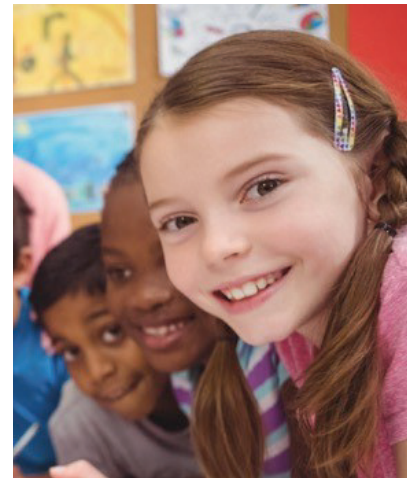


THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA



Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2019



**THE SCHOOL BOARD OF
MIAMI-DADE COUNTY, FLORIDA**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2019**

**Prepared by:
Office of the Controller
Daisy Naya, C.P.A.
Controller**

**1450 Northeast Second Avenue
Miami, Florida 33132**



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2019

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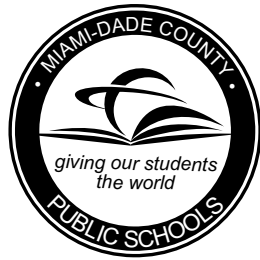
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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I. Introductory Section



The School Board of Miami-Dade County, Florida
1450 Northeast Second Avenue
Miami, Florida 33132



December 11, 2019

Members of the School Board and Citizens of Miami-Dade County:

The Comprehensive Annual Financial Report of The School Board of Miami-Dade County, Florida (the "School Board," the "District," "Miami-Dade County Public Schools" or "M-DCPS") for the fiscal year ended June 30, 2019 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in sections. The financial section includes the Management's Discussion and Analysis (MD&A), immediately following the independent auditor's report, that provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments this letter of transmittal and should be read in conjunction with it.

The District is the fourth largest school district in the nation. It is responsible for the operation, control, and supervision of all District schools and is considered a primary government for financial reporting purposes. This report includes all funds of the District and the Miami-Dade County School Board Foundation, Inc., which is reported as a blended component unit, comprising the reporting entity. The District provides a full range of educational services appropriate to students in early childhood, grade levels Pre-K through 12, and adult/vocational education programs. These include basic, regular and enriched academic education, special education for handicapped children, vocational education, and many individualized programs, such as special instruction for disadvantaged students and those with limited English proficiency. The District's mission, as a team, is to provide and support the highest quality education for our diverse community of children and adult learners.



Alberto M. Carvalho
Superintendent of Schools

"Miami-Dade County Public Schools unveiled 60 new choice programs and enhancements and launched 30 new initiatives, including a state-of-the-art safety and security command center, programs for teacher development, Pre-K education for all, and employee financial wellness. In addition, Miami-Dade voters overwhelmingly approved Referendum #362, enabling the school district to competitively compensate teachers and ensure the presence of a police officer at every school."

**ECONOMIC
CONDITIONS
AND OUTLOOK**

Miami-Dade County is known as the “Gateway to the Americas.” Trade is increasingly vital to the economy. Its close proximity to Latin America and the Caribbean make it the center of international trade with those areas. The city’s international trade infrastructure is vast and varied. This infrastructure includes the Port of Miami, which is the busiest port for pleasure cruise ships in the world, coupled with the Miami International Airport, which is the nation’s top airport for international freight and third for international passengers. Miami is a major center and leader in finance, commerce, culture, media, entertainment, the arts and international trade.

Tourism remains a major industry for the area, as well as the state. Its mild climate, miles of beaches and attractions draw vacationers to the Greater Miami area.



Thirty-four municipalities, including the cities of Miami, Miami Beach, Hialeah, and Coral Gables, as well as unincorporated areas, comprise the county of Miami-Dade, which covers over 2,000 square miles and is inhabited by over 2.7 million citizens. Miami-Dade County Public Schools remains the area’s largest employer; employing 37,830 full and part-time employees. Full-time employees numbered approximately 33,096 during 2018-19, including 19,530 instructional professionals. The District’s annual operating budget for fiscal year 2019-20 is in excess of \$3.5 billion to serve an estimated enrollment of 343,592 students. Student enrollment is expected to decline due to a decrease in the birth rate, the growing population of publicly funded voucher programs for private schools, stricter immigration policies, and the high cost of living.

Florida’s \$1 trillion economy is the fourth largest in the United States. If it were a country, Florida would be the 16th largest economy in the world. Florida’s GDP ranks fourth in the country. Per the Florida Economic Estimating Conference held July 17, 2019, Florida growth rates are at levels that are typical of solid growth and continue to show progress. The fact that Florida is a low-tax state is a major contributing factor for this growth. One of the primary engines of economic growth is population growth and Florida is the third most populous state in the country. The job market in Florida is expected to continue to grow at a steady rate. The unemployment rate for the state continues to decrease. Florida’s unemployment rate was 3.4% in June 2019, lower than the nation’s rate which was 3.7% . Statewide construction rates are lagging but the growth in tourism compensates for this lag. However, the threat of weather related events such as hurricanes could impact tourism revenues and Florida’s economy.

**FINANCIAL
INFORMATION**

Long-Term Financial Planning The District continues its efforts to provide world class educational opportunities for the children of Miami-Dade County through innovation, sound fiscal management, and choices that align with the District’s priorities and values.

General Obligation Bond Referendum A \$1.2 billion General Obligation Bond (GOB) referendum was approved by voters on the November 6, 2012 ballot. Proceeds from the bond issue will be used to modernize and construct schools throughout the District, including technology upgrades at all schools. The GOB program continues at an accelerated pace with over 500 projects at various stages of completion.



Miami-Dade Voters Approve Referendum to Raise Teachers' Salaries and Increase School Safety On November 6, 2018 the voters of Miami-Dade County approved the Secure Our Future referendum (#362) that will increase teacher compensation and improve school safety. The referendum approves a levy based on determined property value at approximately \$75 per \$100,000 of assessed value for up to four years. This levy will generate approximately \$232 million annually for the District. The average homeowner will pay \$0.39 a day, or \$12 a month. Better compensation for teachers is expected to translate into increased buying power providing a significant return on investment for the community and local business owners.

Internal Control Structure The internal control structure is subject to periodic evaluation by management and the internal audit staff. In accordance with Government Auditing Standards, the independent auditors have issued a report dated November 25, 2019 on their consideration of the District's internal control structure. The purpose of their report is to describe the scope of their testing of internal control and the results of that testing, and not to provide an opinion on internal control.



The administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled and recorded accurately to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by the administration.

The accompanying financial statements demonstrate that even under a period of changing operational conditions, the District continues to achieve a policy of sound financial management.

Budgetary Controls The District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Proprietary Fund, and the Fiduciary Funds, except the schools' Internal Fund, are included in the annual appropriated budget. Project-length financial plans are provided for the Capital Projects Funds, but budgets are adopted for only one year.





Budgetary control is maintained for individual accounts or groups of accounts within each school or department through the use of an encumbrance accounting system. The process uses a test for availability of funds which precludes any requisition for services, equipment, supplies or materials from becoming a purchase order, if the account would be overspent. Encumbrances are reappropriated as part of the following year's budget.

The District issues a publicly available annual Budget Plan for planning purposes and an Executive Summary for adoption by the School Board. In addition, in order to control salaries effectively, a centralized Position Authorization Control (PAC) system governs salary expenditures, whereby full-time employees are not paid unless they are fully processed and fill a slot in the PAC system that also identifies the account structure to charge.

Independent Audit State law permits an outside independent audit of school districts by a firm of certified public accountants in lieu of an audit performed by the State of Florida, Office of the Auditor General. The auditing firm RSM US LLP was selected by the School Board to perform the annual audit. In keeping with the minority firm utilization program established by the School Board, RSM US LLP was assisted by Anthony Brunson, PA.



As an additional oversight review and control, the School Board Audit and Budget Advisory Committee, which includes individuals from the private sector with extensive knowledge in accounting and municipal finance, monitors the independent audit process. This includes reviewing the scope of the audit and the progress of the audit. Furthermore, the Committee evaluates the financial statements, the auditors' report and the administration's response. The Committee also reviews all internal audit reports and administrative staff responses, placing an emphasis on timely implementation of the recommendations made by the auditors. The Committee meets regularly, at least six times per year, and operates independently of the administration. It oversees the overall audit function and issues an annual report to the School Board.



Relevant Financial Policies The intent of the School Board is to ensure that the District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies for the Budget, Fund Balance and the maintenance of adequate reserves.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual, that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

MAJOR INITIATIVES

Modernizing Our Schools Since the passage of the General Obligation Bond in 2012, approximately 200 main projects and more than 540 accelerated scope projects have been completed, along with dozens more under construction, design or planning. Total work completed or under contract approaches \$800 million.

Securing Our Future Referendum Seventy percent of Miami-Dade voters resoundingly approved Proposition #362 to raise teachers' salaries and increase school safety. As a result, M-DCPS teachers ratified a new contract with the largest pay increase in history.

Creation of Mental Health Department With a \$7.8 million investment and the hiring of 30 professionals, the Department of Mental Health Services was created to coordinate and facilitate services between schools and community agencies, ensuring students have access to mental health services.

#MiamiReads Campaign Following Board action, the year-long #MiamiReads Campaign promoted reading at all grade levels. It included literacy events and competitions to build a community that will make the joy of reading a part of our students' daily lives.

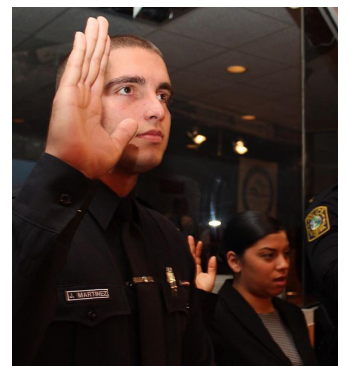
#Respect4TeachersMDCPS Following Board action, the District launched the R.E.S.P.E.C.T. (Recognize, Engage, Support, Persuade, Educate, Celebrate, Teachers) campaign to highlight the transformational impact that teachers have in molding and shaping the lives of students.

Tobacco-Free School System Following Board action, the District created the E(liminate)-Cigs campaign to increase public awareness on the negative consequences of tobacco use, educating students, staff, and the community on the dangers of using vaping and e-cigarette products.

Expansion of iAttend Districtwide community partnerships were fostered with Florida Panthers and Miami Marlins to support iAttend, M-DCPS' initiative to increase school attendance. Nearly 50,000 students with significantly improved or perfect attendance received free tickets to a baseball game and other incentives.

Resource Officers At Every School A certified law enforcement officer was assigned to every school following the swearing-in of 130 newly-hired Miami-Dade Schools Police (M-DSP) officers, and partnerships were developed with Miami-Dade County and various municipalities.

Police Command Center M-DSP command center was created to serve as a digital monitoring clearing house, enhancing safety and security measures and increasing law enforcement's response rate. The center monitors over 16,000 school security cameras including the nearly 1,700 school security cameras installed this year and the more than 1,650 that will be added.





Accreditation Distinction M-DCPS is the largest school district in the nation to earn AdvancED accreditation for a second five-year term. The accreditation is based on the District’s overall performance on a comprehensive set of indicators and criteria.

Best-In-State Employer M-DCPS is included on Forbes’ list of America’s Best-In-State Employers, being one of only eight Florida school districts included and the only large, urban district in the state to make the list.

PROGRAM HIGHLIGHTS

A-Rated School District For the second year in a row, M-DCPS achieved a districtwide grade of “A”. For the third year in a row, there are zero F-rated traditional schools in the District and 99% of all schools are rated A,B, or C.

Success In Advance Placement M-DCPS continues to increase Advanced Placement (AP) exam passing rates and enrollment. More than 31,000 students participated in an AP course in 2018-19, showing an overall passing rate of 57 percent, a two percent increase over the previous year.

Career Academies Outperform All School Districts M-DCPS has 21 academies among the 88 nationwide academies identified by the National Academy Foundation (NAF) network as Distinguished, the highest level of achievement, more than any district in the nation. An additional 10 schools were recognized as Model level.

Graduation Rate Set Record M-DCPS graduation rate (excluding charters) rose to 89 percent for the 2017-18 academic year - the highest documented rate the District has achieved.

Magnet Programs Garner National Attention Fifty-eight magnet schools were honored nationally by Magnet Schools of America with a Merit Award of either Excellence or Distinction for having demonstrated the highest level of achievement. This is more schools than any other district in the country.

Access to Rigorous Courses M-DCPS is the recipient of the 2018 Cambridge District of the Year Award for exceptional commitment to expanding access and delivering a high-quality Cambridge education with equally strong student performance.

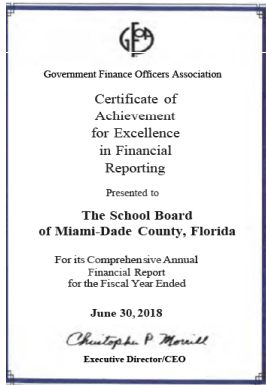
Highest Magnet Honors Miami Lakes Educational Center earned the 2019 Dr. Ronald P. Simpson Magnet School of Merit Award of Excellence for highest commitment to diversity, academic excellence, and curriculum innovation. Principal Deborah Leal of Hammocks Middle received the MSA Region III Magnet Principal of the Year award.





Financial Awards The Council of the Great City Schools recognized Miami-Dade County Public Schools (M-DCPS) for employing the highest standards in financial management, accountability and fiscal control.

