

**THE SCHOOL BOARD  
OF MIAMI-DADE COUNTY, FLORIDA  
EDUCATIONAL FACILITIES  
IMPACT FEE FUND**

Special-Purpose Financial Statements  
June 30, 2009 and 2008



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C Borders-Byrd, CPA LLC  
Accountants and Consultants

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Special-Purpose Financial Statements

June 30, 2009 and 2008

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C Borders-Byrd, CPA LLC

Accountants and Consultants

## Report of Independent Certified Public Accountants

Chairperson and Members of  
The School Board of Miami-Dade County, Florida

We have audited the Statements of Financial Position of the Educational Facilities Impact Fee Fund (the "Fund") of The School Board of Miami-Dade County, Florida, (the "School Board") as of June 30, 2009 and 2008, and the related Statements of Revenues, Expenditures and Changes in Fund Balance for the years then ended. These special-purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

As disclosed in Note 1 to the special-purpose financial statements, these special-purpose financial statements present only the financial position and the results of operations of the Educational Facilities Impact Fee Fund and is not intended to present fairly the financial position and results of operations of The School Board of Miami-Dade County, Florida.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Educational Facilities Impact Fee Fund of The School Board of Miami-Dade County, Florida, as of June 30, 2009 and 2008, and the results of its operations for the years then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2009 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the special-purpose financial statements taken as a whole. The accompanying Combining Financial Statements on pages 15 and 16 are presented for purposes of additional analysis and are not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the special-purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the special-purpose financial statements taken as a whole.

The information listed as required supplementary information in the table of contents is not a required part of the special-purpose financial statements, but is supplementary information required by the Interlocal Agreement between The School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

*C Borders-Byrd, CPA LLC*

Miami, Florida  
November 3, 2009

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Statements of Financial Position

	June 30	
	2009	2008
<b>Assets</b>		
Cash, cash equivalents and investments	\$ 2,801,632	\$ 23,607,827
Interest and dividends receivable	1,270	86,238
Due from Miami-Dade County	268,467	1,279,977
Total assets	\$ 3,071,369	\$ 24,974,042
<b>Liabilities and fund balance</b>		
Liabilities:		
Accounts and retainage payable	\$ -	\$ 3,122,748
Due to other funds	-	370,583
Total liabilities	-	3,493,331
Fund balance:		
Reserved for:		
Encumbrances	6,220	10,472,044
Commitments	-	43,831
Capital projects	3,065,149	10,964,836
Total fund balance	3,071,369	21,480,711
Total liabilities and fund balance	\$ 3,071,369	\$ 24,974,042

*The accompanying notes are an integral part of the financial statements.*

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Statements of Revenues, Expenditures and Changes in Fund Balance

For the Years Ended June 30, 2009 and 2008

	<b>2009</b>	<b>2008</b>
Revenues:		
Impact fees	\$ 5,203,747	\$ 11,108,464
Investment income	133,687	1,154,723
Total revenues	5,337,434	12,263,187
Expenditures:		
Administrative	-	360,694
Capital outlay	5,667,156	19,731,611
Total expenditures	5,667,156	20,092,305
Excess (deficiency) of revenues over expenditures	(329,722)	(7,829,118)
Other financing (uses):		
Operating transfers out – debt service fund	(18,079,620)	(19,601,529)
Total other financing (uses)	(18,079,620)	(19,601,529)
Excess (deficiency) of revenues over expenditures and other financing (uses)	(18,409,342)	(27,430,647)
Beginning fund balance	21,480,711	48,911,358
Ending fund balance	\$ 3,071,369	\$ 21,480,711

*The accompanying notes are an integral part of the financial statements.*

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements

June 30, 2009

**1. Summary of Significant Accounting Policies and Reporting Practices**

**Reporting Entity**

The Educational Facilities Impact Fee Fund (the "Fund") of The School Board of Miami-Dade County, Florida, (the "School Board") was established pursuant to Section 235.19 of the Florida Statutes and Ordinance 95-79 of Miami-Dade County, Florida, (the "Ordinance") in May of 1995. The Ordinance was passed by the Miami-Dade County Board of County Commissioners for the express purpose of levying impact fees on new residential developments and additions to residences. These fees provide resources for the construction of educational facilities necessitated by residential development. The Educational Facilities Impact Fee is collected and accounted for based on one of three Benefit Districts created under the Ordinance. Monies collected are required to be expended for the development and/or acquisition of educational facilities within the Benefit District where the monies were collected.

