



THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**INTERIM FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED MAY 31, 2011**

Prepared by:

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

THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA

**INTERIM FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED MAY 31, 2011**

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THE SCHOOL DISTRICT OF PALM BEACH COUNTY, FLORIDA
COMBINED BALANCE SHEET - (MODIFIED ACCRUAL BASIS)
ALL FUND TYPES
MAY 31, 2011

(With prior year comparative totals)

	Governmental Fund Types				PROPRIETARY	PRIVATE	TOTALS (MEMORANDUM ONLY)		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	FUND TYPE	PURPOSE TRUST	MAY 2011	MAY 2010	JUNE 2010
ASSETS:									
Cash and investments	\$ 316,721,956	\$ 12,814,909	\$ 92,579,039	\$ 427,660,158	\$ 17,764,202	\$ 454,514	\$ 867,994,778	\$ 795,516,900	\$ 701,197,392
Taxes receivable (net of uncollectible taxes)	-	-	-	-	-	-	-	-	38,331,629
Accounts and interest receivable	1,855,958	-	-	-	4,475,981	-	6,331,939	4,991,365	1,040,006
Due from other governments or agencies	1,800,000	19,233,939	-	250,158	-	-	21,284,097	19,529,877	44,192,277
Inventories	7,005,366	2,430,384	-	-	-	-	9,435,750	13,317,568	16,252,015
Other assets	-	160,776	-	-	-	-	160,776	88,613	88,517
TOTAL ASSETS	\$ 327,383,280	\$ 34,640,007	\$ 92,579,039	\$ 427,910,316	\$ 22,240,183	\$ 454,514	\$ 905,207,340	\$ 833,444,322	\$ 801,101,836
LIABILITIES AND FUND BALANCE / NET ASSETS									
LIABILITIES:									
Accounts and contracts payable and accrued items	\$ 4,088,409	\$ 3,986,580	\$ -	\$ 817,585	\$ 44,917	\$ -	\$ 8,937,491	\$ 13,184,440	\$ 36,969,258
Accrued payroll	14,676	-	-	-	-	-	14,676	122,407	65,026,020
Fringe benefits & taxes payable	6,969,883	1,351,260	-	53,938	192,421	-	8,567,502	13,427,493	29,832,738
Retainage payable on contracts	-	-	-	4,780,425	-	-	4,780,425	9,141,872	7,489,737
Tax / Revenue anticipation notes payable	-	-	-	-	-	-	-	56,000,000	56,000,000
Deposits payable	387,225	-	-	-	-	-	387,225	548,799	401,515
Deferred revenue	1,800,000	855,328	-	5,840,809	-	-	8,496,137	2,775,420	5,469,969
Estimated unpaid claims	-	-	-	454,512	13,400,000	-	13,854,512	14,250,000	13,400,000
Compensated absences and OPEB	-	-	-	-	6,474,494	-	6,474,494	5,315,495	6,474,494
TOTAL LIABILITIES	13,260,194	6,193,167	-	11,947,269	20,111,832	-	51,512,462	114,765,926	221,063,731
FUND BALANCE / NET ASSETS:									
Fund balances reserved:									
Reserved for inventory	7,005,366	2,430,384	-	-	-	-	9,435,750	13,317,568	16,252,015
Reserved for school food service	-	24,362,999	-	-	-	-	24,362,999	-	17,624,225
Reserved for Special Revenue	-	1,653,457	-	-	-	-	1,653,457	-	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	-	-	-	-	-	-	-	2,213,647	-
Designated for construction projects	-	-	-	415,963,047	-	-	415,963,047	442,457,594	338,101,547
Undesignated	262,748,556	-	92,579,039	-	2,128,351	454,514	357,910,460	216,320,423	161,941,155
TOTAL FUND BALANCE / NET ASSETS	314,123,087	28,446,840	92,579,039	415,963,047	2,128,351	454,514	853,694,878	718,678,396	580,038,105
TOTAL LIABILITIES AND FUND BALANCE / NET ASSETS	\$ 327,383,280	\$ 34,640,007	\$ 92,579,039	\$ 427,910,316	\$ 22,240,183	\$ 454,514	\$ 905,207,340	\$ 833,444,322	\$ 801,101,836