It presented the Award for Excellence in Financial Management for its financial performance in safeguarding and protecting the financial integrity of the school system. M-DCPS met all of the mandatory and recommended management practices of the 136 practices in the nine areas of financial operations.



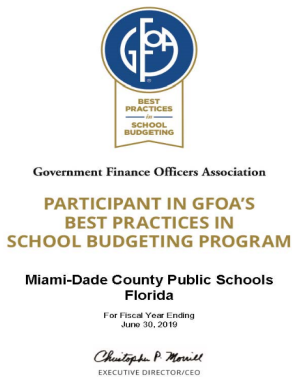
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to The School Board of Miami-Dade County for the fiscal year ended June 30, 2018. This was the thirty-fourth consecutive year that the District has received this prestigious award.

The School Board of Miami-Dade County also received the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. This is the thirty-fifth consecutive prestigious award that the District has received from ASBO.



These awards are for one year only and signify that the financial report conforms to generally accepted accounting principles, legal requirements and standards of reporting required by the organization granting the award.

We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate Programs' requirements, and we are submitting it to both GFOA and ASBO, to determine its eligibility to receive, once more, their respective prestigious awards.



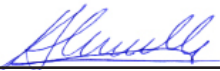
The District is once again participating in the GFOA's Best Practices in School Budgeting Program for its annual adopted budget for fiscal year ending June 30, 2019. In order to qualify for the Distinguished Budget Presentation Award, the District's budget has to be proficient in several categories, including policy documentation, financial planning and organization. The award encourages and assists state and local governments in preparing budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

Acknowledgment The preparation of this report could not have been accomplished without the services of the entire staff of Financial Services, particularly the Office of the Controller, and the support that other bureaus and offices provided.

We would like to thank the members of the School Board for their interest and support in planning and conducting the financial operations of the District. We also thank the citizens of Miami-Dade County, whose cooperation, support and assistance have contributed greatly to the operation of this innovative school system.

We look forward to the opportunity, with your guidance and support, of building a better, more effective and efficient school system that provides a learning environment that adapts to the ever changing needs of our students - the citizens of tomorrow.

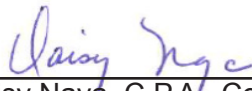
Respectfully submitted,



Alberto M. Carvalho, Superintendent of Schools



Ron Y. Steiger, Chief Financial Officer



Daisy Naya, C.P.A., Controller



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Principal Officials - Elected

Board Members



Ms. Perla Tabares Hantman
Chair
District 4



Dr. Steve Gallon III
Vice-Chair
District 1



Dr. Dorothy Bendross-Mindingall
District 2



Dr. Martin Karp
District 3



Ms. Susie V. Castillo
District 5



Ms. Mari Tere Rojas
District 6



Ms. Lubby Navarro
District 7



Dr. Marta Pérez
District 8



Dr. Lawrence S. Feldman
District 9

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Principal Officials - Elected

Board Members - Terms of Office

Dr. Steve Gallon III, Member from District No. 1

Present term began	November 2016
Present term expires	November 2020
Began as a Board Member	November 2016

Dr. Dorothy Bendross-Mindingall, Member from District No. 2

Present term began	November 2018
Present term expires	November 2022
Began as a Board Member	November 2010

Dr. Martin Karp, Member from District No. 3

Present term began	November 2016
Present term expires	November 2020
Began as a Board Member	November 2004

Ms. Perla Tabares Hantman, Member from District No. 4

Present term began	November 2018
Present term expires	November 2022
Began as a Board Member	November 1996

Ms. Susie V. Castillo, Member from District No. 5

Present term began	November 2016
Present term expires	November 2020
Began as a Board Member	November 2012

Ms. Mari Tere Rojas, Member from District No. 6

Present term began	November 2018
Present term expires	November 2022
Began as a Board Member	November 2016

Ms. Lubby Navarro, Member from District No. 7

Present term began	November 2016
Present term expires	November 2020
Began as a Board Member	February 2015

Dr. Marta Pérez, Member from District No. 8

Present term began	November 2018
Present term expires	November 2022
Began as a Board Member	November 1998

Dr. Lawrence S. Feldman, Member from District No. 9

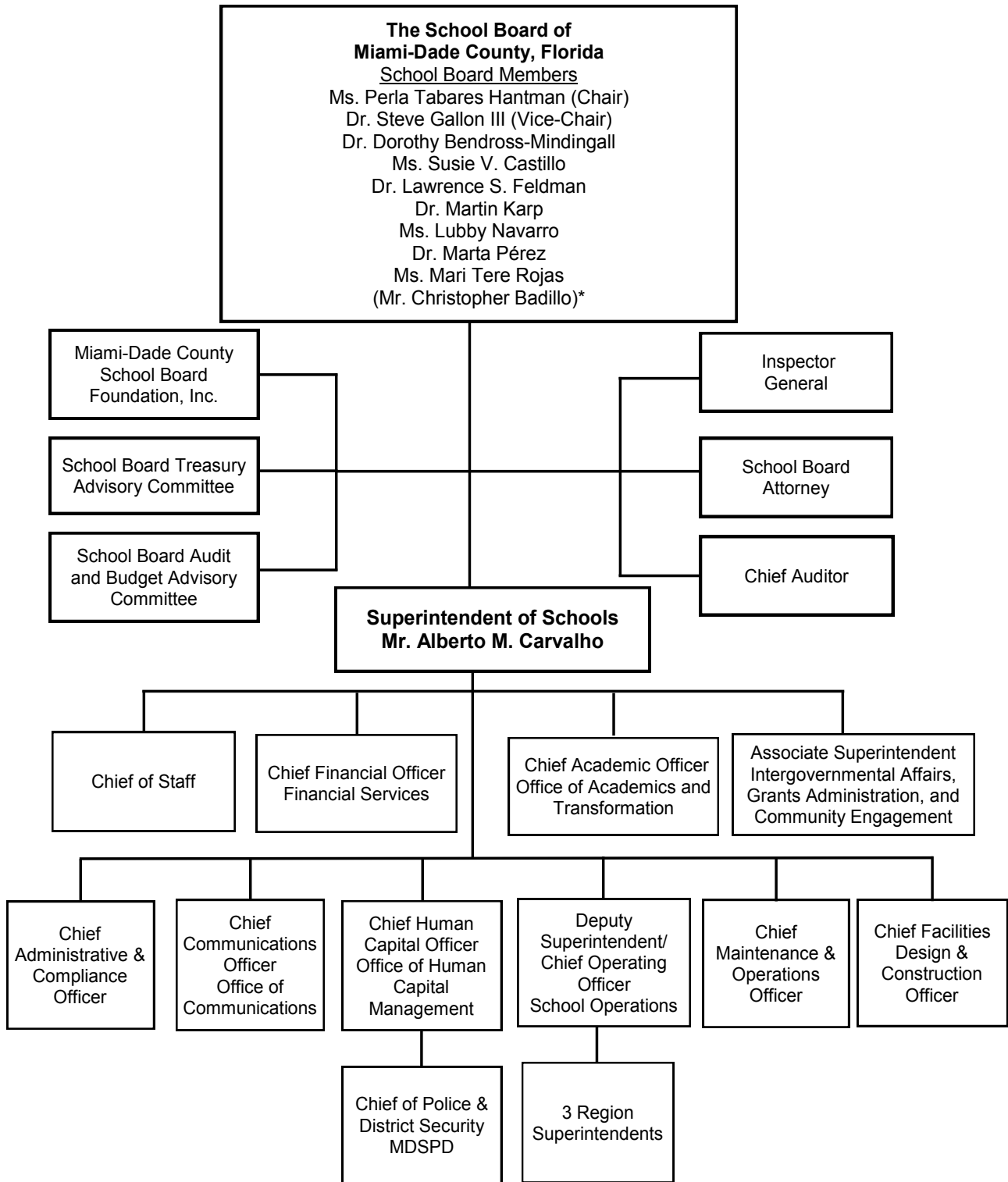
Present term began	November 2016
Present term expires	November 2020
Began as a Board Member	November 2008

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Other Principal Officials - Appointed

Mr. Alberto M. Carvalho	Superintendent of Schools
Mr. Ron Y. Steiger	Chief Financial Officer, Financial Services
Mr. Jaime G. Torrens	Chief of Staff, Office of the Superintendent
Mrs. Valtena G. Brown	Deputy Superintendent/Chief Operating Officer, School Operations
Mr. Jose L. Dotres	Chief Human Capital Officer, Office of Human Capital Management
Ms. Tabitha G. Fazzino	Chief Administrative and Compliance Officer, Office of the Superintendent
Ms. Daisy Gonzalez-Diego	Chief Communications Officer, Office of Communications
Ms. Maria Izquierdo	Chief Academic Officer, Office of Academics and Transformation
Mr. Edwin Lopez	Chief of Police & District Security Miami-Dade Schools Police Department
Ms. Iraida R. Mendez-Cartaya	Associate Superintendent, Intergovernmental Affairs, Grants Administration, and Community Engagement
Mr. Carl Nicoleau	Chief Maintenance & Operations Officer
Mr. Raul F. Perez	Chief Facilities Design & Construction Officer

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DISTRICT ADMINISTRATIVE ORGANIZATION
SUPERINTENDENT'S DIRECT REPORTS**



* M-DCPS Student who sits on the board in an advisory capacity



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The School Board
of Miami-Dade County, Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO



The Certificate of Excellence in Financial Reporting
is presented to

**The School Board of
Miami-Dade County, Florida**

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, appearing to read 'Tom Wohleber'.

Tom Wohleber, CSR
President

A handwritten signature in black ink, appearing to read 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer



The Council of the Great City Schools

presents this

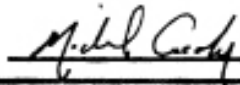
**CERTIFICATE OF RECOGNITION FOR EXCELLENCE
IN FINANCIAL MANAGEMENT**

to the

**Office of the Chief Financial Officer
Miami-Dade County Public Schools**

The Certificate of Recognition for Excellence in Financial Management is presented by the Council of the Great City Schools to the department which has been instrumental in the district's achieving the Award for Excellence in Financial Management. The Award for Excellence in Financial Management is the only national award that recognizes a school district for supporting the highest standards in financial accountability and controls that are needed to safeguard and protect the financial integrity of the district.

Executive Director



Date: January 18, 2012



II. Financial Section





RSM US LLP

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of The School Board of Miami-Dade County, Florida (the School Board), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the School Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of The School Board of Miami-Dade County, Florida, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, budgetary comparison schedules, schedules of the proportionate share of net pension liability, schedule of changes in the net pension liability and related ratios, schedule of investment returns, schedules of contributions, and schedule of changes in the total other post-employment benefits liability and related ratios*, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The *introductory section, combining and individual fund financial statements and other supplementary information, and statistical section* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *combining and individual fund financial statements and other supplementary information* is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *combining and individual fund financial statements and other supplementary information* is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The *introductory and statistical sections* have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated November 25, 2019 on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the School Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

RSM US LLP

Miami, Florida
November 25, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2019
(Unaudited)



The Management's Discussion and Analysis (MD&A) of The School Board of Miami-Dade County, Florida (the District), is intended to provide an overview of the District's financial position and changes in financial position for the fiscal year ended June 30, 2019.

Since the focus of the Management's Discussion and Analysis (MD&A) is on the current year activities, resulting changes and currently known facts, it should be read in conjunction with the District's financial statements, including the accompanying notes. Additionally, as a required part of the MD&A, comparative information for the current year and the prior year is presented for financial analysis to enhance the understanding of the District's financial performance.

Financial Highlights

At June 30, 2019, the General Fund had a total fund balance of \$243.5 million. This fund balance was comprised of \$7.5 million of non-spendable funds, \$18.0 million of restricted funds, \$111.0 million of assigned funds and \$107.0 million of unassigned funds.

General Fund fund balance decreased by \$(5.7) million or (2.3)% from the previous year due to an increase in expenditures, offset to some extent by an increase in revenues. The increase in expenditures is primarily due to the District's commitment to increase teacher compensation and enhance the safety of our schools during fiscal year 2018-19, in anticipation of increased property tax collections in fiscal year 2019-20 resulting from the voter approved Secure Our Future Referendum.

Special Revenue funds ended the year with a fund balance of \$33.1 million, a decrease of \$(9.9) million or (23)% from the previous year due to a decrease in revenues, as in the prior year additional funding related to Hurricane Irma was received from the Department of Agriculture by the food service program.

Debt Service funds ended the year with a fund balance of \$122.8 million, an increase of \$28.9 million or 31% from the previous year primarily due to increases in the collection of taxes and a reduction in debt service payments.

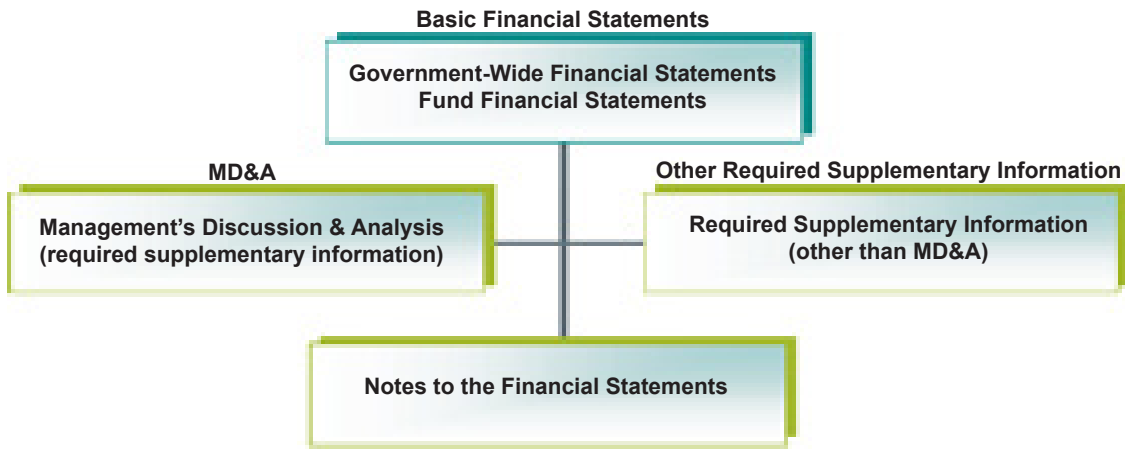
During the 2018-19 fiscal year, the District refunded several outstanding Certificates of Participation (COPs) bond series that provided substantial net present value as well as cash flow savings, reducing future debt service by over \$17 million.

