

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

**SUBJECT: RESOLUTION NO. 3, FY 2016-17 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, 2017, the actual cash reserve is approximately \$143 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 \$7,180,919. The attached schedule reflects actual FY 2016-17 results as shown on page 2 of 2.

RECOMMENDED: That The School Board of Miami-Dade County, Florida adopt Resolution No. 3, the FY 2016-17 Internal Service Fund Final Budget Review, increasing revenues by \$7,180,919, decreasing expenses by \$25,579,376 and increasing net position by \$32,760,295 as shown on the schedule on page 2 of 2.

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**MIAMI-DADE COUNTY PUBLIC SCHOOLS
 FY 2016-17 INTERNAL SERVICE FUND
 SUMMARY OF REVENUES & EXPENSES
 RESOLUTION NO. 3**

	AMENDED BUDGET 5/24/2017	INCREASE (DECREASE)	AMENDED BUDGET 9/6/2017
OPERATING REVENUES:			
Charges for Services	\$ 370,370,000	\$ 6,506,457	\$ 376,876,457
Other Operating Revenues	5,825,000	417,415	6,242,415
Total Operating Revenues	<u>\$ 376,195,000</u>	<u>\$ 6,923,872</u>	<u>\$ 383,118,872</u>
NONOPERATING REVENUE:			
Interest & Investment Revenue/(Loss)	420,000	257,047	677,047
Total Revenues	<u>\$ 376,615,000</u>	<u>\$ 7,180,919</u>	<u>\$ 383,795,919</u>
BEGINNING NET POSITION	<u>69,052,794</u>	<u>-</u>	<u>69,052,794</u>
TOTAL OPERATING & NON-OPERATING REVENUES & BEGINNING NET POSITION	<u><u>\$ 445,667,794</u></u>	<u><u>\$ 7,180,919</u></u>	<u><u>\$ 452,848,713</u></u>
OPERATING EXPENSES:			
Salaries	\$ 313,902	\$ 12,038	\$ 325,940
Fringe Benefits	139,482	8,324	147,806
Purchased Services	800,000	(425,391)	374,609
Dues & Fees	3,034,121	(1,728,476)	1,305,645
ASO/Stop Loss Fees	9,900,000	(720,611)	9,179,389
Other Expenses (estimated claims)	330,453,000	(22,725,260)	307,727,740
Total Operating Expenses	<u>\$ 344,640,505</u>	<u>\$ (25,579,376)</u>	<u>\$ 319,061,129</u>
TRANSFER TO GENERAL FUND	20,000,000	-	20,000,000
ENDING NET POSITION	<u>81,027,289</u>	<u>32,760,295</u>	<u>113,787,584</u>
TOTAL OPERATING EXPENSES AND ENDING NET POSITION	<u><u>\$ 445,667,794</u></u>	<u><u>\$ 7,180,919</u></u>	<u><u>\$ 452,848,713</u></u>