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 MAY 31, 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	MAY 2011	MAY 2010	MAY 2011	MAY 2010
REVENUES:									
Local sources:									
Ad valorem taxes	\$ 826,842,617	\$ -	\$ -	\$ 197,943,292	\$ -	\$ 1,024,785,908	\$ 1,096,464,167	\$ -	\$ -
Sales tax	-	-	-	50,632,224	-	50,632,224	75,265,709	-	-
Food service sales	243,896	18,088,837	-	-	-	18,332,733	20,509,417	-	-
Interest income	381,073	37,979	51,517	8,787,417	1,675	9,259,661	4,408,859	92,485	63,155
Premium income	-	-	-	-	-	-	-	138,271,551	127,652,894
Other income	47,482,333	3,394,976	-	4,513,118	67,355	55,457,782	52,163,308	33,191,679	27,244,604
Total local sources	874,949,919	21,521,792	51,517	261,876,051	69,030	1,158,468,309	1,248,811,461	171,555,715	154,960,654
State sources:									
Florida education finance program	115,094,885	-	-	-	-	115,094,885	62,126,842	-	-
Public education capital outlay	-	-	-	5,453,410	-	5,453,410	1,963,985	-	-
Class Size Reduction	183,048,324	-	-	-	-	183,048,324	176,176,683	-	-
Food service sales	-	928,341	-	-	-	928,341	925,584	-	-
Other	29,144,338	376,320	-	2,919,914	-	32,440,571	30,281,090	-	-
Total state sources	327,287,547	1,304,661	-	8,373,324	-	336,965,531	271,474,184	-	-
Federal sources:									
Food service sales	-	46,297,477	-	-	-	46,297,477	41,702,759	-	-
Other	4,664,847	200,601,042	-	5,304,988	-	210,570,877	178,572,447	-	-
Total federal sources	4,664,847	246,898,519	-	5,304,988	-	256,868,354	220,275,206	-	-
TOTAL REVENUES	1,206,902,313	269,724,971	51,517	275,554,363	69,030	1,752,302,194	1,740,560,851	171,555,715	154,960,654
EXPENDITURES:									
Current:									
Instructional services	669,684,624	94,409,868	-	-	-	764,094,492	746,466,928	-	-
Instructional support services	69,895,888	68,953,328	-	-	-	138,849,216	145,298,805	-	-
Instructional related technology	2,606,302	3,030,624	-	-	-	5,636,925	5,421,633	-	-
Pupil transportation services	35,260,389	4,195,989	-	-	-	39,456,378	40,010,068	-	-
Operation and maintenance services	144,930,073	29,302,956	-	-	-	174,233,030	169,776,689	26,796,582	24,319,026
School administration	93,890,632	441,486	-	-	-	94,332,117	93,481,224	153,970,975	144,386,948
General administration	23,559,895	3,860,534	-	-	-	27,420,429	30,186,148	414,599	358,725
Food service	33,093	59,853,918	-	-	-	59,887,010	58,048,987	-	-
Community services and other	26,795,685	163,305	-	-	108,570	27,067,560	25,671,525	-	-
Capital outlay:									
Facilities acquisition and construction	1,095,951	-	-	43,182,939	-	44,278,889	131,362,560	-	-
Other capital outlay	-	-	-	32,500,347	-	32,500,347	63,416,114	-	-
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	90,697,716	-	-
Dues, fees and other	70,467	-	280,943	970,650	-	1,322,059	483,327	-	-
TOTAL EXPENDITURES	1,067,905,223	264,212,006	146,700,367	76,756,268	108,570	1,555,682,435	1,658,316,724	181,182,155	169,064,700
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	138,997,089	5,512,965	(146,648,850)	198,798,096	(39,541)	196,619,759	82,244,126	(9,626,441)	(14,104,046)
OTHER FINANCING SOURCES (USES):									
Operating transfers in	74,605,288	-	129,506,018	-	-	204,111,307	117,966,458	-	-
Operating transfers out	-	-	-	(204,111,307)	-	(204,111,307)	(117,966,458)	-	-
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	3,488,742	-	-	-	-	3,488,742	4,022,425	-	-
Proceeds from sale of fixed assets and other	-	-	-	5,459,857	-	5,459,857	366,830	-	-
TOTAL OTHER FINANCING SOURCES (USES)	78,094,031	-	129,506,018	(120,936,596)	-	86,663,454	4,389,254	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES & OTHER FINANCING USES	217,091,120	5,512,965	(17,142,832)	77,861,500	(39,541)	283,283,213	86,633,381	(9,626,441)	(14,104,046)
BEGINNING FUND BALANCES / NET ASSETS	97,031,967	22,933,874	109,721,871	338,101,547	494,054	568,283,313	635,733,201	11,754,792	10,415,860
ENDING FUND BALANCES / NET ASSETS	\$ 314,123,087	\$ 28,446,840	\$ 92,579,039	\$ 415,963,047	\$ 454,514	\$ 851,566,526	\$ 722,366,582	\$ 2,128,351	\$ (3,688,186)

