

Financial Services  
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 2, FY 2011-12 INTERNAL SERVICE FUND  
SPRING BUDGET REVIEW**

**COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL  
RELATIONS**

**LINK TO STRATEGIC  
FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

As reported to the Board at its October meeting, the annual independent actuarial study projects necessary funding for calendar year 2012 for increases in medical costs will be approximately 18% or \$65,000,000. To mitigate a portion of the increased costs, the District has negotiated changes to the health insurance plans through the collective bargaining process; the agreements reached were approved by the Board on February 15, 2012.

On February 15, 2012, Resolution 1 was approved by the Board covering changes through March 31, 2012. This resolution amends the projections to reflect the period of April 1, 2012 through June 30, 2012 and aligns funding the Internal Service Fund to the projections.

<b><u>REVENUE AND TRANSFER CHANGES</u></b>	<b><u>INCREASE (DECREASE)</u></b>
Increase premium revenue.	\$ 9,000,000
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<b>INCREASE IN REVENUES AND TRANSFERS</b>	<b><u>\$ 9,000,000</u></b>

<u>EXPENSE CHANGES/ENDING NET ASSETS</u>	<u>INCREASE (DECREASE)</u>
1. Shift appropriations to salaries/fringe benefits to cover estimated expenses.	\$ 195,612
2. Shift appropriations to ASO/Stop Loss Fees to reflect data as shown on quarterly reports.	12,850,000
3. Decrease estimated claims due to the shifts to above categories partially offset by an increase of \$9 million in estimated claims for the period April 1 through June 30, 2012 as stated in resolution no. 1.	(4,045,612)
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<b>TOTAL INCREASE IN EXPENSES AND ENDING NET ASSETS</b>	<b><u>\$ 9,000,000</u></b>

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida:

1. adopt Resolution No. 2, FY 2011-12 Internal Service Fund Spring Budget Review, increasing revenues, expenses and ending net assets by \$9,000,000 and
2. adopt the Summary of Revenues and Appropriations (page 3)

**MIAMI-DADE COUNTY PUBLIC SCHOOLS  
SUMMARY OF REVENUES AND EXPENSES  
INTERNAL SERVICE FUND  
FY 2011-12  
RESOLUTION NO. 2**

	<b>AMENDED BUDGET 2/15/2012</b>	<b>RESOLUTION NO. 2</b>	<b>AMENDED BUDGET 5/16/2012</b>
<b>REVENUES/TRANSFERS AND BEGINNING NET ASSETS</b>			
<b>REVENUES</b>			
Premium Revenue	\$ 373,938,430	\$ 9,000,000	\$ 382,938,430
<b>TOTAL REVENUES</b>	<b>\$ 373,938,430</b>	<b>\$ 9,000,000</b>	<b>\$ 382,938,430</b>
TRANSFERS FROM GENERAL FUND	\$ 12,000,000	\$	\$ 12,000,000
BEGINNING NET ASSETS	(6,189,682)	-	(6,189,682)
<b>SUBTOTAL TRANSFERS &amp; BEGINNING NET ASSETS</b>	<b>\$ 5,810,318</b>	<b>\$ -</b>	<b>\$ 5,810,318</b>
<b>TOTAL REVENUES, TRANSFERS &amp; BEGINNING NET ASSETS</b>	<b>\$ 379,748,748</b>	<b>\$ 9,000,000</b>	<b>\$ 388,748,748</b>
<b>EXPENSES AND ENDING NET ASSETS</b>			
<b>EXPENSES</b>			
Salaries	\$	\$ 156,711	\$ 156,711
Fringe Benefits		38,901	38,901
Purchased Services	445,612		445,612
ASO/Stop Loss Fees		12,850,000	12,850,000
Other Expenses (estimated claims)	367,005,406	(4,045,612)	362,959,794
<b>TOTAL EXPENSES</b>	<b>\$ 367,451,018</b>	<b>\$ 9,000,000</b>	<b>\$ 376,451,018</b>
<b>ENDING NET ASSETS</b>			
Ending Net Assets	\$ 12,297,730	\$	\$ 12,297,730
<b>TOTAL ENDING NET ASSETS</b>	<b>\$ 12,297,730</b>	<b>\$ -</b>	<b>\$ 12,297,730</b>
<b>TOTAL EXPENSES AND ENDING NET ASSETS</b>	<b>\$ 379,748,748</b>	<b>\$ 9,000,000</b>	<b>\$ 388,748,748</b>