The administration of the Fund is governed by Ordinance 95-79 of Miami-Dade County, Florida, the Educational Facilities Impact Fee Administration Manual and the Interlocal Agreement between The School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida.

The School Board accounts for the impact fee activities in separately identifiable funds within the Capital Projects Funds. The special-purpose financial statements present the financial operations of the Impact Fee Fund only and do not include the assets, liabilities, fund balances and the revenues and expenditures of The School Board of Miami-Dade County, Florida.

For financial reporting purposes, the Fund is a fund of The School Board of Miami-Dade County, Florida, and is thus included in the School Board's comprehensive annual financial report.

**Measurement Focus, Basis of Accounting and Basis of Presentation**

The accounts of the Fund are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**1. Summary of Significant Accounting Policies and Reporting Practices (continued)**

The Education Facilities Impact Fee Fund is reported as the following fund type:

**Governmental funds** are used to account for the government's general government activities. Government fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. For this purpose the government considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and claims and judgments are recorded only when payment is due.

**Investments**

Investments are carried at fair value or amortized cost which approximates market, and include primarily U.S. Agency obligations and money market mutual funds.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is used by the Fund. Open encumbrances at year-end are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

**2. Cash, Cash Equivalents and Investments**

The Fund's surplus funds are invested directly by the District's Office of Treasury Management.



The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**2. Cash, Cash Equivalents and Investments (continued)**

As authorized under State Statutes, the School Board has adopted School Board Rule 6Gx13- 3B-1.01, *Deposit and Investment Policies for School Board Funds*, (Investment Policy) as its formal Investment Policy for all surplus funds, except for the Supplemental Early Retirement Funds, which are invested under School Board Rule 6Gx13- 4D-1.102. School Board Rule 6Gx13- 3B-1.01 policies permit the following investments and are structured to place the highest priority on the safety of principal and liquidity of funds:

- Time Deposits – School Board and State approved designated depository.
- US Government direct obligations.
- Revolving Repurchase Agreements or similar investment vehicles for the investment of funds awaiting clearance with financial institutions.
- Commercial Paper rated A1/P1/F1 or better.
- Bankers Acceptances with the 100 largest banks in the world.
- State Board of Administration Local Government Investment Pool.
- Obligations of the Federal Farm Credit Banks.
- Obligations of the Federal Home Loan Bank.
- Obligations of the Federal Home Loan Mortgage Corporation.
- Obligations guaranteed by the Government National Mortgage Association.
- Obligations of the Federal National Mortgage Association.
- Securities of any investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C.

**Interest Rate Risk:** In accordance with its investment policy under Board Rule 6Gx13- 3B-1.01, the School Board manages its exposure to declines in fair values by substantially limiting the weighted average maturity on all investments to one year or less. U.S. Government Agency Securities of the Fund include approximately \$284,169 and \$2,203,998 in 2009 and 2008, respectively in callable securities that are assumed to be called on the next call date, and as such, the weighted average maturity reflects the call date as the maturity date for these securities.

U.S. Government Agency Securities include \$162,035 in step-up securities with .08 years weighted average maturities in fiscal year 2009. There were no investments in step up U.S. Government Agency Securities in fiscal year 2008.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**2. Cash, Cash Equivalents and Investments (continued)**

***Credit Risk:***

Investment Type	Rating	Percentage of Investments	
		2009	2008
Federal Farm Credit Bank	AAA	2.90%	9.19%
Federal Home Loan Bank	AAA	-	.77%
Federal Home Loan Mortgage Corporation	AAA	-	7.64%
Federal National Mortgage Association	AAA	10.16%	-
Commercial Paper	A1+/A1/P1/F1	-	-
Money Market Mutual Funds	AAA	86.94%	82.40%
State Board of Administration	Not Rated	-	-
Guaranteed Investment Contract	Not Rated	-	-
Corporate Bonds	AA/A/B	-	-

***Concentration Risks:*** The District permits up to 20% in Federal Farm Credit Bank, 20% in Federal Home Loan Bank, 20% in Federal Home Loan Mortgage Corporation and 20% in Federal National Mortgage Association agency securities. In addition, investment in Money Markets is permitted without limitations. Investments in the State Board of Administration – Local Government Investment Pool was suspended in November 2007 due to deteriorating financial market conditions and the associated risks of certain types of asset-backed commercial paper held by the SBA’s portfolio.