Capital Projects funds ended the year with a fund balance of \$520.1 million, a decrease of \$(28.5) million or (5.2)% from the previous year primarily due to the accelerated pace of the General Obligation Bond (GOB) program.

Moody's Investors Service upgraded its rating of GOB and COP "from Aa3/stable to Aa2/stable" and "A1/stable to Aa3/stable", respectively, noting the District's material improvement in its finances over the last five fiscal years, in both its fund balance and liquidity positions. Standard & Poor's (S&P) rating agency maintained the District's rating of "AA-/stable" for GOB and "A+/stable" for COP bonds based in part on good financial management practices and policies.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report is comprised of different sections. The following graphic is provided to facilitate the understanding of the format and its components:



OVERVIEW OF THE FINANCIAL STATEMENTS

The District's Comprehensive Annual Financial Report consists of a series of financial statements and accompanying notes, with the primary focus being on the District as a whole. The Statement of Net Position and the Statement of Activities are government-wide financial statements that provide both short-term and long-term information about the District's overall financial position. The fund financial statements report the District's operations in more detail by providing information as to how services are financed in the short-term, as well as the remaining available resources for future spending. Additionally, the fund financial statements focus on Major Funds rather than fund types. The proprietary fund statements offer short-term and long-term financial information about the activities of the District as it relates to the group health insurance program. The remaining statements, the Fiduciary Funds Statements, provide financial information for those activities in which the District acts solely as a trustee or agent for the benefit of others. The accompanying notes and required supplementary information (RSI) provide essential information that is not disclosed on the face of the financial statements. Consequently, the notes and RSI are an integral part of the basic financial statements.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities - Most of the activities of the District are reported in these statements, including instruction, instructional support services, operations and maintenance, school administration, general administration, pupil transportation, and food service. Additionally, all state and federal grants, as well as capital and debt financing activities are reported in these statements.

The Statement of Net Position and the Statement of Activities present a view of the District's financial operations as a whole, reflect all financial transactions and provide information helpful in determining whether the District's financial position has improved or deteriorated as a result of the current year's activities. Both of these statements are prepared using the accrual basis of accounting similar to that used by most private-sector companies. The Statement of Net Position includes assets plus deferred outflows of resources, and liabilities, less deferred inflows of resources, both short and long term.

The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid. The two government-wide statements report the District's Net Position and the changes that resulted from the District's operations. The relationship between revenues and expenses indicates the District's operating results. Over time, increases and decreases in the District's Net Position are an indicator of whether the District's financial position is improving or deteriorating. However, as a governmental entity, the District's activities are not geared towards generating profits as are the activities of commercial entities. Other factors, such as the safety of schools and quality of education, must be considered in order to reasonably assess the District's overall performance, particularly because of the limited resources available.

Fund Financial Statements

The District's fund financial statements provide a detailed short-term view of the District's operations, focusing on its most significant or "major" funds. Certain funds are required by law while others are created by legal agreements, such as bond covenants. The District establishes other funds to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. The District has three kinds of funds - governmental funds, a proprietary fund and fiduciary funds.

Governmental Funds - The accounting for most of the District's basic services is included in the governmental funds. The measurement focus and basis of accounting continue to be reported using the modified accrual basis of accounting, which measures inflows and outflows of current financial resources and the remaining balances at year-end that are available for spending. Furthermore, under this basis of accounting, changes in net spendable assets normally are recognized only to the extent that they are expected to have a near-term impact. Inflows of financial resources are recognized only if they are available to liquidate liabilities of the current period. Similarly, future outflows are typically recognized only if they represent a depletion of current financial resources. The District's major governmental funds are the General Fund, Other Federal Programs, General Obligation School Bonds Funds, and Capital Improvement-Local Optional Millage Levy (LOML) Funds. The differences in the amounts reported between the fund statements and the government-wide financial statements are explained in the reconciliations provided on Pages 25 and 28.

Proprietary Fund - The District maintains an Internal Service Fund as its only proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses the internal service fund to report the activities of the group health self-insurance program. Since these services predominantly benefit governmental rather than business-type functions, the internal service fund has been included within governmental activities in the government-wide financial statements. The District's proprietary fund activity is reported in the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows - Proprietary Funds on Pages 29 through 31.

Fiduciary Funds - The District is the trustee, or fiduciary, for resources held for the benefit of others, such as the student activities fund and the pension trust fund. The District's fiduciary activities are reported in the Statement of Fiduciary Net Position on Page 32 and the Statement of Changes in Fiduciary Net Position on Page 33. The resources accounted for in these funds are excluded from the government-wide financial statements because these funds are not available to finance the District's operations. Consequently, the District is responsible for ensuring that these resources are used only for their intended purposes.

Notes to the Financial Statements

The notes provide disclosures and additional information that are essential to a full understanding of the financial information presented in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also provides certain required supplementary information, as well as combining and individual fund statements and schedules beginning on Page 92.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following table provides a comparative analysis of the District's Net Position for the fiscal years ended June 30, 2019 and 2018.

CONDENSED STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
June 30, 2019 and 2018
(\$ in millions)

Categories	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)	
Current and Other Assets	\$ 1,300.4	\$ 1,315.5	\$ (15.1)	(1.1)	%
Capital Assets, Net	4,407.9	4,436.8	(28.9)	(0.7)	%
Total Assets	\$ 5,708.3	\$ 5,752.3	\$ (44.0)	(0.8)	%
Deferred Outflows of Resources					
Accumulated decrease in fair value hedging derivatives	\$ -	\$ 13.9	\$ (13.9)	(100.0)	%
Deferred Loss on Refundings	94.4	91.4	3.0	3.3	%
Pensions	718.2	736.8	(18.6)	(2.5)	%
OPEB	29.8	6.3	23.5	373.0	%
Total Assets and Deferred Outflows of Resources	\$ 6,550.7	\$ 6,600.7	\$ (50.0)	(0.8)	%
Current Liabilities	\$ 542.8	\$ 514.7	\$ 28.1	5.5	%
Long-term Liabilities	5,692.8	5,845.7	(152.9)	(2.6)	%
Total Liabilities	\$ 6,235.6	\$ 6,360.4	\$ (124.8)	(2.0)	%
Deferred Inflows of Resources					
Pensions	238.0	176.6	61.4	34.8	%
OPEB	\$ 25.1	\$ 6.5	\$ 18.6	286.0	%
Total Liabilities and Deferred Inflows of Resources	\$ 6,498.7	\$ 6,543.5	\$ (44.8)	(0.7)	%
Net Position					
Net Investment in Capital Assets	\$ 1,307.0	\$ 1,302.5	\$ 4.5	0.3	%
Restricted	354.8	245.9	108.9	44.3	%
Unrestricted (deficit)	(1,609.8)	(1,491.2)	(118.6)	(7.9)	%
Total Net Position	\$ 52.0	\$ 57.2	\$ (5.2)	(9.0)	%

The District's total assets plus deferred outflows of resources were \$6.6 billion and total liabilities and deferred inflows of resources were \$6.5 billion at the end of the current fiscal year.

The District's net position totaled \$52.0 million at June 30, 2019. The largest portion of the District's net position, \$1.3 billion, reflects its investment in capital assets (land, buildings, furniture, fixtures & equipment), net of depreciation and less any outstanding debt used to construct or acquire those assets. Restricted net position in the amount of \$354.8 million is reported separately to show legal constraints, from debt covenants and enabling legislation. The \$(1.6) billion unrestricted deficit in net position reflects the shortfall the District would face in the event it would have to liquidate all of its non-capital liabilities, including insurance claims payable, compensated absences, pensions and other post-employment benefits, at June 30, 2019. Consequently, these long term considerations have a significant impact on the resulting net position.

Statement of Activities

The following table summarizes the changes in the District's Net Position from its activities for the fiscal years ended June 30, 2019 and 2018.

CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES For Fiscal Years Ended June 30, 2019 and 2018 (\$ in millions)

Revenues	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
Program Revenues:				
Charges for Services	\$ 48.5	\$ 44.5	\$ 4.0	9.0 %
Operating Grants & Contributions	998.4	1,030.0	(31.6)	(3.1) %
Capital Grants & Contributions	88.9	56.5	32.4	57.3 %
Total Program Revenues	\$ 1,135.8	\$ 1,131.0	\$ 4.8	0.4 %
General Revenues:				
Ad Valorem Taxes	\$ 2,058.2	\$ 2,018.3	\$ 39.9	2.0 %
Grants & Contributions Not				
Restricted to Specific Programs	656.9	661.3	(4.4)	(0.7) %
Investment Earnings	45.0	20.7	24.3	117.4 %
Miscellaneous Revenues	44.5	25.7	18.8	73.2 %
Total General Revenues	\$ 2,804.6	\$ 2,726.0	\$ 78.6	2.9 %
Total Revenues	\$ 3,940.4	\$ 3,857.0	\$ 83.4	2.2 %
Expenses				
Instructional Services	\$ 2,311.3	\$ 2,221.2	\$ 90.1	4.1 %
Instructional Support Services	324.9	301.2	23.7	7.9 %
Student Transportation	94.9	93.0	1.9	2.0 %
Operations & Maintenance of Plant	389.1	378.8	10.3	2.7 %
Food Service	164.3	161.0	3.3	2.0 %
School Administration	171.0	167.6	3.4	2.0 %
General Administration	14.0	13.9	0.1	0.7 %
Business/Central Services	70.0	71.1	(1.1)	(1.5) %
Facilities Acquisition and Construction	54.0	68.6	(14.6)	(21.3) %
Administrative Technology Services	2.1	3.4	(1.3)	(38.2) %
Interest on Long-Term Debt	146.2	150.2	(4.0)	(2.7) %
Community Services	32.5	31.0	1.5	4.8 %
Unallocated Depreciation	171.3	168.4	2.9	1.7 %
Total Expenses	\$ 3,945.6	\$ 3,829.4	\$ 116.2	3.0 %
Increase (Decrease) in Net Position	\$ (5.2)	\$ 27.6	\$ (32.8)	(118.8) %
Net Position, Beginning	\$ 57.2	\$ 186.8	\$ (129.6)	(69.4) %
Prior year restatement		(157.2)	157.2	100.0 %
Net Position, Ending	\$ 52.0	\$ 57.2	\$ (5.2)	(9.1) %

The District's Net Position decreased slightly by \$(5.2) million or (9.1)% from the prior year primarily due to an increase in overall expenses during the fiscal year. Revenues from Operating Grants & Contributions decreased by \$(31.6) million or (3.1)% primarily due to funding in the prior year received from the Department of Agriculture by the food service program related to Hurricane Irma. General Revenues for Ad Valorem Taxes increased by \$39.9 million or 2.0% due to higher property values resulting in increased property tax collections. Increases in expenses for Instructional Services, Instructional Support Services, and Operations & Maintenance of Plant is partially attributed to salary supplements to teachers, school police, and school security monitors, in anticipation of funding from the voter approved Secure Our Future referendum, as well as increases in Instructional Services for higher payments to charter schools.

Governmental Activities



The Statement of Activities reports gross expenses, offsetting program revenues and the resulting net expense (cost) by functions for the current year. The net cost of each of the District's functions represents the expenses that must be subsidized by general revenues, including tax dollars. As reflected in the Statement of Activities, total expenses for governmental activities excluding unallocated depreciation expense totaled \$3,774.3 million, of which \$1,135.8 million were financed by charges for services and other program revenues. The resulting net costs of \$2,638.5 million, excluding unallocated depreciation expense, were financed primarily by Florida Education Finance Program (FEFP) dollars and property taxes.

The table below, presents a comparative analysis of the cost and the net cost of each of the District's functions: School Level Services include Instruction, Student Services (counselors, psychologists, and visiting teachers), Transportation, Custodial and Maintenance (including utilities), School Administration and Community Services; Instructional Support Services include Curriculum Development and Staff Training; Business/Central Services include Accounting, Budget, Payroll, Accounts Payable, Cash and Debt Management, Purchasing, Personnel, Data Processing, Risk Management, and Warehousing; General Administration; and Facilities Acquisition & Construction.

