



---

**THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA**

---

**INTERIM FINANCIAL STATEMENTS  
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2011**

**Prepared by:**

**Financial Reporting  
Accounting Department  
Division of Financial Management**

**THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA**

**INTERIM FINANCIAL STATEMENTS  
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2011**

**TABLE OF CONTENTS**

	<b><u>PAGE</u></b>
COMBINED BALANCE SHEET - ALL FUND TYPES	1
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE / NET ASSETS - ALL GOVERNMENTAL FUND TYPES, PROPRIETARY FUNDS AND PRIVATE PURPOSE TRUST FUND	2
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND	3
NOTES TO THE FINANCIAL STATEMENTS	4

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA  
 COMBINED BALANCE SHEET - (MODIFIED ACCRUAL BASIS)  
 ALL FUND TYPES  
 FEBRUARY 28, 2011  
 (With prior year comparative totals)

	Governmental Fund Types				PROPRIETARY FUND TYPE	PRIVATE PURPOSE TRUST	TOTALS (MEMORANDUM ONLY)											
	ASSETS	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	INTERNAL SERVICE	FLORIDA FUTURE EDUCATORS	FEBRUARY 2011	FEBRUARY 2010	JUNE 2010								
<b>ASSETS:</b>																		
Cash and investments	\$	413,979,482	\$	21,259,024	\$	92,439,411	\$	445,889,288	\$	23,888,179	\$	483,575	\$	997,938,960	\$	1,005,619,993	\$	701,197,392
Taxes receivable (net of uncollectible taxes)		-		-		-		-		-		-		-		-		38,331,629
Accounts and interest receivable		1,668,736		-		-		637,771		-		2,306,507		1,464,678		-		1,040,006
Due from other governments or agencies		1,800,000		13,623,758		-		1,321,494		-		16,745,252		25,351,503		-		44,192,277
Inventories		4,874,268		3,152,979		-		-		-		8,027,247		7,209,388		-		16,252,015
Other assets		-		146,631		-		-		-		146,631		59,126		-		88,517
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>422,322,486</b>	<b>\$</b>	<b>38,182,393</b>	<b>\$</b>	<b>92,439,411</b>	<b>\$</b>	<b>447,210,782</b>	<b>\$</b>	<b>24,525,950</b>	<b>\$</b>	<b>483,575</b>	<b>\$</b>	<b>1,025,164,598</b>	<b>\$</b>	<b>1,039,704,689</b>	<b>\$</b>	<b>801,101,836</b>
<b>LIABILITIES AND FUND BALANCE / NET ASSETS</b>																		
<b>LIABILITIES:</b>																		
Accounts and contracts payable and accrued items	\$	3,039,706	\$	3,491,302	\$	-	\$	448,654	\$	153,472	\$	-	\$	7,133,135	\$	9,308,490	\$	36,969,258
Accrued payroll		23,352,999		3,921,886		-		156,945		566,499		-		27,998,330		26,670,962		65,026,020
Fringe benefits & taxes payable		18,785,022		3,404,256		-		148,903		494,714		-		22,832,895		26,274,859		29,832,738
Due to other governments or agencies		-		-		-		28,844		-		-		28,844		-		-
Retainage payable on contracts		-		-		-		4,926,334		-		-		4,926,334		12,027,765		7,489,737
Tax / Revenue anticipation notes payable		-		-		-		-		-		-		-		72,695,000		56,000,000
Deposits payable		324,772		-		-		-		-		-		324,772		563,145		401,515
Deferred revenue		1,800,000		1,076,870		-		9,261,914		-		-		12,138,784		2,465,778		5,469,969
Estimated unpaid claims		-		-		-		-		13,400,000		-		13,400,000		14,250,000		13,400,000
Compensated absences and OPEB		-		-		-		-		6,474,494		-		6,474,494		5,315,495		6,474,494
<b>TOTAL LIABILITIES</b>		<b>47,302,499</b>		<b>11,894,314</b>		<b>-</b>		<b>14,971,595</b>		<b>21,089,179</b>		<b>-</b>		<b>95,257,588</b>		<b>169,571,494</b>		<b>221,063,731</b>
<b>FUND BALANCE / NET ASSETS:</b>																		
Fund balances reserved:																		
Reserved for inventory		4,874,268		3,152,979		-		-		-		-		8,027,247		7,209,388		16,252,015
Reserved for school food service		-		21,385,100		-		-		-		-		21,385,100		-		17,624,225
Reserved for Special Revenue		-		1,750,000		-		-		-		-		1,750,000		-		1,750,000
Fund balances unreserved:																		
Designated for board contingency		44,369,164		-		-		-		-		-		44,369,164		44,369,164		44,369,164
Designated for communications		-		-		-		-		-		-		-		2,235,891		-
Designated for construction projects		-		-		-		432,239,187		-		-		432,239,187		466,025,682		338,101,547
Undesignated		325,776,555		-		92,439,411		-		3,436,771		483,575		422,136,312		350,293,070		161,941,155
<b>TOTAL FUND BALANCE / NET ASSETS</b>		<b>375,019,987</b>		<b>26,288,079</b>		<b>92,439,411</b>		<b>432,239,187</b>		<b>3,436,771</b>		<b>483,575</b>		<b>929,907,010</b>		<b>870,133,195</b>		<b>580,038,105</b>
<b>TOTAL LIABILITIES AND FUND BALANCE / NET ASSETS</b>	<b>\$</b>	<b>422,322,486</b>	<b>\$</b>	<b>38,182,393</b>	<b>\$</b>	<b>92,439,411</b>	<b>\$</b>	<b>447,210,782</b>	<b>\$</b>	<b>24,525,950</b>	<b>\$</b>	<b>483,575</b>	<b>\$</b>	<b>1,025,164,598</b>	<b>\$</b>	<b>1,039,704,689</b>	<b>\$</b>	<b>801,101,836</b>

