

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INTERIM FINANCIAL STATEMENTS

TABLE OF CONTENTS

OCTOBER 31, 2019

	<u>PAGE(S)</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	8-9

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

COMBINED BALANCE SHEET

As of October 31, 2019

(With comparative totals for October 31, 2018)

	GOVERNMENTAL FUND TYPES					PROPRIETARY FUND TYPE	FIDUCIARY FUND TYPE	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	INTERNAL SERVICE	AGENCY FUNDS	(Memorandum Only)	
								October 2019	October 2018
ASSETS:									
Cash, cash equivalents and investments	\$ 174,196,314	\$ 39,733,639	\$ 53,365,010	\$ 163,767,169	\$ 239,356,346	\$ 297,345	\$ 18,975,732	\$ 689,691,555	\$ 473,958,978 (A)
Due from other agencies	311,244,618	31,056,733	6,265,853	-	114,453,585	-	-	463,020,789	446,294,087
Due from other funds	46,240,096	-	-	-	-	-	-	46,240,096	39,086,646
Inventories	7,162,403	2,318,826	-	-	-	41,790	-	9,523,019	8,418,607
Fixed assets	-	-	-	-	-	9,346	-	9,346	10,106
Prepays and Other assets	13,172,221	148,719	-	166,959	5,690	-	-	13,493,589	14,120,125
TOTAL ASSETS	\$ 552,015,652	\$ 73,257,917	\$ 59,630,863	\$ 163,934,128	\$ 353,815,621	\$ 348,481	\$ 18,975,732	\$ 1,221,978,394	\$ 981,888,549
LIABILITIES AND FUND EQUITY:									
LIABILITIES:									
Accounts payable and accrued expenditures/expenses	\$ 12,458,064	\$ 5,464,048	\$ 37,599,189	\$ 620,310	\$ 823,801	\$ 92,250	\$ 18,975,732	\$ 76,033,394	\$ 70,947,594
Salaries, benefits and payroll taxes payable	67,245,784	-	-	-	-	-	-	67,245,784	62,589,792
Deferred summer pay	21,557,547	-	-	-	-	-	-	21,557,547	19,050,433
Payroll deductions and withholdings payable	28,292,591	-	-	-	-	-	-	28,292,591	28,016,851
Due to other agencies	15,086,459	-	-	-	-	-	-	15,086,459	13,665,834
Due to other funds	-	19,581,755	-	-	26,658,341	-	-	46,240,096	39,086,646
Deferred revenue	55,819,512	1,197,070	-	-	24,099,843	-	-	81,116,425	70,679,669
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	2,957,123
Notes payable	157,480,000	-	-	-	-	-	-	157,480,000	125,000,000 (B)
Retainages payable	57,643	-	-	5,096,236	2,079,128	-	-	7,233,007	3,488,552
TOTAL LIABILITIES	369,020,673	26,345,378	37,599,189	5,716,546	53,661,113	92,250	18,975,732	511,410,881	442,671,717
FUND EQUITY:									
Net assets-invested in capital assets	-	-	-	-	-	9,345	-	9,345	10,106
Net assets-unrestricted	-	-	-	-	-	246,886	-	246,886	387,873
Fund balances:									
Nonspendable	37,278,820	2,318,826	-	-	-	-	-	39,597,646	22,875,027
Restricted-Other	9,512,324	44,593,713	22,031,674	-	190,877,383	-	-	267,015,094	231,008,624 (C)
Restricted-Capital Encumbrances	-	-	-	158,217,582	109,277,125	-	-	267,494,707	147,621,908 (C)
Committed	54,327,295	-	-	-	-	-	-	54,327,295	54,327,295
Assigned/Unassigned	81,876,540	-	-	-	-	-	-	81,876,540	82,985,999
TOTAL FUND EQUITY	182,994,979	46,912,539	22,031,674	158,217,582	300,154,508	256,231	-	710,567,513	539,216,832
TOTAL LIABILITIES AND FUND EQUITY	\$ 552,015,652	\$ 73,257,917	\$ 59,630,863	\$ 163,934,128	\$ 353,815,621	\$ 348,481	\$ 18,975,732	\$ 1,221,978,394	\$ 981,888,549

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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

ALL GOVERNMENTAL FUND TYPES

For The Four Months Ended October 31, 2019

(With comparative amounts for the four months ended October 31, 2018)

