

Financial Services
Judith M. Marte, Chief Financial Officer

SUBJECT: RESOLUTION NO. 2, FY 2013-14 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. Balances have been updated to reflect the latest actuarial figures provided. As of June 30, 2014, the actual cash reserve is approximately \$74 million. District staff monitors this fund closely and will make adjustments as required to the fund.

This resolution increases revenues, expenses and net position by \$9,115,598. The attached schedule reflects actual FY 2013-14 results as shown on page 2 of 2.

RECOMMENDED: That The School Board of Miami-Dade County, Florida adopt Resolution No. 2, the FY 2013-14 Internal Service Fund - Final Budget Review, increasing revenues by \$9,115,598, decreasing expenses by \$13,074,451 and net position by \$22,190,049 as shown on the schedule on page 2 of 2.

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**MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FY 2013-14 INTERNAL SERVICE FUND
 SUMMARY OF REVENUES AND EXPENSES
 RESOLUTION NO. 2**

	<u>AMENDED BUDGET 5/7/14</u>	<u>INCREASE (DECREASE)</u>	<u>AMENDED BUDGET 9/3/14</u>
OPERATING REVENUE:			
Charges for Services	\$ 358,609,920	\$ 7,283,666	\$ 365,893,586
Other Operating Revenue	1,714,911	1,825,094	3,540,005
NONOPERATING REVENUE:			
Interest & Investment Revenue	45,000	6,838	51,838
TOTAL REVENUES	<u>\$ 360,369,831</u>	<u>\$ 9,115,598</u>	<u>\$ 369,485,429</u>
BEGINNING NET POSITION	<u>\$ 3,407,732</u>	<u>\$ -</u>	<u>\$ 3,407,732</u>
TOTAL OPERATING REVENUES, NON- OPERATING REVENUES & NET POSITION	<u>\$ 363,777,563</u>	<u>\$ 9,115,598</u>	<u>372,893,161</u>
 OPERATING EXPENSES			
Salaries	\$ 162,348	\$ -	\$ 162,348
Fringe Benefits	45,953	1,743	47,696
Purchased Services	500,000	(143,812)	356,188
ASO/Stop Loss Fees	12,059,037	(3,399,614)	8,659,423
Other Expenses (estimated claims)	347,507,920	(9,532,768)	337,975,152
TOTAL OPERATING EXPENSES	<u>\$ 360,275,258</u>	<u>\$ (13,074,451)</u>	<u>\$ 347,200,807</u>
TRANSFER TO GENERAL FUND	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ENDING NET POSITION	<u>\$ 3,502,305</u>	<u>\$ 22,190,049</u>	<u>\$ 25,692,354</u>
TOTAL OPERATING EXPENSES AND NET POSITION	<u>\$ 363,777,563</u>	<u>\$ 9,115,598</u>	<u>\$ 372,893,161</u>