The Fund’s cash and cash equivalents primarily include money market accounts and certificate of deposits. At June 30, 2009 and 2008, the deposits’ fair value and bank balances were \$5,008 and \$1,717,549, respectively. All bank balances of the School Board are fully insured or collateralized.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**2. Cash, Cash Equivalents and Investments (continued)**

Cash, cash equivalents and investments for the Fund as of June 30, 2009 and 2008, were as follows:

Investment Type	2009		2008	
	Fair Value (In Thousands)	Weighted Average Maturity (Years)	Fair Value (In Thousands)	Weighted Average Maturity (Years)
U.S. Government Agency	\$ 365	.30	\$ 3,850	1.12
Money Market Mutual Funds	2,432	.13	18,040	.14
Total Investments	<u>2,797</u>	.15	<u>21,890</u>	.31
Cash	5		205	
Cash Equivalents	-		1,512	
Total cash and cash equivalents	<u>5</u>		<u>1,717</u>	
Total Cash, Cash Equivalents and Investments	<u>\$ 2,802</u>		<u>\$ 23,607</u>	

**3. Credits and Contributions In-Lieu-Of Impact Fees**

Credits or contributions in-lieu-of impact fees for up to the full amount of the fee (excluding the administrative charge) are available, subject to certain provisions, for land or monetary contributions provided by the fee payor prior to October 1, 1995 (credit) or negotiated after October 1, 1995 (contributions in-lieu-of impact fees). As of June 30, 2009, the County has reported approximately \$11,098,080 of approved credits and contributions in-lieu-of impact fees of which none has been applied as of June 30, 2009 and remain available to be applied in future years. There were no credits and contributions in-lieu-of impact fees applied during fiscal year 2009 and 2008, respectively.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**4. Letters of Credit**

Fee payors are permitted to secure their impact fee obligation by letter of credit payable to Miami-Dade County, Florida, upon completion of the development project. The fees associated with these letters of credit are not currently available and as such have not been reported within the special-purpose financial statements. Approximately \$3,048,018 and \$820,594 in letters of credit were payable to Miami-Dade County, Florida, at June 30, 2009 and 2008, respectively.

**5. Intergovernmental Transactions**

**Due from Miami-Dade County**

At June 30, 2009 and 2008 Miami-Dade County owed the Fund approximately \$268,467 and \$1,279,977, respectively, in impact fees collected from the Benefit Districts.

**Operating Transfers Out**

For the fiscal year ended June 30, 2009 and 2008, the Fund transferred \$18,079,620 and \$19,601,529, respectively, to The School Board of Miami-Dade County, Florida, debt service fund to cover principal and interest payments on the Series 2000A, Series 2001C, Series 2004A, Series 2005A, Series 2006C and Series 2006D Certificates of Participation.

**Administrative Expenditures**

The School Board provides certain personnel services and other administrative costs at no charge to the Fund. However, actual costs reimbursed to the School Board totaled approximately \$360,694 for fiscal year 2008. There were no reimbursements during fiscal year 2009.

**6. Commitments**

The Interlocal Agreement requires the School Board to expend or encumber impact fee revenues within six years from the date of collection. Impact fees have been committed for the schools and COPS debt service payments.

In accordance with the provisions of the 2000 First Amended Interlocal Agreement between Miami-Dade County and The School Board of Miami-Dade County, Florida, the School Board has issued Certificates of Participation ("COPS"). As of June 30, 2009, there is approximately \$186,825,000 of impact fee COPS outstanding. Impact fee revenues continued to decline (approximately 56% and 57% during fiscal years 2009 and 2008, respectively) as a result of the slow down of the economy and the construction industry. Additionally, total assets further declined 88% during fiscal year 2009 (58% during fiscal year 2008). The School Board intends to continue to utilize impact fee revenues, if available, to fund the COPS debt service. However,

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**6. Commitments (continued)**

the School Board has available the non-voted millage known as the “Local Option Millage Levy” as a primary source of funding for the COPS debt service. Additionally, the agreement provides that the School Board is entitled to be reimbursed from future impact fee revenues for COPS debt service payments from non-impact fee revenues.

The current Educational Facilities Impact Fee Ordinance (Impact Fees) was adopted in 1995 and to date recommended revisions have not been finally adopted by Miami-Dade County (County). The proposed revisions to the impact fees were approved by the Board of County Commissioners (BCC) on February 20, 2007 and subsequently scheduled for a public hearing before the BCC Government, Operations & Environment (GOE) Committee on July 11, 2007. At that time, the item was tabled and to date has not been rescheduled for a public hearing. The proposed increase in the fees, if approved, would become effective for subsequent years.