	GOVERNMENTAL FUND TYPES					TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	GENERAL OBLIGATION BOND	OTHER CAPITAL FUNDS	(Memorandum Only)	
						October 2019	October 2018
REVENUES:							
Local sources:							
Ad valorem taxes	\$ 308,849,525	\$ -	\$ 6,275,355	\$ -	\$ 90,229,085	\$ 405,353,965	\$ 374,880,313 (D)
Food sales	-	4,460,536	-	-	-	4,460,536	4,428,437
Interest income and other	24,975,824	2,187,040	131,891	2,085,794	2,128,501	31,509,050	25,805,850
Total local sources	<u>333,825,349</u>	<u>6,647,576</u>	<u>6,407,246</u>	<u>2,085,794</u>	<u>92,357,586</u>	<u>441,323,551</u>	<u>405,114,600</u>
State sources:							
Florida education finance program	226,802,219	-	-	-	-	226,802,219	223,460,828
Other	114,350,036	2,695,738	-	-	8,895,754	125,941,528	127,519,969
Total state sources	<u>341,152,255</u>	<u>2,695,738</u>	<u>-</u>	<u>-</u>	<u>8,895,754</u>	<u>352,743,747</u>	<u>350,980,797</u>
Federal sources:							
Food service	-	28,872,715	-	-	-	28,872,715	28,119,570
Other	7,992,290	49,691,314	-	-	1,237,375	58,920,979	59,298,396
Total federal sources	<u>7,992,290</u>	<u>78,564,029</u>	<u>-</u>	<u>-</u>	<u>1,237,375</u>	<u>87,793,694</u>	<u>87,417,966</u>
TOTAL REVENUES	<u>682,969,894</u>	<u>87,907,343</u>	<u>6,407,246</u>	<u>2,085,794</u>	<u>102,490,715</u>	<u>881,860,992</u>	<u>843,513,363</u>
EXPENDITURES:							
Current Operating:							
Instructional services	436,044,837	31,666,521	-	-	-	467,711,358	465,458,423
Student and instructional support services	54,874,438	19,091,401	-	-	-	73,965,839	69,752,630
Student transportation services	28,913,130	382,014	-	-	-	29,295,144	27,952,757
Operation and maintenance of plant	80,732,263	100,737	-	-	-	80,833,000	81,021,160
School administration	48,051,425	236,292	-	-	-	48,287,717	47,039,566
Food service	-	34,136,403	-	-	-	34,136,403	34,779,403
Instruction related technology	11,245,405	-	-	-	-	11,245,405	10,256,390
General administration	34,161,316	2,666,277	-	-	-	36,827,593	34,151,875
Total current operating	<u>694,022,814</u>	<u>88,279,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>782,302,459</u>	<u>770,412,204</u>
Debt Service:							
Principal reduction	-	-	4,238,690	-	-	4,238,690	4,797,235
Interest and other charges	-	-	627,913	-	-	627,913	2,140,151
Capital Outlay	1,992,640	13,951	-	30,005,547	24,070,023	56,082,161	32,462,308 (E)
TOTAL EXPENDITURES	<u>696,015,454</u>	<u>88,293,596</u>	<u>4,866,603</u>	<u>30,005,547</u>	<u>24,070,023</u>	<u>843,251,223</u>	<u>809,811,898</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(13,045,560)</u>	<u>(386,253)</u>	<u>1,540,643</u>	<u>(27,919,753)</u>	<u>78,420,692</u>	<u>38,609,769</u>	<u>33,701,465</u>
OTHER FINANCING SOURCES (USES):							
Proceeds of capital leases	-	-	-	-	-	-	27,491
Proceeds from sale capital assets	-	-	-	-	98,041	98,041	1,126,862
Operating transfers in	34,843,138	-	4,796,727	-	-	39,639,865	38,191,920
Operating transfers out	-	-	-	-	(39,639,865)	(39,639,865)	(38,191,920)
TOTAL OTHER FINANCING SOURCES (USES)	<u>34,843,138</u>	<u>-</u>	<u>4,796,727</u>	<u>-</u>	<u>(39,541,824)</u>	<u>98,041</u>	<u>1,154,353</u>
EXCESS REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>21,797,578</u>	<u>(386,253)</u>	<u>6,337,370</u>	<u>(27,919,753)</u>	<u>38,878,868</u>	<u>38,707,810</u>	<u>34,855,818</u>
FUND BALANCES, BEGINNING OF PERIOD	<u>161,197,401</u>	<u>47,298,792</u>	<u>15,694,304</u>	<u>186,137,335</u>	<u>261,275,640</u>	<u>671,603,472</u>	<u>503,963,035</u>
FUND BALANCES, END OF PERIOD	<u>\$ 182,994,979</u>	<u>\$ 46,912,539</u>	<u>\$ 22,031,674</u>	<u>\$ 158,217,582</u>	<u>\$ 300,154,508</u>	<u>\$ 710,311,282</u>	<u>\$ 538,818,853</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES

GENERAL FUND

For The Four Months Ended October 31, 2019

(With comparative amounts for the four months ended October 31, 2018)

	BUDGET	REVENUES YEAR-TO-DATE	BALANCE REMAINING	REVENUES Y-T-D AS % OF BUDGET	REVENUES AS OF OCTOBER 2018
REVENUES:					
Local sources:					
Ad valorem taxes - current year	\$ 1,070,390,857	\$ 308,486,645	\$ 761,904,212	29%	\$ 279,131,186
Ad valorem taxes - prior years	-	362,880	(362,880)	OVER 100%	-
Interest on investments	11,000,000	2,975,190	8,024,810	27%	2,845,136
After school supervision	21,000,000	7,824,704	13,175,296	37%	6,110,723
Course fees	11,026,008	2,562,169	8,463,839	23%	2,883,177
Gifts, grants, bequests	-	13,239	(13,239)	OVER 100%	13,239 (F)
Receipt of federal indirect cost rate	12,600,000	2,986,923	9,613,077	24%	2,218,726
Rental income	1,500,000	669,092	830,908	45%	452,535 (G)
E-rate rebate	2,500,000	861,021	1,638,979	34%	982,992
Other	17,632,000	7,083,486	10,548,514	40%	5,113,774 (H)
Total local sources	1,147,648,865	333,825,349	813,823,516	29%	299,751,488
State sources:					
Florida education finance program	767,685,777	226,802,219	540,883,558	30%	223,460,828
Workforce development	77,642,799	22,376,655	55,266,144	29%	22,216,478
Adult w/Disabilities	800,000	230,560	569,440	29%	238,320
Discretionary lottery funds	939,800	270,850	668,950	29%	147,425
Class size reduction	302,023,964	87,043,306	214,980,658	29%	91,573,997
State license tax	300,000	58,633	241,367	20%	52,999
Racing commission	446,500	-	446,500	-	-
School recognition/merit schools	12,365,000	3,563,593	8,801,407	29%	4,137,098
Other	3,500,000	806,439	2,693,561	23%	583,186
Total state sources	1,165,703,840	341,152,255	824,551,585	29%	342,410,331
Federal sources:					
Federal impact					
ROTC	2,300,000	495,834	1,804,166	22%	606,671
Other	22,450,000	7,496,456	14,953,544	33%	9,032,491
Total federal sources	24,750,000	7,992,290	16,757,710	32%	9,639,162
Other financing sources:					
Transfer from special revenue funds	1,200,000	-	1,200,000	-	90,037
Transfer from capital projects funds	120,899,161	34,843,138	86,056,023	29%	31,410,412
Total other financing sources	122,099,161	34,843,138	87,256,023	29%	31,500,449
TOTAL REVENUES & OTHER FINANCING SOURCES	\$ 2,460,201,866	\$ 717,813,032	\$ 1,742,388,834	29%	\$ 683,301,430