NET COST OF GOVERNMENTAL ACTIVITIES For Fiscal Years Ended June 30, 2019 and 2018 (\$ in millions)

	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
Total Cost of Services				
School Level Services	\$ 3,163.2	\$ 3,052.6	\$ 110.6	3.6 %
Instructional Support Services	324.9	301.2	23.7	7.9 %
Business/Central Services	218.2	224.7	(6.5)	(2.9) %
General Administration	14.0	13.9	0.1	0.7 %
Facilities Acquisition & Construction	54.0	68.6	(14.6)	(21.3) %
Total Cost of Services *	\$ 3,774.3	\$ 3,661.0	\$ 113.3	3.1 %
Net Cost of Services				
School Level Services	\$ 2,075.4	\$ 1,960.1	\$ 115.3	5.9 %
Instructional Support Services	324.9	301.2	23.7	7.9 %
Business/Central Services	216.7	222.7	(6.0)	(2.7) %
General Administration	14.0	13.9	0.1	0.7 %
Facilities Acquisition & Construction	7.5	32.1	(24.6)	(76.6) %
Net Cost of Services *	\$ 2,638.5	\$ 2,530.0	\$ 108.5	4.3 %

* Excluding unallocated depreciation expense

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Financial information is presented separately in the Balance Sheet, and in the Statement of Revenues, Expenditures, and Changes in Fund Balances for the District's major funds: General Fund, Other Federal Programs, General Obligation School Bonds Funds and Capital Improvement-Local Optional Millage Levy (LOML) Funds. Financial information for the non-major governmental funds is aggregated and presented in a single column. Individual fund data for each of the non-major governmental funds is presented in the combining statements beginning on Page 104.

GENERAL FUND

The General Fund is the primary operating fund for the District. Presented below is an overall analysis of the General Fund as compared to the prior year.

CHANGES IN GENERAL FUND ACTIVITY For Fiscal Years 2018/19 and 2017/18 (\$ in thousands)

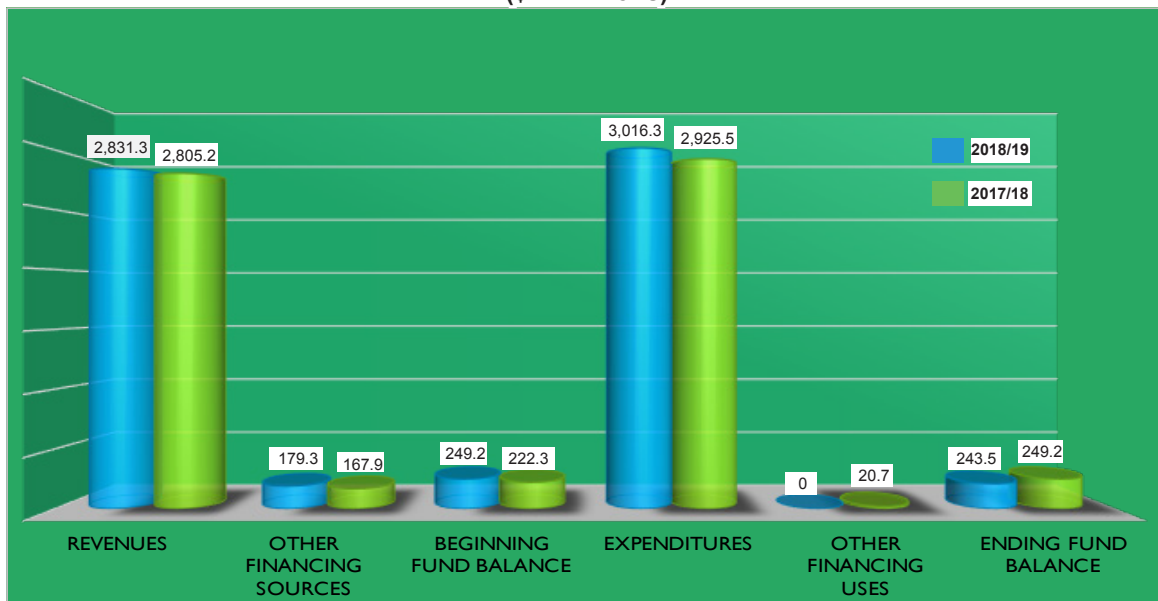
Categories	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
Revenues	\$ 2,831,342	\$ 2,805,192	\$ 25,962	0.9 %
Other Financing Sources	179,265	167,896	11,557	6.9 %
Beginning Fund Balance	249,164	222,269	26,895	12.1 %
Total	\$ 3,259,771	\$ 3,195,357	\$ 64,414	2.0 %
Expenditures	\$ 3,016,314	\$ 2,925,519	\$ 90,795	3.1 %
Other Financing Uses	-	20,674	(20,674)	(100.0) %
Ending Fund Balance	243,457	249,164	(5,707)	(2.3) %
Total	\$ 3,259,771	\$ 3,195,357	\$ 64,414	2.0 %

The General Fund is the chief operating fund of the District. Overall Revenues increased by \$26.0 million or 0.9% from the previous year. The increase is primarily due to an increase in the property tax collections and interest income.

Expenditures increased by \$90.8 million or 3.1% from the previous year. The increase is primarily attributed to increased payments to charter schools, salary supplements to teachers, school police, and school security monitors, in anticipation of funding from the voter approved Secure Our Future referendum, and other operational costs.

Ending Fund Balance decreased by \$(5.7) million or (2.3)% primarily due to an increase in expenditures, offset to some extent by an increase in revenues.

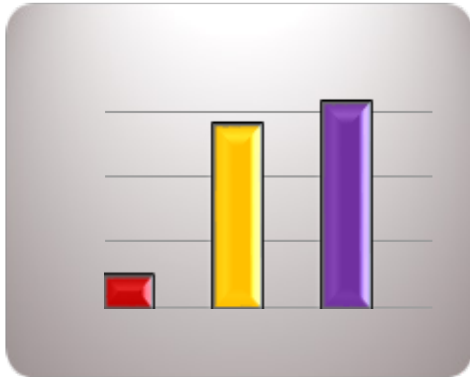
CHANGES IN GENERAL FUND ACTIVITY For Fiscal Years 2018/19 and 2017/18 (\$ in millions)



GENERAL FUND (continued)

Revenues By Source

Revenues - Overall revenues increased by \$26.0 million or 0.9% as follows:



■ Federal ■ State ■ Local

REVENUES BY SOURCE
For Fiscal Years 2018/19 and 2017/18
(\$ in thousands)

Sources	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
Federal	\$ 18,724	\$ 23,613	\$ (4,889)	(20.7) %
State	1,186,834	1,189,472	(2,638)	(0.2) %
Local	1,625,784	1,592,107	33,677	2.1 %
Total	\$ 2,831,342	\$ 2,805,192	\$ 26,150	0.9 %

Federal sources decreased by \$(4.9) million or (20.7)% from the prior year. This decrease is primarily due to a decrease in Medicaid reimbursement, offset by funding for the Restart Program and Emergency Impact Aid for Displaced Students.

State sources decreased by \$(2.6) million or (0.2)% from the prior year. This decrease is primarily due to a decrease in FEFP funding, offset by the new mental health allocation of \$7.8 million.

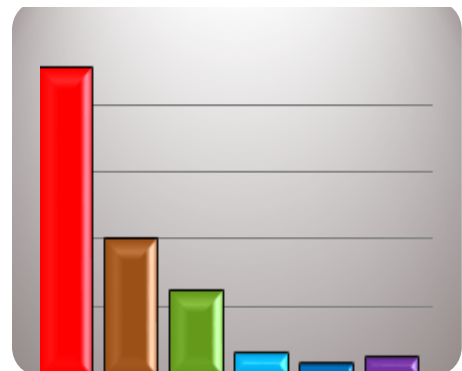
Local sources increased by \$33.7 million or 2.1% from the prior year. This increase is primarily due to an increase in the collection of taxes as well as an increase in investment income and E-rate funding.

Expenditures By Function

Expenditures - Overall expenditures increased by \$90.8 million or 3.1% as follows:

EXPENDITURES BY FUNCTION
For Fiscal Years 2018/19 and 2017/18
(\$ in thousands)

Functions	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
School Level Services	\$ 2,713,931	\$ 2,639,131	\$ 74,800	2.8 %
Instructional Support Services	207,688	196,056	11,632	5.9 %
Business Services/ Central Adm.	74,498	73,770	728	1.0 %
School Board	8,176	7,712	464	6.0 %
General Administration	5,294	5,878	(584)	(9.9) %
Facilities & Other Capital Outlay	6,727	2,972	3,755	126.3 %
Total	\$ 3,016,314	\$ 2,925,519	\$ 90,795	3.1 %



■ School Level Services ■ School Board
■ Instructional Support Services ■ General Administration
■ Business Svcs./ Central Adm. ■ Facilities & Other Capital Outlay

Salaries and fringe benefits represent the most significant expenditures of the District specifically as it relates to school level expenditures. During the 2018-19 fiscal year, the administration continued to implement cost reduction strategies to meet the financial challenges of limited funding and increased costs. The increase in Facilities & Other Capital Outlay expenditures resulted from various district-wide communication system upgrades and Hurricane Irma restoration costs.

OTHER FEDERAL PROGRAMS

While the primary sources of revenue for this fund are federal grants, some state and local grants are included. Grants included in this fund, both entitlement and competitive, have restrictions on how the grant proceeds may be used. These restrictions are established by the grantor agencies or organizations. As a result, in compliance with generally accepted accounting principles, revenues in this fund are recognized only to the extent that eligible expenditures have been incurred. Therefore, no fund balance is recognized.

GENERAL OBLIGATION SCHOOL BONDS

On November 6, 2012, Miami-Dade County voters approved a referendum authorizing the issuance of \$1.2 billion of General Obligation Bonds (GOBs) for the modernization and construction of public school facilities, including educational technology upgrades. Thus far, five separate bond series have been issued pursuant to this referendum. As of June 30, 2019, \$270.8 million bonds remain to be issued. Fiscal year 2018-19 was another banner year for the GOB program, with over 500 projects at various stages of development, from design to close out. The 2018-19 fiscal year ended with a total fund balance of \$293.5 million.

CAPITAL IMPROVEMENT-LOCAL OPTIONAL MILLAGE LEVY (LOML)

Capital Improvement - Local Optional Millage Levy (LOML) funds constitute the primary source of revenue in the Capital Budget. The Florida Legislature decreased the maximum allowable millage to be used for capital purposes from 1.75 mills to 1.50 mills in the 2009-10 fiscal year with the flexibility of shifting 0.25 mills back from the operating budget. Total fund balance of \$138.2 million represents an increase of 53% from the previous year. This can be attributed to an increase in the collection of taxes and the relief provided by the Florida Legislature funding the charter school capital outlay allocation from state funds during fiscal year 2019 rather than from District capital millage revenue sharing as occurred in prior fiscal year 2018. The total \$138.2 million fund balance is restricted for capital projects.



BUDGETARY HIGHLIGHTS

General Fund

Most District operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature. The purpose is to substantially equalize educational funding among the sixty-seven school districts in Florida, irrespective of differences in wealth among the districts.

Each school district retains its local property taxes, which are reported as local revenues. However, the required local effort portion is deducted from the district revenue generated by the State FEFP formulas. The resulting net revenue is reported as state revenue.

Total General Fund revenues and other financing sources during 2018-19 were \$37.6 million less than the original adopted budget as follows:

Federal funds were \$9.9 million lower than anticipated primarily due to pending payments from FEMA related to expenditures incurred as a result of Hurricane Irma of \$11.9 million as well as a decrease in Medicaid reimbursements of \$6.2 million. These decreases were partially offset by revenue received from two new federal grants, Displaced Students and Restart program, as well as increases in Impact Aid, R.O.T.C. and Other Federal through State sources.

State funds were \$24.7 million less than the original adopted budget primarily due to the elimination of McKay Scholarships of \$42.3 million, as well as decreases in base FEFP funding due to changes in enrollment of \$7.3 million, Class Size Reduction of \$2.0 million, Supplemental Academic Instruction of \$1.4 million, ESE Guarantee of \$1.5 million, and a decrease of \$1.3 million related to the Voluntary Pre-K program. These decreases were offset by the receipt of Best & Brightest Scholarship funds for \$22.1 million, an increase in the Declining Enrollment Supplement of \$4.7 million, Schools of Hope grants funds for \$1.7 million, Students Attired for Education Grant for \$1.8 million and miscellaneous increases of \$0.8 million.

Local revenues were \$8.5 million higher than the original adopted budget. The increase in local revenues is primarily due to increased interest and investment revenue of \$15.5 million, increased tax redemptions of \$4.8 million and increases in other accounts of \$12.5 million. The increases were offset by reductions in net property taxes of \$22.4 million and decreased federal indirect cost reimbursement of \$1.9 million.

Other Financing Sources decreased \$11.5 million due to the decrease in transfers from other funds of \$13.4 million and increases in other non-revenue sources of \$1.9 million.

The most significant variance between the budget as originally adopted and the final amended budget is reflected in Instructional Services expenditures. This variance is primarily due to the fact that most of the district's budget is originally placed in Instructional Services as teacher salaries and fringes. During 2018-19, the District experienced a higher than budgeted vacancy rate across a multitude of positions. The rest of the variance in Instructional Services relates to the fact that once the school year commences the true needs of each respective school are determined based on actual FTE and other established allocation processes. Therefore, funds originally budgeted under Instructional Services are spent under other functions which explains the negative variances seen in the rest of the other expenditure functions.

The variance between final amended budget and actual expenditures relates to amounts that were encumbered as of June 30, 2019.

Ending fund balance as of June 30, 2019 was \$243.5 million comprised of nonspendable fund balances totaling \$7.5 million, representing inventories and prepaid items, restricted fund balance totaling \$18.0 million in state categorical programs, assigned fund balance of \$111.0 million, which included rebudgets and outstanding purchase orders and purchase requisitions and unassigned fund balance totaling \$107.0 million. This differs from the ending fund balance used for budgetary purposes since amounts encumbered are included as appropriations.

The District will continue to review the budget, focusing on maintaining essential educational services as it anticipates continuing revenue shortfalls and cost increases.