On September 28, 2000 the School Board issued \$100,720,000 in Series 2000A Impact Fee COPS. During fiscal year 2005 proceeds of approximately \$67,700,000 from Series 2004A COPS were used to partially refund the 2000A COPS, with the final payment for the 2000A COPS due on October 1, 2009. Impact fee monies have been committed for the repayment of the Series 2000A COPS and as such are transferred to the School Board’s debt service fund to cover scheduled debt service payments. The Series 2000A COPS mature in October 2009 and will pay interest ranging from 4.4% to 6%.

The total obligation under the Series 2000A COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2010	\$ 4,405,000	\$ 116,392	\$ 4,521,392
Total	<u>\$ 4,405,000</u>	<u>\$ 116,392</u>	<u>\$ 4,521,392</u>

On September 26, 2001, the School Board issued \$42,235,000 in Series 2001C Certificates of Participation (COPS). The Series 2001C COPS were issued in order to acquire educational facilities in the East and Northwest Benefit Districts. Impact Fee monies from these Benefit Districts have been committed for the debt service on the Series 2001C COPS.

During fiscal year 2005, proceeds of approximately \$15,120,000 from Series 2004A COPS were used to partially refund the 2001C COPS, with the final payment for the 2001C COPS due on October 1, 2012. The Series 2001C COPS mature in October 2012 and pay interest ranging from 3.5% to 5%.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**6. Commitments (continued)**

During fiscal 2007 proceeds of approximately \$11,300,000 from Series 2006D COPS were used to partially refund the 2001C COPS, with the final payment for the partially refunded 2001C COPS due on October 1, 2012. The total remaining obligation under the Series 2001C COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2010	\$ 1,775,000	\$ 189,263	\$ 1,964,263
2011	1,845,000	117,750	1,962,750
2012	1,925,000	40,425	1,965,425
Total	<u>\$ 5,545,000</u>	<u>\$ 347,438</u>	<u>\$ 5,892,438</u>

On July 12, 2004, the District issued \$87,210,000 in Refunding Certificates of Participation (COPS) Series 2004A for the purpose of refunding a portion totaling \$82,820,000 of the 2000A and 2001C Certificates. The 2004A Certificates mature on October 1, 2020 and will pay interest ranging from 3.5% to 5.25%.

The total obligation under the series 2004A COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2010	\$ 605,000	\$ 3,980,962	\$ 4,585,962
2011	5,265,000	3,879,750	9,144,750
2012	5,450,000	3,685,425	9,135,425
2013	7,205,000	3,451,513	10,656,513
2014	7,810,000	3,170,150	10,980,150
Thereafter	60,045,000	10,968,556	71,013,556
Total	<u>\$ 86,380,000</u>	<u>\$ 29,136,356</u>	<u>\$ 115,516,356</u>

On June 15, 2005, the School Board issued \$53,680,000 in Certificates of Participation (COPS) Series 2005A. The 2005A Certificates mature on April 1, 2020 and will pay interest ranging from 4% to 5%.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**6. Commitments (continued)**

The total obligation under the series 2005A COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2010	\$ 3,350,000	\$ 1,361,550	\$ 4,711,550
2011	3,345,000	1,210,800	4,555,800
2012	2,040,000	1,077,000	3,117,000
2013	2,040,000	1,058,625	3,098,625
2014	2,040,000	956,625	2,996,625
Thereafter	18,765,000	3,279,750	22,044,750
Total	<u>\$ 31,580,000</u>	<u>\$ 8,944,350</u>	<u>\$ 40,524,350</u>

On May 10, 2006, the School Board issued \$53,665,000 in COPS Series 2006C. The Series 2006C COPS mature on October 1, 2021 and will pay interest ranging from 3.875% to 5%.

The total obligation under the series 2006C COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2010	\$ 2,785,000	\$ 2,233,894	\$ 5,018,894
2011	2,915,000	2,105,319	5,020,319
2012	3,065,000	1,955,819	5,020,819
2013	3,205,000	1,817,097	5,022,097
2014	3,330,000	1,688,400	5,018,400
Thereafter	33,130,000	7,038,900	40,168,900
Total	<u>\$ 48,430,000</u>	<u>\$ 16,839,429</u>	<u>\$ 65,269,429</u>

On December 21, 2006, the School Board issued \$10,570,000 in COPS Series 2006D. The Series partially refunded COPS 2001C. The Series 2006D mature on October 1, 2021 and will pay interest ranging from 3.625% and 5.00%.