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 MAY 31, 2011

REVENUES	BUDGET	MAY 2011	VARIANCE FAVORABLE (UNFAVORABLE)	% OF BUDGET	MAY 2010
Local sources:					
Ad valorem taxes	\$ 851,378,731	\$ 826,842,617	\$ (24,536,114)	-2.9%	\$ 842,502,052
Child care fees	21,500,000	21,043,031	(456,969)	-2.1%	19,730,823
Course fees	1,845,000	1,740,251	(104,749)	-5.7%	1,662,420
Receipt of federal indirect cost rate	6,000,000	4,794,166	(1,205,834)	-20.1%	6,029,309
Interest income	800,000	381,073	(418,927)	-52.4%	1,295,165
Miscellaneous	19,716,203	20,148,781	432,578	2.2%	19,513,195
Total local sources	901,239,934	874,949,919	(26,290,015)	-2.9%	890,732,963
State sources:					
Florida education finance program	122,592,708	115,094,885	(7,497,823)	-6.1%	62,126,842
Workforce development performance	15,649,317	14,345,210	(1,304,107)	-8.3%	13,565,970
Discretionary lottery	686,216	279,653	(406,563)	-59.2%	384,897
Class size reduction	200,258,799	183,048,324	(17,210,475)	-8.6%	176,176,683
School recognition	9,291,778	9,291,778	-	0.0%	9,146,725
Miscellaneous	5,642,011	5,227,697	(414,315)	-7.3%	3,347,949
Total state sources	354,120,829	327,287,547	(26,833,283)	-7.6%	264,749,066
Federal sources:					
Federal impact	6,000	8,879	2,879	48.0%	7,002
ROTC	600,000	646,619	46,619	7.8%	622,115
Medicaid reimbursement	4,100,000	4,009,349	(90,651)	-2.2%	4,054,759
Total federal sources	4,706,000	4,664,847	(41,153)	-0.9%	4,683,877
TOTAL REVENUES	1,260,066,763	1,206,902,313	(53,164,451)	-4.2%	1,160,165,905
EXPENDITURES:					
Current:					
Instructional services	905,322,596	669,684,624	235,637,972	26.0%	689,274,083
Pupil personnel services	34,414,791	27,076,962	7,337,829	21.3%	26,867,094
Instructional media services	17,761,914	13,761,850	4,000,064	22.5%	13,263,912
Instr & curriculum development services	22,756,603	19,349,403	3,407,200	15.0%	19,922,678
Instructional staff training	13,467,285	9,707,674	3,759,611	27.9%	10,336,285
Instruction related technology	3,982,015	2,606,302	1,375,713	34.5%	2,356,801
Total instructional support services	92,382,609	72,502,190	19,880,418	21.5%	72,746,769
Pupil transportation services	38,423,284	35,260,389	3,162,895	8.2%	35,182,228
Operation of plant	106,421,318	89,611,702	16,809,616	15.8%	86,280,661
Maintenance of plant	69,705,617	55,318,372	14,387,246	20.6%	52,753,573
Total operation & maint of plant	176,126,935	144,930,073	31,196,862	17.7%	139,034,234
School administration	97,750,854	81,593,246	16,157,608	16.5%	79,822,760
Central services	14,970,923	12,297,386	2,673,536	17.9%	12,331,667
Total school administration	112,721,776	93,890,632	18,831,144	16.7%	92,154,427
General administration	6,323,835	5,680,417	643,418	10.2%	6,353,436
Fiscal services	6,201,447	5,207,927	993,521	16.0%	5,409,543
Board of education	6,626,929	4,240,555	2,386,374	36.0%	4,925,047
Administrative technology services	10,213,935	8,430,996	1,782,939	17.5%	8,533,281
Total general administration	29,366,146	23,559,895	5,806,251	19.8%	25,221,306
Community services and other	37,557,470	26,828,778	10,728,692	28.6%	25,489,392
Facilities acquisition and construction	1,413,352	1,095,951	317,402	22.5%	725,037
Debt Service:					
Payment of interest	200,000	152,692	47,308	23.7%	486,167
TOTAL EXPENDITURES	1,393,514,168	1,067,905,223	325,608,944	23.4%	1,080,313,644
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(133,447,405)	138,997,089	(272,444,494)	204.2%	79,852,261
OTHER FINANCING SOURCES (USES):					
Operating transfers in	80,777,886	74,605,288	6,172,598	7.6%	72,301,987
Proceeds from loss recoveries	6,716	3,488,742	(3,482,027)	-51848.7%	3,594,135
TOTAL OTHER FIN SOURCES (USES)	80,784,602	78,094,031	2,690,571	3.3%	75,896,122
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES & OTHER FIN USES	(52,662,803)	217,091,120	(269,753,923)	512.2%	155,748,383
BEGINNING FUND BALANCE	97,031,967	97,031,967			92,411,299
ENDING FUND BALANCE	\$ 44,369,164	\$ 314,123,087			\$ 248,159,682

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED MAY 31, 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.