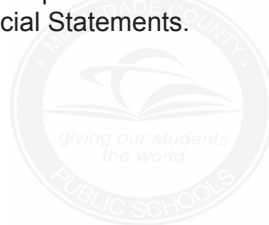
CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At June 30, 2019, the District had \$4.4 billion invested in different categories of capital assets, net of accumulated depreciation, as shown in the table below.

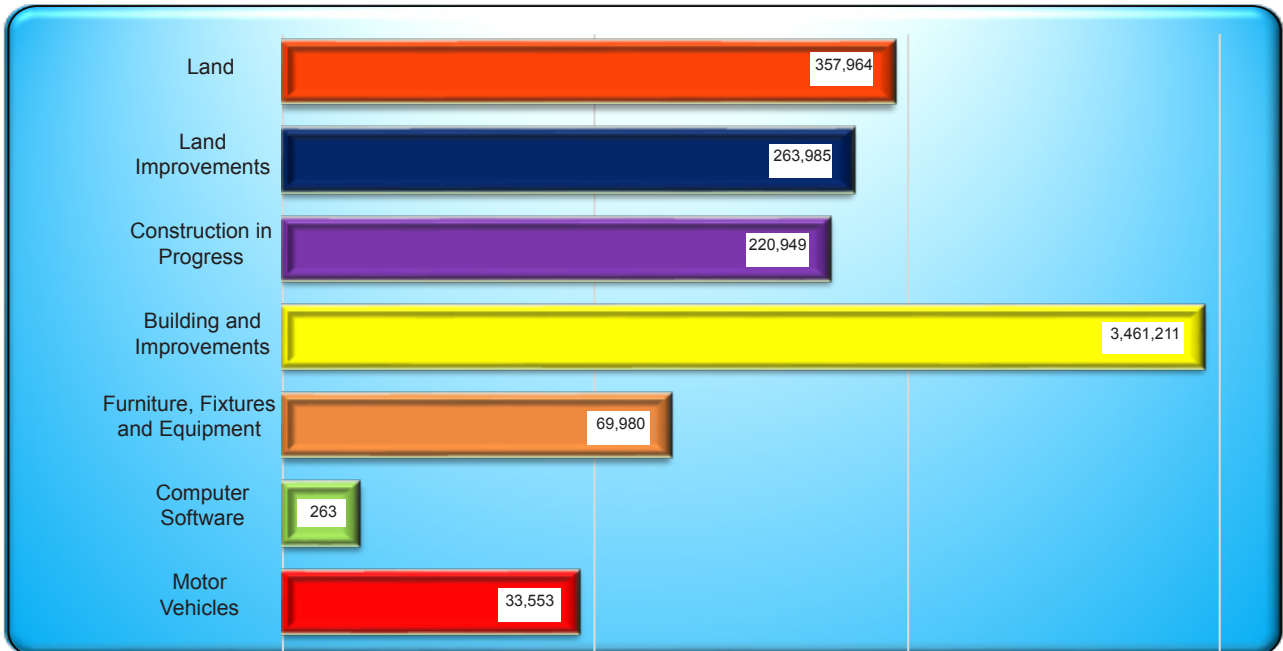
CHANGES IN CAPITAL ASSETS At June 30, 2019 and 2018 (\$ in thousands)

Categories	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
Land	\$ 357,964	\$ 356,084	\$ 1,880	0.5 %
Land Improvements	263,985	262,364	1,621	0.6 %
Construction in Progress	220,949	200,316	20,633	10.3 %
Building and Improvements	3,461,211	3,508,095	(46,884)	(1.3) %
Furniture, Fixtures & Equipment	69,980	70,225	(245)	(0.3) %
Computer Software	263	479	(216)	(45.1) %
Motor Vehicles	33,553	39,270	(5,717)	(14.6) %
Total	\$ 4,407,905	\$ 4,436,833	\$ (28,928)	(0.7) %

Detailed information reflecting the District's capital asset balances and activity for the fiscal year ended June 30, 2019 is provided in Note 4 to the Financial Statements.



CAPITAL ASSETS At June 30, 2019 (\$ in thousands)



CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt Administration - The following table represents the changes in the District's outstanding long-term liabilities at fiscal year end.

CHANGES IN LONG TERM LIABILITIES At June 30, 2019 and 2018 (\$ in thousands)

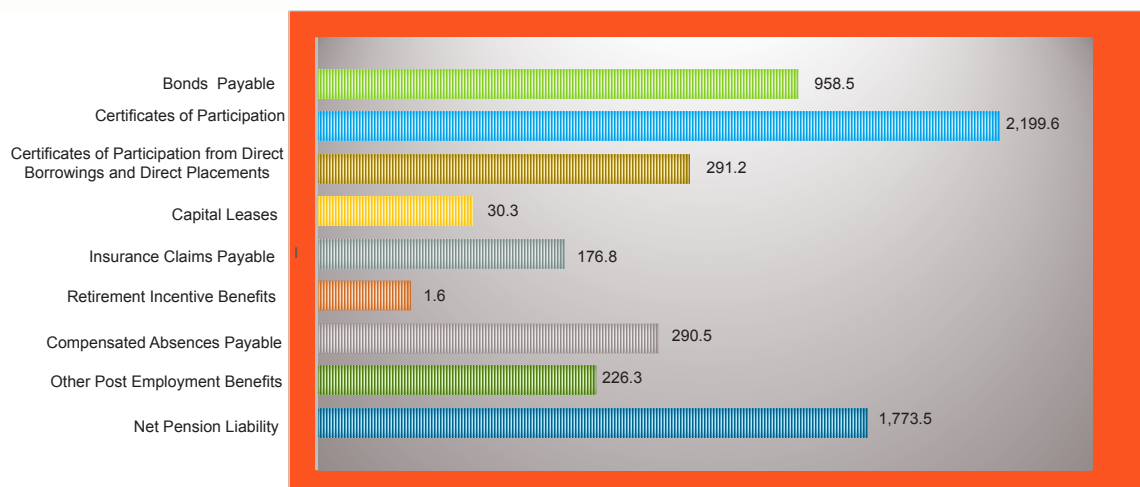
Categories	2018/19	2017/18	Difference Increase (Decrease)	% Increase (Decrease)
Bonds Payable	\$ 958,461	\$ 980,501	\$ (22,040)	(2.2) %
Certificates of Participation Payable , net	2,199,555	2,435,837 *	(236,282)	(9.7) %
Certificates of Participation Payable from Direct Borrowings and Direct Placements	291,154	159,434 *	131,720	82.6 %
Derivative Instrument Liability	-	13,926	(13,926)	(100.0) %
Capital Leases	30,265	44,316	(14,051)	(31.7) %
Insurance Claims Payable	176,827	169,362	7,465	4.4 %
Retirement Incentive Benefits	1,621	1,576	45	2.8 %
Compensated Absences Payable	290,502	284,507	5,995	2.1 %
Other Post Employment Benefits Liability	226,325	211,851	14,474	6.8 %
Net Pension Liability	1,773,469	1,783,082	(9,613)	(0.5) %
Total	\$ 5,948,179	\$ 6,084,392	\$ (136,213)	(2.2) %

* Reflects disclosures to comply with GASB Statement No. 88.

Overall liabilities decreased by \$(136.2) million or (2.2)% from the prior year. The most significant decreases are reflected in Bonds Payable \$(22.0) and Certificates of Participation \$(236.3). These decreases are primarily due to repayment of debt.

Detailed information relating to changes in long-term liabilities for the fiscal year ended June 30, 2019 is provided in Note 14 to the Financial Statements.

LONG TERM LIABILITIES At June 30, 2019 (\$ in millions)



ECONOMIC FACTORS

The State of Florida, by constitution, does not have a state personal income tax and therefore, the state operates primarily using sales, gasoline and corporate income taxes. Despite continued funding challenges, the District, through prudent fiscal management, maintains a healthy financial position to provide the quality education deserved by every child.

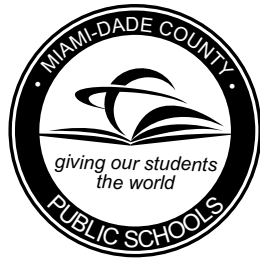
CONTACTING MANAGEMENT

The District's financial statements are designed to present citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Additional information can be requested at:

The School Board of Miami-Dade County, Florida
School Board Administration Building
Office of the Controller
1450 N.E. 2nd Avenue
Room 664
Miami, Florida 33132
or visit our website at:

<http://www.dadeschools.net>





BASIC FINANCIAL STATEMENTS





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF NET POSITION
JUNE 30, 2019
(amounts expressed in thousands)

	<u>Primary Government</u> <u>Total</u> <u>Governmental</u> <u>Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 203,927
Investments	645,757
Cash and investments with fiscal agents	209
Total cash, cash equivalents, and investments (Note 3)	849,893
Taxes receivable, net (Note 16)	14,118
Accounts and interest receivable	4,199
Due from other governments or agencies (Note 6)	106,121
Inventories	16,248
Prepaid and other current assets	17,533
Total current assets	1,008,112
Non-current assets:	
Cash and investments (Note 3)	292,265
Capital assets (Note 4):	
Non-depreciable capital assets	842,898
Depreciable capital assets	6,631,149
Less accumulated depreciation	(3,066,142)
Total capital assets, net	4,407,905
Total non-current assets	4,700,170
Total assets	5,708,282
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding of debt	94,386
Pensions (Note 17)	718,252
Other post employment benefits (Note 17)	29,842
Total deferred outflows of resources	\$ 842,480

See accompanying notes to the basic financial statements

	Primary Government
	Total
	Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts and contracts payable and accrued expenses	\$ 54,121
Accrued payroll payable	164,315
Due to other governments or agencies (Note 6)	5,939
Unearned revenue	4,351
Accrued interest payable	39,820
Retainage payable on contracts	18,922
Current portion of long-term liabilities (Note 14)	255,356
Total current liabilities	<u>542,824</u>
Non-current liabilities:	
Non-current portion of long-term liabilities (Note 14)	3,693,029
Net pension liability	1,773,469
Total other post employment benefits liability	226,325
Total non-current liabilities	<u>5,692,823</u>
Total liabilities	<u>6,235,647</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions (Note 17)	237,968
Other post employment benefits (Note 17)	25,125
Total deferred inflows of resources	<u>263,093</u>
NET POSITION	
Net investment in capital assets	1,307,004
Restricted for:	
State required carryover programs	17,999
Food service	32,750
Debt service	83,158
Capital projects	220,022
Other purposes	931
Unrestricted (deficit)	(1,609,842)
Total net position	<u>\$ 52,022</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)

	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental Activities:			
Instructional services	\$ 2,311,324	\$ 10,803	\$ 854,415
Instructional support services	324,932	-	-
Student transportation services	94,939	845	-
Operation and maintenance of plant	389,129	-	-
School administration	170,967	-	-
General administration	14,020	-	-
Business/central services	70,023	-	-
Administrative technology services	2,124	-	-
Food services	164,259	15,436	144,027
Community services	32,496	21,395	-
Facilities acquisition and construction	53,940	-	-
Interest on long-term debt	146,189	-	-
Unallocated depreciation/amortization (excludes direct depreciation expenses, Note 4)	171,260	-	-
Total governmental activities	<u>\$ 3,945,602</u>	<u>\$ 48,479</u>	<u>\$ 998,442</u>

See accompanying notes to the basic financial statements

<u>Program Revenues</u>	<u>Net (Expenses) Revenues and Changes in Net Position</u>
<u>Capital Grants and Contributions</u>	<u>Primary Government Total Governmental Activities</u>
\$ -	\$ (1,446,106)
-	(324,932)
-	(94,094)
40,749	(348,380)
-	(170,967)
-	(14,020)
-	(70,023)
-	(2,124)
-	(4,796)
-	(11,101)
46,525	(7,415)
1,612	(144,577)
-	(171,260)
<u>\$ 88,886</u>	<u>(2,809,795)</u>

General Revenues:

Taxes (Note 16):

Property Taxes, Levied for Operational Purposes	1,529,167
Property Taxes, Levied for Debt Service	70,059
Property Taxes, Levied for Capital Projects	458,991
Grants and Contributions Not Restricted to Specific Programs	656,874
Investment Earnings	45,012
Other	44,461
Total General Revenues	<u>2,804,564</u>

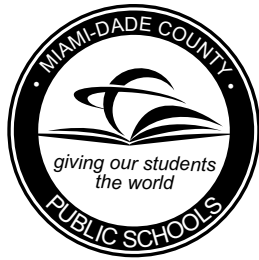
Change in Net Position	(5,231)
Net Position - Beginning of Year	57,253
Net Position - End of Year	<u>\$ 52,022</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2019
(amounts expressed in thousands)

	General	Other Federal Programs
ASSETS		
Cash and cash equivalents	\$ 91,191	\$ 114
Equity in pooled cash and investments	287,907	184
Cash and investments with fiscal agents (Note 12)	-	-
Total cash, cash equivalents, and investments (Note 3)	379,098	298
Taxes receivable, net (Note 16)	11,053	-
Accounts and interest receivable	1,905	-
Due from other governments or agencies (Note 6)	34,447	40,586
Due from other funds (Note 5)	32,565	-
Inventories	13,116	-
Prepaid and other assets	1,455	-
TOTAL ASSETS	\$ 473,639	\$ 40,884
LIABILITIES		
Accounts and contracts payable and accrued expenditures	\$ 34,232	\$ 3,703
Accrued payroll and compensated absences (Notes 8 and 14)	172,417	2,769
Due to other funds (Note 5)	12,500	32,560
Due to other governments or agencies (Note 6)	4,090	1,768
Unearned revenue	450	50
Estimated liability for claims (Notes 13 and 18)	1,971	-
Retainage payable on contracts	170	34
Total liabilities	225,830	40,884
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	4,352	-
Total deferred inflows of resources	4,352	-
FUND BALANCES		
Nonspendable	7,508	-
Restricted	17,999	-
Assigned	110,933	-
Unassigned	107,017	-
Total fund balances	243,457	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 473,639	\$ 40,884