The notes to the financial statements are an integral part of this statement.

**THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES / NET ASSETS**  
**ALL GOVERNMENTAL FUND TYPES AND PRIVATE PURPOSE TRUST FUND**  
**FOR THE PERIOD ENDED FEBRUARY 28, 2011**  
(With prior year comparative totals)

	GOVERNMENTAL FUND TYPES				PRIVATE PURPOSE TRUST	TOTALS (MEMORANDUM ONLY)		PROPRIETARY FUND TYPES	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	FLORIDA FUTURE EDUCATORS	FEBRUARY 2011	FEBRUARY 2010	FEBRUARY 2011	FEBRUARY 2010
<b>REVENUES:</b>									
Local sources:									
Ad valorem taxes	751,100,357	-	-	179,817,035	-	930,917,393	998,995,366	-	-
Sales tax	-	-	-	50,016,826	-	50,016,826	48,875,745	-	-
Food service sales	169,547	12,389,197	-	-	-	12,558,744	14,021,030	-	-
Interest income	194,659	27,943	12,405	8,622,176	3,105	8,860,287	3,665,499	81,559	49,020
Premium income	-	-	-	-	-	-	-	98,967,219	90,908,452
Other income	29,736,717	2,343,853	-	3,208,818	54,464	35,343,851	34,406,810	22,752,254	17,888,730
Total local sources	781,201,280	14,760,993	12,405	241,664,854	57,569	1,037,697,101	1,099,964,450	121,801,031	108,846,203
State sources:									
Florida education finance program	87,765,482	-	-	-	-	87,765,482	61,365,571	-	-
Public education capital outlay	-	-	-	5,453,410	-	5,453,410	1,963,985	-	-
Class Size Reduction	130,610,431	-	-	-	-	130,610,431	122,371,382	-	-
Food service sales	-	696,250	-	-	-	696,250	694,149	-	-
Other	22,564,146	198,572	-	2,280,890	-	25,043,607	24,322,345	-	-
Total state sources	240,940,059	894,822	-	7,734,300	-	249,569,180	210,717,432	-	-
Federal sources:									
Food service sales	-	31,867,011	-	-	-	31,867,011	28,364,832	-	-
Other	3,372,205	113,152,771	-	-	-	116,524,976	121,344,753	-	-
Total federal sources	3,372,205	145,019,782	-	-	-	148,391,987	149,709,585	-	-
<b>TOTAL REVENUES</b>	<b>1,025,513,544</b>	<b>160,675,597</b>	<b>12,405</b>	<b>249,399,154</b>	<b>57,569</b>	<b>1,435,658,268</b>	<b>1,460,391,467</b>	<b>121,801,031</b>	<b>108,846,203</b>
<b>EXPENDITURES:</b>									
Current:									
Instructional services	506,679,162	37,390,209	-	-	-	544,069,370	525,687,256	-	-
Instructional support services	51,184,454	48,349,104	-	-	-	99,533,559	104,545,832	-	-
Instructional related technology	2,051,840	2,210,186	-	-	-	4,262,026	4,207,871	-	-
Pupil transportation services	25,173,270	2,878,037	-	-	-	28,051,307	27,167,487	-	-
Operation and maintenance services	106,333,250	21,546,687	-	-	-	127,879,937	127,638,753	20,017,670	18,191,276
