

Financial Services
Richard H. Hinds, Chief Financial Officer

SUBJECT: RESOLUTION NO. 1, FY 2010-11 INTERNAL SERVICE FUND – FINAL BUDGET REVIEW

COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

An Internal Service Fund was established in FY 2010-11 to record entries for the self-insured health benefits program which began January 1, 2010. The Internal Service Fund is a Proprietary Fund. As such, its measurement focus is on a full accrual basis vs. the modified accrual basis used by the other governmental funds. Full accrual accounting requires that expenses be booked based on the anticipated claims the District is expected to pay as determined by an actuary and not based on actual claims.

This fund requires that the district report the fund based on actuarial projections not actual payments. At this time we believe estimated claims liabilities will stabilize. As of June 30, 2011, the actual cash reserve is approximately 19.5 millions. District staff monitors this fund closely and will make adjustments as required to the fund.

This resolution decreases revenues, expenses and net assets by \$1,051,798. The attached schedule reflects actual FY 2010-11 results as shown on page 2 of 2.

RECOMMENDED: That The School Board of Miami-Dade County, Florida adopt Resolution No. 1, the FY 2010-11 Internal Service Fund - Final Budget Review, decreasing revenues, expenses and net assets by \$1,051,798 as shown on the schedule on page 2 of 2.

**MIAMI-DADE COUNTY PUBLIC SCHOOLS
2010-11 SUMMARY OF REVENUES & EXPENSES
SELF-INSURED HEALTHCARE
INTERNAL SERVICE FUND**

	ADOPTED BUDGET 09/07/10	RESOLUTION No. 1	AMENDED BUDGET 09/07/11
REVENUES			
Premium Revenue	\$ 334,087,176	\$ 209,702	\$ 334,296,878
Other Operating Revenue	-	201,223	201,223
Investment/Interest Income	-	9,387	9,387
TOTAL REVENUES	\$ 334,087,176	\$ 420,312	\$ 334,507,488
BEGINNING NET ASSETS		(1,472,110)	(1,472,110)
TOTAL REVENUES AND BEGINNING NET ASSETS	\$ 334,087,176	\$ (1,051,798)	\$ 333,035,378
EXPENSES			
Salaries	\$ -	\$ 133,227	\$ 133,227
Employee Benefits	-	34,139	34,139
Actuarial claims & Other Expenses	334,087,176	4,721,316	338,808,492
Purchased Services	-	249,202	249,202
TOTAL EXPENSES	\$ 334,087,176	\$ 5,137,884	\$ 339,225,060
ENDING NET ASSETS	-	(6,189,682)	(6,189,682)
TOTAL EXPENSES AND ENDING NET ASSETS	\$ 334,087,176	\$ (1,051,798)	\$ 333,035,378