

Financial Services  
Mrs. Judith M. Marte, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 3, FY 2014-15 INTERNAL SERVICE FUND – FINAL BUDGET REVIEW**

**COMMITTEE: FISCAL ACCOUNTABILITY**

**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, 2015, the actual cash reserve is approximately \$78 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 \$7,169,179. The attached schedule reflects actual FY 2014-15 results as shown on page 2 of 2.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida adopt Resolution No. 3, the FY 2014-15 Internal Service Fund - Final Budget Review, increasing revenues by \$7,169,179, decreasing expenses by \$14,247,885 and increasing net position by \$21,417,064 as shown on the schedule on page 2 of 2.

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**FY 2014-15 INTERNAL SERVICE FUND  
SUMMARY OF REVENUES & EXPENSES  
RESOLUTION NO. 3**

	<b>AMENDED BUDGET 5/13/2015</b>	<b>INCREASE (DECREASE)</b>	<b>AMENDED BUDGET 9/9/2015</b>
<b>OPERATING REVENUES:</b>			
Charges for Services	\$ 353,604,000	\$ 7,213,818	\$ 360,817,818
Other Operating Revenues	4,846,195	(69,184)	4,777,011
<b>Total Operating Revenues</b>	<b>\$ 358,450,195</b>	<b>\$ 7,144,634</b>	<b>\$ 365,594,829</b>
<b>NONOPERATING REVENUE:</b>			
Interest & Investment Revenue/(Loss)	60,000	24,545	84,545
<b>Total Revenues</b>	<b>\$ 358,510,195</b>	<b>\$ 7,169,179</b>	<b>\$ 365,679,374</b>
<b>BEGINNING NET POSITION</b>	<b>40,862,286</b>	<b>-</b>	<b>40,862,286</b>
<b>TOTAL OPERATING &amp; NON-OPERATING REVENUES &amp; BEGINNING NET POSITION</b>	<b>\$ 399,372,481</b>	<b>\$ 7,169,179</b>	<b>\$ 406,541,660</b>
<b>OPERATING EXPENSES:</b>			
Salaries	\$ 163,314	\$ 631	\$ 163,945
Fringe Benefits	48,417	4,062	52,479
Purchased Services	780,000	(73,751)	706,249
Dues & Fees	4,194,818	(267,459)	3,927,359
ASO/Stop Loss Fees	9,816,000	(2,987,832)	6,828,168
Other Expenses (estimated claims)	359,957,000	(10,923,536)	349,033,464
<b>Total Operating Expenses</b>	<b>\$ 374,959,549</b>	<b>\$ (14,247,885)</b>	<b>\$ 360,711,664</b>
<b>ENDING NET POSITION</b>	<b>24,412,932</b>	<b>21,417,064</b>	<b>45,829,996</b>
<b>TOTAL OPERATING EXPENSES AND ENDING NET POSITION</b>	<b>\$ 399,372,481</b>	<b>\$ 7,169,179</b>	<b>\$ 406,541,660</b>