School administration	70,268,031	321,975	-	-	-	70,590,007	70,025,758	109,789,111	106,442,512
General administration	17,441,890	2,709,295	-	-	-	20,151,186	22,582,181	312,272	269,652
Food service	-	41,771,020	-	-	-	41,771,020	40,298,440	-	-
Community services and other	18,975,836	124,879	-	-	68,048	19,168,763	18,055,321	-	-
Capital outlay:									
Facilities acquisition and construction	757,675	-	-	34,214,641	-	34,972,316	96,249,197	-	-
Other capital outlay	-	20,000	-	25,917,370	-	25,937,370	40,410,859	-	-
Debt service:									
Retirement of principal	-	-	60,205,000	-	-	60,205,000	57,995,000	-	-
Payment of interest	82,225	-	86,214,424	102,332	-	86,398,982	88,380,157	-	-
Dues, fees and other	70,467	-	233,788	369,014	-	673,270	215,484	-	-
<b>TOTAL EXPENDITURES</b>	<b>799,018,101</b>	<b>157,321,392</b>	<b>146,653,213</b>	<b>60,603,358</b>	<b>68,048</b>	<b>1,163,664,111</b>	<b>1,223,459,596</b>	<b>130,119,052</b>	<b>124,903,439</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>226,495,443</b>	<b>3,354,204</b>	<b>(146,640,808)</b>	<b>188,795,796</b>	<b>(10,479)</b>	<b>271,994,157</b>	<b>236,931,871</b>	<b>(8,318,021)</b>	<b>(16,057,236)</b>
<b>OTHER FINANCING SOURCES (USES):</b>									
Operating transfers in	48,478,120	-	129,358,348	-	-	177,836,468	100,459,673	-	-
Operating transfers out	-	-	-	(177,836,468)	-	(177,836,468)	(100,459,673)	-	-
Proceeds from issuance of long-term debt	-	-	-	77,365,000	-	77,365,000	-	-	-
Premium (discount) from issuance of long-term and refunded debt	-	-	-	349,855	-	349,855	-	-	-
Proceeds from loss recoveries	3,014,458	-	-	-	-	3,014,458	2,742,679	-	-
Proceeds from sale of fixed assets and other	-	-	-	5,463,457	-	5,463,457	366,820	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>51,492,578</b>	<b>-</b>	<b>129,358,348</b>	<b>(94,658,157)</b>	<b>-</b>	<b>86,192,769</b>	<b>3,109,499</b>	<b>-</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES &amp; OTHER FINANCING USES</b>	<b>277,988,021</b>	<b>3,354,204</b>	<b>(17,282,460)</b>	<b>94,137,640</b>	<b>(10,479)</b>	<b>358,186,926</b>	<b>240,041,370</b>	<b>(8,318,021)</b>	<b>(16,057,236)</b>
<b>BEGINNING FUND BALANCES / NET ASSETS</b>	<b>97,031,967</b>	<b>22,933,874</b>	<b>109,721,871</b>	<b>338,101,547</b>	<b>494,054</b>	<b>568,283,313</b>	<b>635,733,201</b>	<b>11,754,792</b>	<b>10,415,860</b>
<b>ENDING FUND BALANCES / NET ASSETS</b>	<b>\$ 375,019,987</b>	<b>\$ 26,288,079</b>	<b>\$ 92,439,411</b>	<b>\$ 432,239,187</b>	<b>\$ 483,575</b>	<b>\$ 926,470,239</b>	<b>\$ 875,774,571</b>	<b>\$ 3,436,771</b>	<b>\$ (5,641,376)</b>