See accompanying notes to the basic financial statements

General Obligation School Bonds Fund	Capital Improvement LOML Funds	Non-major Governmental Funds	Total Governmental Funds
\$ 81,954	\$ 32,365	\$ 32,150	\$ 237,774
234,073	92,718	174,612	789,494
-	-	209	209
<u>316,027</u>	<u>125,083</u>	<u>206,971</u>	<u>1,027,477</u>
-	2,556	509	14,118
1,334	449	302	3,990
-	-	31,088	106,121
-	-	12,500	45,065
-	-	3,132	16,248
-	16,078	-	17,533
<u>\$ 317,361</u>	<u>\$ 144,166</u>	<u>\$ 254,502</u>	<u>\$ 1,230,552</u>
\$ 9,901	\$ 3,273	\$ 2,715	\$ 53,824
-	-	900	176,086
-	-	5	45,065
-	-	81	5,939
-	-	3,797	4,297
-	-	-	1,971
13,932	2,277	2,509	18,922
<u>23,833</u>	<u>5,550</u>	<u>10,007</u>	<u>306,104</u>
-	446	203	5,001
-	446	203	5,001
-	16,078	3,132	26,718
293,528	122,092	241,115	674,734
-	-	45	110,978
-	-	-	107,017
<u>293,528</u>	<u>138,170</u>	<u>244,292</u>	<u>919,447</u>
<u>\$ 317,361</u>	<u>\$ 144,166</u>	<u>\$ 254,502</u>	<u>\$ 1,230,552</u>



**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2019
(amounts expressed in thousands)**

Total Fund Balances – Governmental Funds **\$ 919,447**

Amounts reported for governmental activities in the Statement of Net Position are different as a result of:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.

Capital assets	\$ 7,474,047	
Accumulated depreciation	<u>(3,066,142)</u>	4,407,905

Property taxes receivable not collected within 60 days of fiscal year-end are not available to pay for current period expenditures, and therefore are not recorded as revenue in the governmental funds.		5,001
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An internal service fund is used by the District to charge the costs of health premiums to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position

Assets	114,890	
Liabilities	<u>(34,322)</u>	
Net Position		80,568

Current liabilities which are accrued as a liability in the government-wide statements but are not recognized in the governmental funds until due:

Benefits payable	(1,649)	
Interest payable	<u>(39,820)</u>	(41,469)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.

Long-term liabilities at year-end consist of the following:

Bonds payable	(958,461)	
Capital leases	(30,265)	
Compensated absences	(277,280)	
Retirement incentive benefits	(1,423)	
Certificates of participation	(2,490,709)	
Net pension liability	(1,773,469)	
Total other post employment benefits liability	(226,325)	
Claims payable	<u>(140,885)</u>	(5,898,817)

Deferred outflows (inflows) of resources are reported in the Statement of Net Position but are not recognized in the governmental funds:

Loss on debt refunding	94,386	
Net deferred outflows (inflows) - pensions	480,284	
Net deferred outflows (inflows) - other post employment benefits	<u>4,717</u>	579,387

Total Net Position – Governmental Activities **\$ 52,022**

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)

	General	Other Federal Programs
Revenues:		
Local sources:		
Ad valorem taxes (Note 16)	\$ 1,530,155	\$ -
Food service sales	-	-
Interest income	29,680	-
Net increase in fair value of investments	42	-
Local grants and other	65,907	3,502
Total local sources	1,625,784	3,502
State sources (Note 15):		
Florida education finance program	650,067	-
Public education capital outlay	-	-
Food services	-	-
State grants and other	536,767	-
Total state sources	1,186,834	-
Federal sources:		
Federal grants and other	18,724	299,174
Food services	-	-
Total federal sources	18,724	299,174
Total revenues	2,831,342	302,676
Expenditures:		
Current:		
Instructional services		
Basic programs	1,621,975	112,483
Exceptional child programs	356,026	36,093
Adult and vocational-technical programs	76,019	13,263
Total instructional services	2,054,020	161,839
Instructional support services	202,424	109,489
Student transportation services	75,087	13,357
Operation and maintenance of plant	377,905	429
School administration	164,822	33
General administration	82,192	7,237
Food services	-	-
Community services	30,699	73
Capital outlay	23,540	10,219
Debt service (Notes 9, 10, 11 and 12):		
Principal retirement	751	-
Interest and fiscal charges	4,874	-
Total expenditures	3,016,314	302,676
Excess (deficiency) of revenues over (under) expenditures	(184,972)	-
Other financing sources (uses):		
Transfers in (Note 5)	177,556	-
Transfers out (Note 5)	-	-
Issuance of debt for refunding (Notes 10 and 11)	-	-
Premium on issuance of debt for refunding	-	-
Payments to refunded bond escrow agent	-	-
Proceeds from sale of capital assets	312	-
Proceeds from leases	1,397	-
Total other financing sources (uses)	179,265	-
Net change in fund balances	(5,707)	-
Fund balances - beginning of year	249,164	-
Fund balances - end of year	\$ 243,457	\$ -

See accompanying notes to the basic financial statements

General Obligation School Bonds Fund	Capital Improvement LOML Funds	Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ 458,768	\$ 70,026	\$ 2,058,949
-	-	15,436	15,436
5,711	1,099	1,773	38,263
124	21	6,559	6,746
-	-	35,710	105,119
<u>5,835</u>	<u>459,888</u>	<u>129,504</u>	<u>2,224,513</u>
-	-	-	650,067
-	-	6,245	6,245
-	-	2,054	2,054
-	-	62,049	598,816
-	-	<u>70,348</u>	<u>1,257,182</u>
-	-	16,556	334,454
-	-	132,224	132,224
-	-	<u>148,780</u>	<u>466,678</u>
<u>5,835</u>	<u>459,888</u>	<u>348,632</u>	<u>3,948,373</u>
-	-	-	1,734,458
-	-	-	392,119
-	-	-	<u>89,282</u>
-	-	-	2,215,859
-	-	-	311,913
-	-	-	88,444
-	-	33	378,367
-	-	-	164,855
-	-	-	89,429
-	-	164,226	164,226
-	-	106	30,878
111,734	51,381	33,152	230,026
-	-	138,364	139,115
-	14	148,425	153,313
<u>111,734</u>	<u>51,395</u>	<u>484,306</u>	<u>3,966,425</u>
<u>(105,899)</u>	<u>408,493</u>	<u>(135,674)</u>	<u>(18,052)</u>
-	-	234,822	412,378
(189)	(360,649)	(51,540)	(412,378)
-	-	142,682	142,682
-	-	124	124
-	-	(141,350)	(141,350)
-	-	-	312
-	-	-	1,397
<u>(189)</u>	<u>(360,649)</u>	<u>184,738</u>	<u>3,165</u>
(106,088)	47,844	49,064	(14,887)
399,616	90,326	195,228	934,334
<u>\$ 293,528</u>	<u>\$ 138,170</u>	<u>\$ 244,292</u>	<u>\$ 919,447</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)

Total Net Change in Fund Balances - Governmental Funds \$ (14,887)

Amounts reported for governmental activities in the Statement of Activities are different as a result of:

Property taxes not collected within 60 days of fiscal year-end are not considered available and therefore are not recorded as revenues in the fund level statements. However, for the government-wide statements property tax revenues are recorded when there is an enforceable lien. Additionally, the governmental funds reflect revenues that correspond to the prior year.

Prior year revenues recorded this year at the fund level	\$ (5,734)	
Revenues not recorded this year in the fund level statements are recorded as revenue in the government-wide statements	5,001	(733)

An internal service fund is used by the District to charge the costs of health premiums to individual funds. The decrease in net position of the internal service fund is reported with governmental activities. (17,708)

The changes in net pension liability and related deferred inflows and outflows are not reported in the fund statements and the net effect is to decrease net position. (70,294)

The changes in total other post employment benefits liability and related deferred inflows and outflows are not reported in the fund statements and the net effect is to decrease net position. (9,531)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, recoveries, and donations) is to increase net position. 2,069

Capital outlay disbursements to purchase or build capital assets are reported as expenditures in the governmental funds. In the Statement of Net Position, these costs are capitalized and depreciated over their estimated useful lives. In the Statement of Activities the depreciation is reflected as an expense for the period.

Capital outlay expenditures for the fiscal year	162,524	
Depreciation expense for the fiscal year	(193,520)	(30,996)

Proceeds from issuance of debt instruments are recorded as other financing sources in the governmental funds, however, in the government-wide statements they are recorded as additions to long-term liabilities. Proceeds from debt instruments were as follows:

Proceeds from refunding of State Board of Education Capital Outlay Bonds	(787)	
Premium on refunding of State Board of Education Capital Outlay Bonds	(124)	
Proceeds from refunding of Certificates of Participation	(141,895)	
Proceeds from Loans and Leases	(1,397)	(144,203)

The governmental funds only include those liabilities that will be paid with current financial resources. Expenses recorded in the Statement of Activities exceed the amount recorded in the governmental funds due to the different measurement focus used.

Decrease in compensated absences liability	530	
Increase in accrued salaries and benefits	(172)	
Increase in claims payable	(8,898)	(6,540)

Repayment of debt principal is reflected as an expenditure in the governmental funds, however, in the Statement of Net Position it is reflected as a reduction of liabilities and does not affect the Statement of Activities.

Repayment of debt principal for Certificates of Participation	96,295	
Repayment of debt principal for Qualified Zone Academy Bonds	9,744	
Repayment of debt principal for General Obligation Bonds	16,450	
Repayment of debt principal for Capital Leases	15,447	
Repayment of debt principal for State Board of Education Bonds	1,179	139,115

Repayment to refund debt is reflected as miscellaneous expense and/or other financing use in the governmental funds, however, in the Statement of Net Position it is reflected as a reduction of liabilities and does not affect the Statement of Activities. 141,883

Interest on long-term debt differs from the amount reported in the governmental funds. In the governmental funds, interest on long-term debt is recorded as an expenditure when due and payable. In the Statement of Activities, interest is recorded as it accrues. In addition, premiums are amortized over the life of the debt, and are recorded as a decrease to interest expense on the Statement of Activities. Gains (losses) incurred as a result of advance refundings are also amortized over the life of the debt and are recorded as a decrease (increase) to interest expense on the Statement of Activities.

Accrued interest payable	(39,820)	
Amortization of premium on State Board of Education Capital Outlay Bonds (SBEs)	312	
Amortization of premium on Certificates of Participation (COPs)	14,643	
Amortization of premium on General Obligation School Bonds (GOBs)	4,102	
Amortization of gain related to advance refunding of COPS	129	
Amortization of loss related to advance refunding of SBEs	(118)	
Amortization of loss related to advance refunding of COPs	(12,210)	
Prior year accrued interest paid during current fiscal year	39,556	6,594

Total Change in Net Position of Governmental Activities \$ (5,231)

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2019
(amounts expressed in thousands)

	Health Insurance Fund
ASSETS	
Cash and cash equivalents	\$ 24,275
Investments	90,406
Accounts and interest receivable	209
Total assets	\$ 114,890
 LIABILITIES	
Accounts payable	\$ 297
Unearned revenue	54
Estimated unpaid health claims	33,971
Total liabilities	34,322
 NET POSITION	
Unrestricted	\$ 80,568
Total net position	\$ 80,568

See accompanying notes to the basic financial statements

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	Health Insurance Fund
OPERATING REVENUES	
Charges for services	\$ 346,675
Other operating revenues	7,276
Total operating revenues	353,951
OPERATING EXPENSES	
Salaries	183
Employee benefits	63
Purchased services	452
Claims	362,690
Administrative fees and other	8,706
Total operating expenses	372,094
OPERATING LOSS	(18,143)
NONOPERATING REVENUES	
Interest revenue	435
Total nonoperating revenues	435
CHANGE IN NET POSITION	(17,708)
NET POSITION - Beginning of year	98,276
NET POSITION - End of year	\$ 80,568

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)

	<u>Health Insurance Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and interfund services provided	\$ 346,665
Payments for claims	(361,788)
Payments to suppliers for goods and services	(9,127)
Payments to employees	(246)
Other receipts	7,603
Net cash used by operating activities	<u>(16,893)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts from interest	450
Purchase of investments, net	(56,982)
Net cash used by investing activities	<u>(56,532)</u>
Change in cash and cash equivalents	(73,425)
Cash and cash equivalents, beginning of year	<u>97,700</u>
Cash and cash equivalents, end of year	<u>\$ 24,275</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating loss	\$ (18,143)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Decrease in accounts receivable	322
Decrease in prepaid items	10
Increase in accounts payable	31
Decrease in unearned revenues	(5)
Increase in estimated unpaid claims	892
Total adjustments	<u>1,250</u>
Net cash used in operating activities	<u>\$ (16,893)</u>
Noncash Activities	
Net change in fair value of investments	\$ 11
Total noncash activities	<u>\$ 11</u>

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2019
 (amounts expressed in thousands)

	Pension Trust Fund	Agency Fund Schools' Internal Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 185	\$ 6,340
Investments		
Bonds	-	11,503
Commercial paper	-	5,922
Fixed income mutual funds	9,090	-
Equity mutual funds	14,353	-
Money market mutual funds	478	-
Total cash, cash equivalents, and investments	<u>24,106</u>	<u>23,765</u>
Accounts receivable	-	82
Interest receivable	-	92
	<u> </u>	<u> </u>
Total assets	<u>24,106</u>	<u>23,939</u>
LIABILITIES		
Accounts payable	-	38
Due to other governments or agencies	-	4,428
Due to student organizations	-	19,473
Total liabilities	<u> </u>	<u>\$ 23,939</u>
NET POSITION		
Restricted for pensions	<u>24,106</u>	
Total net position	<u>\$ 24,106</u>	

See accompanying notes to the basic financial statements

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	Pension Trust Fund
ADDITIONS:	
Employer contributions (Note 17)	\$ 2,028
Interest on investments	462
Net increase in the fair value of investments	1,041
Less investment expenses	(7)
Total additions	3,524
DEDUCTIONS:	
Retirement benefit payments	3,951
Trustee services	63
Total deductions	4,014
Change in net position	(490)
Net position restricted for pensions at beginning of year	24,596
Net position restricted for pensions at end of year	\$ 24,106

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Reporting Entity

The School Board of Miami-Dade County, Florida (the "School Board," "Board," or the "District") is composed of nine members elected from single-member districts within the legal boundary of Miami-Dade County, Florida (the "County"). The appointed Superintendent of Schools is the executive officer of the Board. The School Board is part of the state system of public education under the general direction of the State Board of Education and is financially dependent on state support. However, the Board is considered a primary government for financial reporting purposes because it is directly responsible for the operation and control of District schools within the framework of applicable state law and State Board of Education rules and it is not considered to be an agency or component unit of the State of Florida.

