,000	799,961	2,700,039	23%	101,639 (I)
Total state sources	1,165,703,840	135,339,785	1,030,364,055	12%	124,358,354
Federal sources:					
Federal impact					
ROTC	2,300,000	92,343	2,207,657	4%	186,545
Other	22,450,000	3,741,666	18,708,334	17%	3,075,000
Total federal sources	24,750,000	3,834,009	20,915,991	15%	3,261,545
Other financing sources:					
Transfer from special revenue funds	1,200,000	-	1,200,000	-	374
Transfer from capital projects funds	120,899,161	14,000,123	106,899,038	12%	11,598,340
Total other financing sources	122,099,161	14,000,123	108,099,038	11%	11,598,714
TOTAL REVENUES & OTHER FINANCING SOURCES	\$ 2,452,476,856	\$ 276,029,944	\$ 2,176,446,912	11%	\$ 248,055,012

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

GENERAL FUND

For The Two Months Ended August 31, 2019

(With comparative amounts for the two months ended August 31, 2018)

	<u>BUDGET</u>	<u>EXPENDITURES YEAR-TO-DATE</u>	<u>BALANCE AVAILABLE</u>	<u>EXPENDITURES Y-T-D AS % OF BUDGET</u>	<u>EXPENDITURES AS OF AUGUST 2018</u>
EXPENDITURES:					
Instructional services	\$ 1,593,242,179	\$ 137,582,769	\$ 1,455,659,410	9%	\$ 137,288,660
Pupil personnel services	132,789,962	12,598,913	120,191,049	9%	12,442,708
Instructional media	21,669,585	2,319,313	19,350,272	11%	3,251,540
Instruction & curriculum development	27,751,138	4,064,644	23,686,494	15%	3,535,407
Instruction & staff training	8,774,772	668,700	8,106,072	8%	977,641
Technology-Instructional	24,911,779	4,213,808	20,697,971	17%	4,247,825
Board of education	5,275,208	1,268,549	4,006,659	24%	930,311 (J)
General administration	9,149,715	1,345,268	7,804,447	15%	1,580,179
School administration	142,549,291	21,577,883	120,971,408	15%	22,134,249
Facilities acquisition & construction	10,122,864	1,101,131	9,021,733	11%	-
Fiscal services	11,016,088	1,778,007	9,238,081	16%	1,525,979
Central services	72,480,845	13,455,532	59,025,313	19%	12,652,797
Technology-Administrative	4,328,104	1,454,535	2,873,569	34%	874,008 (K)
Transportation services	86,269,855	10,361,289	75,908,566	12%	9,506,046
Operation services	208,695,780	26,531,755	182,164,025	13%	26,977,530
Maintenance services	65,762,054	11,631,396	54,130,658	18%	9,405,371
Community services	15,912,452	3,168,717	12,743,735	20%	1,953,746
Debt Service	1,480,417	-	1,480,417	(100)%	- (L)
TOTAL EXPENDITURES	2,442,182,088	255,122,209	2,187,059,879	10%	249,283,997
Other financing uses:					
Transfer to special revenue funds	4,399,147	-	4,399,147	-	- (M)
Total other financing uses	4,399,147	-	4,399,147	-	-
TOTAL EXPENDITURES & OTHER FINANCING USES	\$ 2,446,581,235	\$ 255,122,209	\$ 2,191,459,026	10%	\$ 249,283,997

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF FUND BALANCE UTILIZATION

GENERAL FUND

For The Two Months Ended August 31, 2019

(With comparative amounts for the two months ended August 31, 2018)

	<u>AUGUST 2019</u>	<u>AUGUST 2018</u>
BEGINNING FUND BALANCE	\$ 161,197,401	\$ 160,568,339
Plus:		
Revenues and other financing sources	276,029,944	248,055,012
Less:		
Expenditures and other financing uses	<u>255,122,209</u>	<u>249,283,997</u>
 EXCESS OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>20,907,735</u>	 <u>(1,228,985)</u>
 ENDING FUND BALANCE:		
Nonspendable	36,405,709	20,377,460
Restricted	9,512,324	8,490,466
Committed	54,327,295	54,327,295
Assigned/Unassigned	81,859,808	76,144,133
TOTAL ENDING FUND BALANCE	<u>\$ 182,105,136</u>	<u>\$ 159,339,354</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues	 <u>3.51%</u>	 <u>3.53%</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues excluding charter school revenues	 <u>4.15%</u>	 <u>4.13%</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SCHEDULE OF EXPLANATION FOR COMBINED BALANCE SHEET
For The Two Months Ended August 31, 2019

ASSETS

- (A) Cash, cash equivalents and investments increased by \$319 million primarily due to the issuance of General Obligation Bond Series 2019 and due to the timing of the issuance of the Tax Anticipation Notes ("TANS"). In the current fiscal year, the TANS were issued earlier, that is in July 2019 as compared to the prior year when the TANS were issued in September 2018.
- (B) Due from other agencies increased by \$39.7 million due to the timing difference in recognizing revenues for General Fund, Grants, Food Service, as well as for the replacement of Building 12 and construction of a Memorial at Marjory Stoneman Douglas High School.

LIABILITIES

- (C) Notes payable increased by \$157.5 million due to the timing of the issuance of the Tax Anticipation Notes ("TANS"). In the current fiscal year, the TANS were issued earlier, that is in July 2019 as compared to the prior year when the TANS were issued in September 2018.

FUND EQUITY

- (D) Restricted-Other fund balance decreased by \$26.9 million and Restricted-Capital Encumbrances increased by \$195.9 million due to the issuance of General Obligation Bond Series 2019 and an increase in Capital encumbrances.

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 Two Months Ended August 31, 2019**

REVENUES

LOCAL SOURCES

(E) Ad valorem taxes

The increase of \$12.4 million is due to an increase in property tax values and additional revenues generated from the Secure the Next Generation 1/2 mill referendum. The property tax revenues are proportionately recognized during the year.

STATE SOURCES

(F) Florida education finance program

The increase of \$8.4 million is due to additional revenues from the State in the current fiscal year.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL

GENERAL FUND

For The Two Months Ended August 31, 2019

ESTIMATED REVENUES

LOCAL SOURCES

(G) E-rate rebate

The collection of E-rate rebate is higher than the estimated revenue.

(H) Other local sources

The increase in revenues as compared to last year is primarily due to the timing of the issuance of the Tax Anticipation Notes ("TANS"). In the current fiscal year, the TANS were issued earlier, that is in July 2019 as compared to the prior year when the TANS were issued in September 2018. The increase is also due to additional revenues received from local sources.

STATE SOURCES

(I) Other state sources

Due to the timing of revenue collection, the collection rate is higher as compared to prior year.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL

GENERAL FUND

For The Two Months Ended August 31, 2019

ESTIMATED REVENUES

EXPENDITURES

(J) Board of education

The expenditures are higher than the prior fiscal year due to the increase in legal costs and fees.

(K) Technology-Administrative

The increase in expenditures is due to the SAP Expansion for Payroll Process Improvement (Board Item EE-16 approved on 6/25/19).

(L) Debt Service

The Tax Anticipation Notes will be paid in June 2020.

(M) Transfer to special revenue funds

There are no transfers to special revenue funds as of August 2019.