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES

GENERAL FUND

For The Four Months Ended October 31, 2019

(With comparative amounts for the four months ended October 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 OCTOBER 2018</u>
EXPENDITURES:					
Instructional services	\$ 1,598,205,700	\$ 428,912,511	\$ 1,169,293,189	27%	\$ 425,995,205
Pupil personnel services	133,627,319	36,730,614	96,896,705	27%	34,816,213
Instructional media	21,669,585	6,951,240	14,718,345	32%	7,362,931
Instruction & curriculum development	27,751,138	9,100,472	18,650,666	33%	8,741,809
Instruction & staff training	8,774,772	2,092,112	6,682,660	24%	1,986,888
Technology-Instructional	24,911,779	8,879,526	16,032,253	36%	8,724,571
Board of education	5,275,208	2,162,742	3,112,466	41%	1,718,122 (I)
General administration	9,149,715	2,637,283	6,512,432	29%	2,722,985
School administration	142,612,402	48,051,425	94,560,977	34%	46,765,191
Facilities acquisition & construction	10,122,864	1,992,640	8,130,224	20%	-
Fiscal services	11,156,088	3,548,770	7,607,318	32%	3,193,190
Central services	72,674,807	25,812,521	46,862,286	36%	24,617,505
Technology-Administrative	4,328,104	2,365,879	1,962,225	55%	1,531,819 (J)
Transportation services	86,269,855	28,913,130	57,356,725	34%	27,742,463
Operation services	210,023,647	58,171,507	151,852,140	28%	57,949,769
Maintenance services	65,946,135	22,560,756	43,385,379	34%	21,599,158
Community services	15,912,452	7,132,326	8,780,126	45%	6,320,368 (K)
Debt Service	1,480,417	-	1,480,417	(100)%	- (L)
TOTAL EXPENDITURES	2,449,891,987	696,015,454	1,753,876,533	28%	681,788,187
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	\$ 2,454,291,134	\$ 696,015,454	\$ 1,758,275,680	28%	\$ 681,788,187

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF FUND BALANCE UTILIZATION

GENERAL FUND

For The Four Months Ended October 31, 2019

(With comparative amounts for the four months ended October 31, 2018)

	<u>OCTOBER 2019</u>	<u>OCTOBER 2018</u>
BEGINNING FUND BALANCE	\$ 161,197,401	\$ 160,568,339
Plus:		
Revenues and other financing sources	717,813,032	683,301,430
Less:		
Expenditures and other financing uses	<u>696,015,454</u>	<u>681,788,187</u>
 EXCESS OF REVENUES & OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	 <u>21,797,578</u>	 <u>1,513,243</u>
 ENDING FUND BALANCE:		
Nonspendable	37,278,820	21,527,962
Restricted	9,512,324	8,490,466
Committed	54,327,295	54,327,295
Assigned/Unassigned	81,876,540	77,735,860
TOTAL ENDING FUND BALANCE	<u><u>\$ 182,994,979</u></u>	<u><u>\$ 162,081,582</u></u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues	 <u>3.50%</u>	 <u>3.60%</u>
 Assigned/Unassigned fund balance as a percentage of projected General Fund revenues excluding charter school revenues	 <u>4.13%</u>	 <u>4.22%</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SCHEDULE OF EXPLANATION FOR COMBINED BALANCE SHEET

For The Four Months Ended October 31, 2019

ASSETS

- (A) Cash, cash equivalents and investments increased by \$215.7 million primarily due to the issuance of General Obligation Bond Series 2019 in February 2019. The increase is also due to an increase in property tax values and additional revenues generated from the Secure the Next Generation 1/2 mill referendum as the property tax revenues are proportionately recognized during the year.

LIABILITIES

- (B) Notes payable increased by \$32.5 million as the par amount for the Tax Anticipation Notes ("TANS") increased in the current fiscal year from \$125 million to \$157.5 million to ensure appropriate funding for continuity of hiring school resource officers and District school security staff; recruiting and retaining of highly qualified District teachers, etc., until funding from the 1/2 mill operational levy (approved by the referendum on August 28, 2018) is received by the District at the end of November 2019 (Board Agenda Item AA-1 for TAN Series 2019 approved on 6/25/19).

FUND EQUITY

- (C) Restricted-Other fund balance increased by \$36 million and Restricted-Capital Encumbrances increased by \$119.9 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 Four Months Ended October 31, 2019**

REVENUES

LOCAL SOURCES

(D) Ad valorem taxes

The increase of \$30.5 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.

EXPENDITURES

(E) Capital outlay

The increase of \$23.6 million in capital outlay expenditures is primarily due to remodeling and renovations.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL
GENERAL FUND**

For The Four Months Ended October 31, 2019

ESTIMATED REVENUES

LOCAL SOURCES

(F) Gifts, grants and bequests

Funds were received as a donation from the Butler Foundation for Deerfield Beach High School.

(G) Rental income

The collection of rental income is higher than the estimated revenue.

(H) Other local sources

The increase is due to the premium resulting from the issuance of Tax Anticipation Notes ("TANS").

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**SCHEDULE OF EXPLANATION FOR BUDGET vs ACTUAL
GENERAL FUND**

For The Four Months Ended October 31, 2019

EXPENDITURES

(I) Board of education

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

(J) 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).

(K) Community services

The increase is due to the before and after care program and student activities.

(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 October 2019.