The general operating authority of the School Board and the Superintendent is contained in Chapters 1000 through 1013, Florida Statutes. Pursuant to Section 1010.01, Florida Statutes, the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education.

The accompanying financial statements include those of the District (the primary government) and those of its component units. Component units are legally separate organizations which should be included in the District's financial statements because of the nature and significance of their relationship with the primary government.

GASB Codification of Governmental Accounting and Financial Reporting Standards Section 2100 modifies the existing criteria for reporting component units. The Codification provides guidance on the inclusion of a legally separate entity to be included as a component unit under the misleading to exclude criterion and the financial accountability concept, which requires that in addition to meeting the fiscal dependency criterion, a financial benefit or burden relationship be present in order for a potential component unit to be included in the financial reporting entity.

Based on the application of GASB Codification Section 2100, the District determined that charter schools do not meet the criteria to qualify as component units of the District; therefore, they are not included in the District's Comprehensive Annual Financial Report (CAFR). Audits of the Charter Schools are conducted by independent certified public accountants and are filed in the Charter Schools Support office located at 1450 N.E. 2nd Avenue, Room 806, Miami, Florida 33132.

The criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the GASB Codification Section 2100. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations that the nature and significance of their relationship with the Board are such that exclusions would cause the District's basic financial statements to be misleading or incomplete.

Based on the application of GASB Codification Section 2100, the following component unit is included within the District's reporting entity:

Blended Component Unit

The Miami-Dade County School Board Foundation, Inc., a Florida not-for-profit corporation, was created solely to facilitate financing for the acquisition and construction of District school facilities and related costs. The members of the School Board serve as the Board of the Foundation, therefore, the School Board is considered financially accountable for the Foundation. The financial activities of the Foundation have been blended (reported as if it were part of the District) with those of the District.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

B. Basis of Presentation

The District's accounting policies conform with accounting principles generally accepted in the United States applicable to state and local governmental units. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-Wide Financial Statements – The Statement of Net Position and the Statement of Activities present information about the financial activities of the District as a whole, and its component unit, excluding fiduciary activities. The District eliminates from the Statement of Net Position and the Statement of Activities interfund receivables and payables and transfers between funds. Interfund services provided and used are not eliminated in the process of consolidation. Eliminations have been made from the statements to remove the “doubling-up” effect of interfund activity.

The Statement of Activities reports expenses identified by specific functions, offset by program revenues, resulting in a measurement of “net (expense) revenue” for each of the District's functions. Program revenues that are used to offset these expenses include charges for services, such as food service and tuition fees; operating grants, such as the National School Lunch Program, Federal Grants, and other state allocations; and capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues, property taxes, and other miscellaneous sources.

Fund Financial Statements – The fund financial statements provide information about the District's funds, including proprietary and fiduciary funds. Separate statements for governmental, proprietary and fiduciary funds are presented. The emphasis of the fund financial statements is on the major funds which are presented in a separate column with all non-major funds aggregated in a single column.

The District reports the following major governmental funds:

General Fund is the District's primary operating fund and accounts for all financial resources of the District, except those required to be accounted for in another fund.

Other Federal Programs accounts for and reports grant funds received from federal, state, and local sources.

General Obligation School Bonds Fund account for and report on resources from the issuance of GOBs approved by the Miami-Dade County voters on November 6, 2012, for the modernization, construction, expansion or otherwise improvement of school buildings, including technology upgrades.

Capital Improvement – Local Optional Millage Levy (LOML) Funds account for and report on funds levied by the District, as authorized by Capital Improvement, Section 1011.71, Florida Statutes mainly for capital outlay and maintenance purposes.

Additionally, the District reports separately the following proprietary and fiduciary fund types:

Internal Service Fund accounts for and reports on the activities of the District's group health self-insurance program.

Agency Fund – Schools' Internal Fund accounts for resources of the schools' Internal Fund which is used to administer monies collected at the schools in connection with school, student athletics, class, and club activities.

Pension Trust Fund accounts for resources used to finance the District's Supplemental Early Retirement Plan.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures, or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported in accordance with GASB Statement No. 33, Accounting and Financial Reporting for Non-Exchange Transactions, as amended by GASB Statement No. 36, Recipient Reporting for Certain Shared Non-Exchange Revenues, which include, taxes, grants and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they become measurable and available. "Measurable" means the amount of the transaction can be determined; "available" means collectible within the current period or soon thereafter to be used to pay liabilities of the current period.

Property taxes, when levied for, and intergovernmental revenues when eligibility requirements have been met, are the significant revenue sources considered susceptible to accrual. The District considers property taxes, when levied for, as available if they are collected within 60 days after fiscal year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this general rule are: (1) interest on general long-term debt is recognized as expenditures when due/paid; and (2) expenditures related to liabilities reported as general long-term obligations are recognized when due, such as compensated absences, Other Post Employment Benefits (OPEB), pensions, claims payables, bonds, loans and leases.

Proprietary Fund – Proprietary funds are accounted for in accordance with the Governmental Accounting Standards Board (GASB) requirements. The District established an Internal Service Fund to account for the group health self-insurance program. The Internal Service Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating items.

The principal operating revenues of the District's Internal Service Fund for self-insurance are charges to the District's other funds for health insurance. The principal operating expenses include claims, administrative expenses and fees. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The Fiduciary Funds are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and deferred outflows, and all liabilities and deferred inflows, associated with the operation of the funds are included on the Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents additions and deductions to total net position.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

D. New Pronouncements – Adopted and Unadopted

The GASB issued Statement No. 84, Fiduciary Activities in January 2017. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

The GASB issued Statement No. 87, Leases in June 2017. The requirements of this Statement are effective for periods beginning after December 15, 2019. The adoption of GASB 87 will have a material impact on the District's financial position and results of operations.

The GASB issued Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements in March 2018. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The District adopted GASB 88 in the current fiscal year financial statements. The adoption of GASB 88 is reflected in Notes 11 and 14.

The GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period in June 2018. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

The GASB issued Statement No. 90, Majority Equity Interests – an Amendment of GASB Statements No 14 and No. 61 in August 2018. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

The GASB issued Statement No. 91, Conduit Debt Obligations in May 2019. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

The impact on the District's financial position or results of operations has not yet been determined for the unadopted standards.

E. Cash, Cash Equivalents, and Investments

The District maintains an accounting system in which substantially all general District cash, investments, and accrued interest are recorded and maintained in a separate group of accounts. Investment income is allocated based on budget, as well as the proportionate balances of each fund's equity in pooled cash and investments. The cash and investment pool is available for all funds, except the State Board of Education Bonds, Certificates of Participation and other debt related funds requiring separate accounts.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Florida Statutes, Chapter 280. Cash and cash equivalents are considered to be cash on hand, demand deposits, non-marketable time deposits with maturities of three months or less when purchased, and money market/saving accounts.

Investments are categorized according to the fair value hierarchy established by GASB Statement No. 72, Fair Value Measurement and Application. Investments include U.S. Agency and U.S. Treasury obligations, Commercial Paper, and Money Market Mutual Funds which are recorded at fair value. Guaranteed Investment Contracts are recorded at the amount specified by the contracts at each year end. Pension Trust Fund investments are recorded at fair value based on quoted market prices and include: money market funds and fixed income/equity mutual funds.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

F. Inventory

Inventories consist of expendable supplies held for consumption in the course of the District's operations. Inventories are stated at cost, principally on a weighted average cost basis. Commodities from the United States Department of Agriculture are stated at their fair value as determined at the time of donation by the Florida Department of Agriculture and Consumer Services. Commodities inventory is accounted for using the "purchases" method that expense inventory when acquired and inventories on hand at fiscal year end are reported as an asset and restricted fund balance, net of amounts in accounts payable. Non-commodity inventory is accounted for under the consumption method and as such is recorded as an expenditure when used. Since inventories of commodities also involve purpose restrictions they are presented as restricted in the government-wide statement of net position.

G. Due From Other Governments or Agencies

Amounts due to the District by other governments or agencies relate to grants or programs for which the services have been provided to students of the District.

H. Prepaid Expenses and Other Assets

Other assets consist mainly of prepaid expenses which are payments for goods or services that have not been consumed or used at year end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

I. Net Position

Net position reflects the net results of all transactions and represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net position is displayed in three components:

- Net Investment in Capital Assets - reports capital assets, net of accumulated depreciation and reduced by the outstanding balances of any debt and the related deferred inflows/outflows that are attributable to the acquisition, construction or improvement of capital assets.
- Restricted Net Position - reports amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position (Deficit) - this amount represents the accumulated results of all past year's operations not included in the above two components. The deficit in net position is due to its non-capital long-term liabilities, such as insurance claims payable, compensated absences, pensions and other post-employment benefits.

When both restricted and unrestricted resources are available for a specific purpose, it is the District's policy to use restricted resources first, until exhausted, before using unrestricted resources.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

J. Capital Assets

Capital assets which include, land, land improvements, construction in progress, buildings, building improvements, furniture, fixtures and equipment, computer software, and motor vehicles are reported in the Statement of Net Position in the government-wide statements. The District's capitalization thresholds are \$1,000 or greater for furniture, fixtures and equipment and \$50,000 for building improvements, additions, and other capital outlays that significantly extend the useful life of an asset. Other costs incurred for repairs and maintenance are expensed as incurred. Assets are recorded at historical cost. Assets purchased under capital leases are recorded at cost, which approximates fair value at acquisition date and does not exceed the present value of future minimum lease payments. Donated assets are recorded at the acquisition value at the time of receipt.

Certain costs incurred in connection with the development of internal use software are capitalized and amortized in accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* and are reflected in the government-wide financial statements.

Capital assets are depreciated using the straight-line method based on the following estimated useful lives:

	<u>Useful Life (Years)</u>
Buildings and Improvements	20 – 50
Furniture, Fixtures and Equipment	5 – 20
Vehicles	7 – 18
Computer Software	5

When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government-wide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

K. Long-Term Obligations

The government-wide financial statements report long-term liabilities or obligations that are expected to be paid beyond a one-year period. Long-term liabilities reported include bonds, Certificates of Participation (COPs), derivative instrument liabilities, capital leases, self-insurance claims payable, retirement incentive benefits, compensated absences, other post employment benefits, and net pension liabilities. Bond premiums are amortized over the life of the bonds using the effective-interest method.

In the fund financial statements, debt premiums and discounts are recognized in the period the related debt is issued. Proceeds, premiums, and discounts are reported as other financing sources and uses. Principal payments and issuance costs are reported as debt service expenditures.

L. Compensated Absences

Compensated absences are obligations to employees for accumulated vacation and sick leave. The District's employee vacation and sick leave policies provide for the granting of a specific number of days of vacation based on years of service governed by applicable labor contracts and one day of sick leave with pay per each month of employment. These policies also provide for paying most employees unused vacation up to 60 days upon termination, and up to 100% of unused sick leave after thirteen years of service; 50% after ten years; 45% after six years; 40% after three years and 35% during the first three years of qualified service upon retirement, death or resignation. Vacation accrual is limited to 60 days for twelve-month active employees.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

M. Risk Management

The District is self-insured for portions of its general and automobile liability insurance and workers' compensation. Claim activity (expenditures for general and automobile liability and workers' compensation) is recorded in the general fund as payments become due each period. The estimated liability for self-insured risks represents an estimate of the amount to be paid on claims reported and on claims incurred but not reported (see Note 13). For the governmental funds, in the fund financial statements, the liability for self-insured risks is considered long-term and therefore, is not a fund liability (except for any amounts due and payable at year end) and represents a reconciling item between the governmental fund level and government-wide presentations.

The District provides medical and health coverage benefits for its employees and eligible dependents. The District has a self-insured plan, with individual, as well as aggregate stop loss coverage to protect the District against catastrophic claims in a calendar year. The District accounts for self-insured health insurance activity in an internal service fund established for this purpose. In the proprietary fund financial statements, the liability for self-insured health risks is recorded under the accrual basis of accounting.

