

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 3, FY 2017-18 INTERNAL SERVICE
FUND FINAL BUDGET REVIEW**

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

**LINK TO STRATEGIC
BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES.**

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. Balances have been updated to reflect the latest actuarial figures provided. As of June 30, 2018, the actual cash reserve is approximately \$131 million. District staff monitors this fund closely and will make adjustments as required to the fund.

This resolution decreases revenues, expenses and net position by \$7,563,594. The attached schedule reflects actual FY 2017-18 results as shown on page 2 of 2.

RECOMMENDED: That The School Board of Miami-Dade County, Florida adopt Resolution No. 3, the FY 2017-18 Internal Service Fund Final Budget Review, decreasing revenues by \$7,641,098, decreasing expenses by \$294,725 and decreasing net position by \$7,268,869 as shown on the schedule on page 2 of 2.

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**MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FY 2017-18 INTERNAL SERVICE FUND
 SUMMARY OF REVENUES & EXPENSES
 RESOLUTION NO. 3**

	<u>AMENDED BUDGET 5/16/2018</u>	<u>INCREASE (DECREASE)</u>	<u>AMENDED BUDGET 9/5/2018</u>
OPERATING REVENUES:			
Charges for Services	\$ 357,686,000	\$ (5,943,548)	\$ 351,742,452
Other Operating Revenues	6,710,000	(1,697,550)	5,012,450
Total Operating Revenues	<u>\$ 364,396,000</u>	<u>\$ (7,641,098)</u>	<u>\$ 356,754,902</u>
NONOPERATING REVENUE:			
Interest & Investment Revenue/(Loss)	420,000	77,504	497,504
Total Revenues	<u>\$ 364,816,000</u>	<u>\$ (7,563,594)</u>	<u>\$ 357,252,406</u>
BEGINNING NET POSITION	<u>113,787,584</u>	<u>-</u>	<u>113,787,584</u>
TOTAL OPERATING & NON-OPERATING REVENUES & BEGINNING NET POSITION	<u><u>\$ 478,603,584</u></u>	<u><u>\$ (7,563,594)</u></u>	<u><u>\$ 471,039,990</u></u>
OPERATING EXPENSES:			
Salaries	\$ 341,094	\$ 13,912	\$ 355,006
Fringe Benefits	155,378	6,999	162,377
Purchased Services	600,000	(202,092)	397,908
Dues & Fees	103,000	(48,359)	54,641
ASO/Stop Loss Fees	9,617,000	(1,016,941)	8,600,059
Other Expenses (estimated claims)	332,242,000	951,756	333,193,756
Total Operating Expenses	<u>\$ 343,058,472</u>	<u>\$ (294,725)</u>	<u>\$ 342,763,747</u>
TRANSFER TO GENERAL FUND	30,000,000	-	30,000,000
ENDING NET POSITION	<u>105,545,112</u>	<u>(7,268,869)</u>	<u>98,276,243</u>
TOTAL OPERATING EXPENSES AND ENDING NET POSITION	<u><u>\$ 478,603,584</u></u>	<u><u>\$ (7,563,594)</u></u>	<u><u>\$ 471,039,990</u></u>