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements (continued)

June 30, 2009

**6. Commitments (continued)**

The total obligation under the series 2006D COPS is as follows:

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirements</b>
2010	\$ -	\$ 509,981	\$ 509,981
2011	-	509,981	509,981
2012	-	509,981	509,981
2013	430,000	501,381	931,381
2014	105,000	490,878	595,878
Thereafter	9,950,000	2,994,613	12,944,613
Total	<u>\$ 10,485,000</u>	<u>\$ 5,516,815</u>	<u>\$ 16,001,815</u>



# Combining Financial Statements

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Combining Statements of Financial Position  
(By Benefit District and Administrative Activity)

June 30, 2009

*(With Comparative Totals for June 30, 2008)*

	<b>East District</b>	<b>Northwest District</b>	<b>Southwest District</b>	<b>Administrative</b>	<b>2009 Total</b>	<b>2008 Total</b>
<b>Assets</b>						
Cash and investments	\$ 1,992,598	\$ 724,029	\$ (17,198)	\$ 102,203	\$ 2,801,632	\$ 23,607,827
Interest and dividends receivable	6	1,196	-	68	1,270	86,238
Due from Miami-Dade County	174,911	26,564	60,914	6,078	268,467	1,279,977
Total assets	\$ 2,167,515	\$ 751,789	\$ 43,716	\$ 108,349	\$ 3,071,369	\$ 24,974,042
<b>Liabilities and fund balance</b>						
<b>Liabilities:</b>						
Accounts and retainage payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,122,748
Due to other funds	-	-	-	-	-	370,583
Total liabilities	-	-	-	-	-	3,493,331
<b>Fund balance:</b>						
Reserved for:						
Encumbrances	6,220	-	-	-	6,220	10,472,044
Commitments	-	-	-	-	-	43,831
Capital projects	2,161,295	751,789	43,716	108,349	3,065,149	10,964,836
Total fund balance	2,167,515	751,789	43,716	108,349	3,071,369	21,480,711
Total liabilities and fund balance	\$ 2,167,515	\$ 751,789	\$ 43,716	\$ 108,349	\$ 3,071,369	\$ 24,974,042

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Combining Statements of Revenues, Expenditures and Changes in Fund Balance  
(By Benefit District and Administrative Activity)

For the Year Ended June 30, 2009  
(With Comparative Totals for June 30, 2008)

	<u>East District</u>	<u>Northwest District</u>	<u>Southwest District</u>	<u>Administrative</u>	<u>2009 Total</u>	<u>2008 Total</u>
Revenues:						
Impact fees	\$ 3,821,782	\$ 907,876	\$ 402,964	\$ 71,125	\$ 5,203,747	\$ 11,108,464
Investment income	88,720	27,694	16,286	987	133,687	1,154,723
Total revenues	<u>3,910,502</u>	<u>935,570</u>	<u>419,250</u>	<u>72,112</u>	<u>5,337,434</u>	<u>12,263,187</u>
Expenditures:						
Administrative	-	-	-	-	-	360,694
Capital outlay	3,155,810	1,862,794	648,552	-	5,667,156	19,731,611
Total expenditures	<u>3,155,810</u>	<u>1,862,794</u>	<u>648,552</u>	<u>-</u>	<u>5,667,156</u>	<u>20,092,305</u>
Excess (deficiency) of revenues over expenditures	754,692	(927,224)	(229,302)	72,112	(329,722)	(7,829,118)
Other financing sources (uses):						
Operating transfers out – Debt Service Fund	(13,000,214)	(1,840,036)	(3,239,370)	-	(18,079,620)	(19,601,529)
Total other financing sources and (uses)	<u>(13,000,214)</u>	<u>(1,840,036)</u>	<u>(3,239,370)</u>	<u>-</u>	<u>(18,079,620)</u>	<u>(19,601,529)</u>
Excess (deficiency) of revenues over expenditures and other financing (uses)	<u>(12,245,522)</u>	<u>(2,767,260)</u>	<u>(3,468,672)</u>	<u>72,112</u>	<u>(18,409,342)</u>	<u>(27,430,647)</u>
Beginning fund balance	<u>14,413,037</u>	<u>3,519,049</u>	<u>3,512,388</u>	<u>36,237</u>	<u>21,480,711</u>	<u>48,911,358</u>
Ending fund balance	<u>\$ 2,167,515</u>	<u>\$ 751,789</u>	<u>\$ 43,716</u>	<u>\$ 108,349</u>	<u>\$ 3,071,369</u>	<u>\$ 21,480,711</u>