The notes to the financial statements are an integral part of this statement.

**THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET TO ACTUAL**  
**FOR THE PERIOD ENDED FEBRUARY 28, 2011**

REVENUES	BUDGET	FEBRUARY 2011	VARIANCE FAVORABLE (UNFAVORABLE)	% OF BUDGET	FEBRUARY 2010
<b>Local sources:</b>					
Ad valorem taxes	\$ 851,378,731	\$ 751,100,357	\$ (100,278,374)	-11.8%	\$ 767,609,828
Child care fees	21,500,000	13,398,352	(8,101,648)	-37.7%	12,319,769
Course fees	1,845,000	1,205,568	(639,432)	-34.7%	1,116,811
Receipt of federal indirect cost rate	6,000,000	3,371,045	(2,628,955)	-43.8%	4,300,374
Interest income	800,000	194,659	(605,341)	-75.7%	891,557
Miscellaneous	19,706,203	11,931,299	(7,774,904)	-39.5%	13,747,239
<b>Total local sources</b>	<b>901,229,934</b>	<b>781,201,280</b>	<b>(120,028,654)</b>	<b>-13.3%</b>	<b>799,985,578</b>
<b>State sources:</b>					
Florida education finance program	123,642,547	87,765,482	(35,877,065)	-29.0%	61,365,571
Workforce development performance	15,649,317	10,432,880	(5,216,437)	-33.3%	9,866,160
Discretionary lottery	506,860	-	(506,860)	-100.0%	84,706
Class size reduction	200,258,799	130,610,431	(69,648,368)	-34.8%	122,371,382
School recognition	9,146,725	9,291,778	145,053	1.6%	9,146,725
Miscellaneous	4,340,069	2,839,488	(1,500,581)	-34.6%	2,358,705
<b>Total state sources</b>	<b>353,544,317</b>	<b>240,940,059</b>	<b>(112,604,258)</b>	<b>-31.9%</b>	<b>205,193,249</b>
<b>Federal sources:</b>					
Federal impact	6,000	8,879	2,879	48.0%	6,002
ROTC	600,000	443,400	(156,600)	-26.1%	400,262
Medicaid reimbursement	4,100,000	2,919,925	(1,180,075)	-28.8%	2,982,835
<b>Total federal sources</b>	<b>4,706,000</b>	<b>3,372,205</b>	<b>(1,333,795)</b>	<b>-28.3%</b>	<b>3,389,099</b>
<b>TOTAL REVENUES</b>	<b>1,259,480,251</b>	<b>1,025,513,544</b>	<b>(233,966,707)</b>	<b>-18.6%</b>	<b>1,008,567,926</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Instructional services	905,330,731	506,679,162	398,651,569	44.0%	490,393,135
Pupil personnel services	34,418,594	19,511,534	14,907,060	43.3%	19,335,252
Instructional media services	17,730,068	9,979,649	7,750,419	43.7%	9,655,185
Instr & curriculum development services	22,782,489	14,186,767	8,595,722	37.7%	14,485,267
Instructional staff training	13,748,641	7,506,504	6,242,137	45.4%	7,218,057
Instruction related technology	3,980,958	2,051,840	1,929,119	48.5%	1,970,291
Total instructional support services	92,660,751	53,236,294	39,424,457	42.5%	52,664,052
Pupil transportation services	38,598,438	25,173,270	13,425,168	34.8%	25,075,613
Operation of plant	105,759,935	67,586,017	38,173,917	36.1%	67,106,512
Maintenance of plant	69,333,093	38,747,232	30,585,860	44.1%	37,907,286
Total operation & maint of plant	175,093,027	106,333,250	68,759,777	39.3%	105,013,798
School administration	97,681,174	60,805,022	36,876,152	37.8%	59,469,010
Central services	14,965,969	9,463,009	5,502,959	36.8%	9,579,526
Total school administration	112,647,142	70,268,031	42,379,111	37.6%	69,048,537
General administration	6,337,465	4,061,574	2,275,891	35.9%	4,792,848
Fiscal services	6,121,399	3,923,483	2,197,916	35.9%	3,975,174
Board of education	6,705,057	2,903,160	3,801,897	56.7%	3,771,808
Administrative technology services	10,527,752	6,553,673	3,974,079	37.7%	6,504,595
Total general administration	29,691,673	17,441,890	12,249,783	41.3%	19,044,425
Community services and other	37,578,731	18,975,836	18,602,895	49.5%	18,008,224
Facilities acquisition and construction	1,394,747	757,675	637,072	45.7%	430,121
Debt Service:					
Payment of interest	279,921	152,692	127,229	45.5%	486,167
<b>TOTAL EXPENDITURES</b>	<b>1,393,275,162</b>	<b>799,018,101</b>	<b>594,257,061</b>	<b>42.7%</b>	<b>780,164,071</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(133,794,911)</b>	<b>226,495,443</b>	<b>(360,290,354)</b>	<b>269.3%</b>	<b>228,403,854</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Operating transfers in	81,125,392	48,478,120	32,647,272	40.2%	54,795,201
Proceeds from loss recoveries	6,716	3,014,458	(3,007,742)	-44786.4%	2,292,421
<b>TOTAL OTHER FIN SOURCES (USES)</b>	<b>81,132,108</b>	<b>51,492,578</b>	<b>29,639,530</b>	<b>36.5%</b>	<b>57,087,622</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES &amp; OTHER FIN USES</b>	<b>(52,662,803)</b>	<b>277,988,021</b>	<b>(330,650,824)</b>	<b>627.9%</b>	<b>285,491,476</b>
<b>BEGINNING FUND BALANCE</b>	<b>97,031,967</b>	<b>97,031,967</b>			<b>92,411,299</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 44,369,164</b>	<b>\$ 375,019,987</b>			<b>\$ 377,902,776</b>

The notes to the financial statements are an integral part of this statement.

***THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA***

---

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE EIGHT MONTHS ENDED FEBRUARY 28, 2011**

- (1) The School District budgets 96% of the property taxes levied, as allowed by state statute, as revenue in all applicable funds. The District has not accrued 96% of the taxes levied, the Florida Education Finance Program revenues or other state categorical program revenues in the interim financial statements.
- (2) The modified accrual basis of accounting is utilized by all funds except for the proprietary funds and the interim financial statements are presented utilizing this basis of accounting.
  - (a) Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become available and measurable. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period and available to liquidate current liabilities.
  - (b) Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for un-matured interest on general long-term debt, which is recognized when the interest is due.
- (3) Health premium revenue has been estimated and accrued to the Health Internal Service Fund to more accurately reflect its year to date financial results.