## Required Supplementary Information

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Schedule of Construction in Progress and COPS Debt Service Commitments  
(Annual Activity by Benefit District)

June 30, 2009

<u>Project Name</u>	<u>Project Description</u>	<u>East District</u>	<u>Northwest District</u>	<u>Southwest District</u>	<u>Total</u>
None	N /A	N/A	N/A	N/A	N/A
Total construction in progress		\$ -	\$ -	\$ -	\$ -
<b>COPS debt service commitments</b>					
2000A COPS		\$ 1,613,222	\$ 691,101	\$ 2,217,069	\$ 4,521,392
2001C COPS		4,830,392	1,062,046	-	5,892,438
2004A COPS		56,810,343	18,554,731	40,151,282	115,516,356
2005A COPS		40,524,350	-	-	40,524,350
2006C COPS		58,136,613	-	7,132,816	65,269,429
2006D COPS		13,116,688	2,885,127	-	16,001,815
Total COPS debt service commitments		<u>\$ 175,031,608</u>	<u>\$ 23,193,005</u>	<u>\$ 49,501,167</u>	<u>\$ 247,725,780</u>



C Borders-Byrd, CPA LLC

Accountants and Consultants

Report of Independent Certified Public Accountants on Internal Control over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Special-Purpose Financial Statements  
Performed in Accordance With *Government Auditing Standards*

Chairperson and Members of  
The School Board of Miami-Dade County, Florida

We have audited the financial statements of the Educational Facilities Impact Fee Fund (the "Fund") of The School Board of Miami-Dade County, Florida (the "School Board") as of and for the year ended June 30, 2009, and have issued our report thereon dated November 3, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Fund's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Fund's financial statements that is more than inconsequential will not be prevented or detected by the Fund's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Fund's internal control.

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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Fund's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management in the Schedule of Comments and Recommendations dated November 3, 2009.

This report is intended solely for the information and use of management, the Chairperson and Members of the School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

*C Borders-Byrd, CPA LLC*

Miami, Florida  
November 3, 2009

The School Board of Miami-Dade County, Florida  
Educational Facilities Impact Fee Fund

Schedule of Comments and Recommendations

June 30, 2009

**Current Year Comments and Recommendations**

**Observation**

The current Educational Facilities Impact Fee Ordinance (Impact Fees) was adopted in 1995 and to date recommended revisions have not been finally adopted by Miami-Dade County (County). The proposed revisions to the impact fees were approved by the Board of County Commissioners (BCC) on February 20, 2007 and subsequently scheduled for a public hearing before the BCC Government, Operations & Environment (GOE) Committee on July 11, 2007. At that time, the item was tabled and to date has not been rescheduled for a public hearing. The proposed increase in the fees, if approved, would become effective for subsequent years.

Impact fee revenues available to pay debt service for the COPS continued to decline (approximately 56% and 57% during fiscal years 2009 and 2008, respectively) as a result of the slow down of the economy and the construction industry. Additionally, total assets further declined 88% during fiscal year 2009 (58% during fiscal year 2008). As of June 30, 2009, there is approximately \$186,825,000 of COPS obligations outstanding.

Management should continue its effort to update the current impact fee structure through the proposed amendment to the existing Interlocal Agreement with Miami-Dade County.

**Management's Response**

We concur with the recommendation. The Citizens' Oversight Committee (Committee), under the auspices of the Interlocal Agreement for Public School Facility Planning, has publicly acknowledged the need to revive discussions with the County to achieve needed revisions to the educational facilities impact fee ordinance. This Committee includes appointments from the County, and is ideally suited to help shepherd further discussions on this topic.

In preparation for these discussions, and recognizing the changing conditions since the last Impact Fee Review was conducted, District staff is updating the various related data components. The anticipated timeline for completion of this update is February of 2010, at which time a revised proposal will be prepared for further discussion with the County.

**Prior Year Comments and Recommendations**

Prior year comments and recommendations were incorporated into the April 2009 Report of the Citizens' Oversight Committee, and forwarded to all local governing bodies, including the Board of County Commissioners. Since the recommendations have not yet been implemented, the comments and recommendations from the prior year's report still apply.