N. State and Federal Revenue Sources

Revenues from state sources for current operations are primarily from the Florida Education Finance Program (FEFP), administered by the Florida Department of Education (FDOE), under the provisions of Section 1011.62, Florida Statutes. The District files reports on full-time equivalent (FTE) student membership with the FDOE. The FDOE accumulates information from these reports and calculates the allocation of FEFP funds to the District. Such revenues are recognized as revenues consistent with our policy in Note 1C. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its reviews, as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as adjustments of revenue in the year the adjustment is made by the Florida Department of Education.

The District receives revenue from state and federal agencies to administer certain educational programs. Revenues earmarked for these programs are expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same educational programs. Revenue is recognized when all eligibility requirements have been met.

The state allocates gross receipt taxes, generally known as Public Education Capital Outlay (PECO) money, to the District on an annual basis for capital and other projects. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the FDOE.

O. Property Taxes - Revenue Recognition

In the government-wide financial statements, property tax revenue is recognized in the fiscal year when levied for. The receivable is recorded net of an estimated uncollectible amount, which is based on past collection experience. In the fund financial statements, property tax revenue is recognized in the fiscal year when levied for and if available.

P. Unearned Revenues

The unearned revenues primarily relate to the Doral ground lease amortized on a straight line basis over the life of the lease agreement and other lease payments received in advance.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

Q. Use of Estimates

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

R. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement section, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until that time. The District currently reports the net deferred loss on refunding of debt and deferred outflows related to pensions and OPEB in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement section, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District currently reports deferred inflows related to pensions and OPEB in the government-wide statements and unavailable revenue primarily related to taxes in the governmental funds.

S. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes accounting and financial reporting standards for governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the uses of those resources.

GASB Statement No. 54 requires the fund balance to be properly reported within one of the fund balance categories listed below:

Nonspendable - Fund balance amounts that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to be maintained intact. Examples of this classification are prepaid items, inventories not held for sale, and the principal of an endowment fund.

Spendable Fund Balance

Restricted - Fund balance amounts on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions or enabling legislation.

Committed - Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action (Board Resolution) of the highest level of decision-making authority (The School Board). The amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same formal action (Board Resolution) it employed to commit the amounts.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

S. Fund Balances - continued

Assigned - Fund balance amounts intended to be used for specific purposes but are neither restricted nor committed. Assigned amounts include those that have been set aside for a specific purpose by actions of the School Board or Superintendent as stated in School Board Policy 6220.01-Fund Balance Reserve.

Unassigned - Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

T. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS), Health Insurance Subsidy (HIS) defined benefit plans, and the Supplementary Early Retirement Plan (SERP) additions to/deductions from both Plans fiduciary net position have been determined on the same basis as they are reported by the Plans and are recorded in the government-wide financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

U. Post-Employment Benefits Other Than Pensions (OPEB)

The District applies GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, for the measurement, recognition, and display of OPEB expenditures or expenses, liabilities and assets as discussed in a Note 17.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

2. BUDGETS COMPLIANCE AND ACCOUNTABILITY:

A. Legal Compliance

The annual budget is submitted to the Florida Commissioner of Education by major functional levels such as instructional, instructional support, general administration, maintenance of plant, etc. Expenditures may not exceed appropriations without prior approval of the School Board in the General Fund and Special Revenue Funds at the function level. Budgetary control is exercised at the fund level for all other funds.

Florida Statutes, Section 1013.61, requires that the capital outlay budget designate the proposed capital outlay expenditures by project for the year from all fund sources. Accordingly, annual budgets for the Capital Project Funds are adopted on a combined basis only.

Budgeted amounts may be amended by resolution of the Board at any Board meeting prior to the due date for the Annual Financial Report (State Report). General Fund budgetary disclosure in the accompanying financial statements reflects the final budget including all amendments approved at the School Board meeting of September 4, 2019 for the fiscal year ended June 30, 2019.

Appropriations lapse at fiscal year-end, except for unexpended appropriations of state educational grants, outstanding purchase orders, contracts, and certain available balances. These balances are reflected at year-end either as restricted or assigned fund balance, and are re-appropriated in the new fiscal year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted or assigned fund balance and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

B. Comparison of Budget to Actual Results

The budgets for each of the Governmental Funds are accounted for on the modified accrual basis of accounting.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Deposits and Investments

The District's surplus funds are invested directly by the District's Office of Treasury Management. The District's State Board of Education (SBE) bond proceeds are held and administered by the SBE with any related investments made by the State Board of Administration.

As authorized under State Statutes the District has adopted Board Policy 6144 - Investments as its formal Investment Policy for all surplus funds, including the Supplemental Early Retirement Funds that are part of Board Policy 6535 - Supplemental Early Retirement Plan. Board Policy 6144, Investments policies permit the following investments and are structured to place the highest priority on the safety of principal and liquidity of funds:

- Savings, Money Markets and Time Deposits – District and State approved designated depository
- U.S. 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
- State Board of Administration Local Government Investment Pool
- Obligations of the Federal Farm Credit Bank
- Obligations of the Federal Home Loan Bank
- Obligations of the Federal Home Loan Mortgage Corporation
- Obligations of the Federal National Mortgage Association
- Obligations guaranteed by the Government National Mortgage Association
- Securities of any investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C.
- Taxable Government Bonds rated investment grade
- Equity/Fixed Income Securities including index and actively managed mutual funds
- Guaranteed Investment Contracts as allowed by bond/lease purchase covenants
- Municipal Bonds

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS, Continued:

The District follows Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application* and categorizes its investments according to the fair value hierarchy established by this Statement. The hierarchy is based on the valuation input used to measure the fair value of the asset with Level 1 assets being those where quoted prices in an active market for identical assets can be readily obtained and Level 2 assets valued using a matrix pricing technique of quoted prices for similar assets or liabilities in active markets.

As of June 30, 2019, the District's investments were categorized as follows (\$ in thousands):

<u>Investment Type</u>	<u>Amount</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Weighted Average Maturity (Years)</u>
Debt Securities				
Commercial Paper	\$ 167,004	\$ -	\$ 167,004	0.13
State Board of Education – Bond Proceeds*	209		209	
U.S. Government Agency	223,496		223,496	0.13
U.S. Treasury Strips	77,746		77,746	7.92
Total Debt Securities	<u>\$ 468,455</u>	<u>\$ -</u>	<u>\$ 468,455</u>	
Mutual Funds Securities				
Equity Securities	\$ 14,693	\$ 14,693		-
Fixed Income Mutual Funds	9,228	9,228		
Total Debt Securities	<u>23,921</u>	<u>23,921</u>	<u>-</u>	
Total Investments	<u>\$ 492,376</u>			
Balances not measured at fair value				
Guaranteed Investment Contract (GIC)	\$ 1,933			3.46
Money Market Mutual Funds	427,146			-
Cash and Cash Equivalents	<u>268,575</u>			
Total Cash, Cash Equivalents and Investments	<u>\$ 1,190,030</u>			

* Bond proceeds held and administered by the State Board of Education (SBE) weighted average maturity information is not available.

At June 30, 2019, \$316.2 million in cash and investments relates to unspent debt proceeds pertaining to various financings including General Obligation Bonds and Master Equipment Lease which are restricted assets whose use is limited to projects primarily related to the acquisition and construction of school facilities and equipment as authorized by Board Resolutions and Debt Covenants.

The total cash, cash equivalents and investments of \$1,190.0 million at June 30, 2019, was comprised of \$1,027.4 million in Governmental Funds, \$114.7 million in Proprietary Fund - Health Insurance Fund, \$24.1 million in Fiduciary Funds - Pension Trust Fund and \$23.8 million in Fiduciary Fund - Agency Fund (Schools' Internal Fund).

The School Board currently has one GIC associated with its Qualified Zone Academy Bonds (QZAB's). This contract totals approximately \$1.9 million with an internal rate of return of 3.53% and a maturity date of December 2022.

Interest Rate Risk: In accordance with Board Policy 6144, Investments, the District 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 are all callable bonds that are assumed to be called on the next call date, and as such the weighted average maturity reflect the call date as the maturity date for these securities. As of June 30, 2019, the weighted average maturity for all callable U.S. Government Agency Securities is 48 days.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS, Continued:

Credit Risk: In accordance with Board Policy 6144, the District manages its exposure to credit risk by limiting investments to the highest rated government backed securities such as Government Agencies and Treasury Notes. The policy also requires Commercial Paper to be rated A-1 or better, and Money Market Mutual Funds rated AAAm.

Investment Type	Rating *	Amounts (in thousands)
Commercial Paper	A-1+	\$ 113,697
Commercial Paper	A-1	53,307
Federal Home Loan Bank	AA+	44,529
Federal Home Loan Mortgage Corporation	AA+	178,967
Money Market Mutual Funds	AAAm	427,146
U.S. Treasury Note Strips	AAA	77,746
Mutual Funds – Pension Trust Fund	Not Rated	23,921
Guaranteed Investment Contract	Not Rated	1,933
State Board of Education – COBI	Not Rated	209

* Standards & Poor's ratings as of June 30, 2019.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer. In accordance with Board Policy 6144, the District permits investments of up to 10% of the total portfolio in Commercial Paper with a single issuer and 60% in total 60% in Federal Farm Credit Bank, 60% in Federal Home Loan Bank, 60% in Federal Home Loan Mortgage Corporation, and unlimited U.S. Treasury Notes as well as Government Obligations Money Market Mutual Funds. The above listed concentration percentages are based on total investments. Commercial paper investments, include concentrations of 2.11% in Toyota Motor Credit Corporation, 5.92% in Toyota Credit Canada, and 4.56% in JP Morgan Securities, LLC. All commercial paper, at time of purchase, met the District's 10% threshold per issuer.

Custodial Credit Risk: Custodial credit risk is the risk of losses due to the failure of a counterparty that is in possession of investment or collateral securities. All securities in accordance with the District's investment policy under Board Policy 6144, with the exception of Cash and Cash Equivalents, LGIP's and US Government Money Market Funds, are held by a third party custodian in an account separate and apart from the assets of the custodian and designated as assets of the District.

Cash/Deposits

The District's cash deposits include money market savings, demand deposits and petty cash. All District bank balances are fully insured or collateralized as required by Florida Statutes, Chapter 280, through the Qualified Public Depositor Program, as well as \$160 million in FDIC insurance. At June 30, 2019, the deposit's bank balances were \$298,183 (in thousands).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

4. CAPITAL ASSETS:

Capital asset balances and activity for the fiscal year ended June 30, 2019 are as follows (in thousands):

	<u>Balance July 1, 2018</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2019</u>
Non-Depreciable Capital Assets:				
Land	\$ 356,084	\$ 1,880	\$ -	\$ 357,964
Land Improvements	262,364	1,621	-	263,985
Construction-in-Progress	200,316	144,574	123,941	220,949
Total Non-Depreciable Capital Assets	<u>\$ 818,764</u>	<u>\$ 148,075</u>	<u>\$ 123,941</u>	<u>\$ 842,898</u>
Depreciable Capital Assets:				
Buildings and Improvements	\$ 5,998,739	\$ 121,710	\$ 9,226	\$ 6,111,223
Furniture, Fixtures, and Equipment	309,505	19,475	12,628	316,352
Computer Software	84,354	-	-	84,354
Motor Vehicles	123,632	1,332	5,744	119,220
Total Depreciable Capital Assets	<u>\$ 6,516,230</u>	<u>\$ 142,517</u>	<u>\$ 27,598</u>	<u>\$ 6,631,149</u>
Less Accumulated Depreciation/Amortization for:				
Building and Improvements	\$ 2,490,644	\$ 168,594	\$ 9,226	\$ 2,650,012
Furniture, Fixtures, and Equipment	239,280	18,266	11,174	246,372
Computer Software	83,875	216	-	84,091
Motor Vehicles	84,362	6,444	5,139	85,667
Total Accumulated Depreciation/Amortization	<u>\$ 2,898,161</u>	<u>\$ 193,520</u>	<u>\$ 25,539</u>	<u>\$ 3,066,142</u>
Net Capital Assets	<u><u>\$ 4,436,833</u></u>	<u><u>\$ 97,072</u></u>	<u><u>\$ 126,000</u></u>	<u><u>\$ 4,407,905</u></u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

4. CAPITAL ASSETS, Continued:

For fiscal year ended June 30, 2019, depreciation/amortization by function is as follows:

Functions	Amount (\$ in thousands)	
Instructional Services	\$	1,808
Instructional Support Services		982
Student Transportation Services		4,889
Operation and Maintenance of Plant		1,314
School Administration		138
General Administration		12
Business/Central Services		305
Food Services		1,481
Community Services		27
Facilities Acquisition and Construction		11,304
Unallocated to a specific function		171,260
Total Depreciation/Amortization	\$	193,520

Construction-in-progress, as of June 30, 2019, is comprised of the following (in thousands):

Locations	Incurred To Date	
Elementary Schools	\$	119,819
Middle Schools		33,913
Senior High Schools		61,965
Special Schools		3,995
Administration/Other		1,257
TOTAL	\$	220,949

As part of its capital outlay program, the District has entered into various construction contracts. At June 30, 2019, the District had construction commitments of approximately \$123.1 million.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS:

Interfund receivables and payables consisted of the following balances as of June 30, 2019 (in thousands):

	Due From Other Funds	Due To Other Funds
Major Funds:		
General Fund	\$ 32,565	\$ 12,500
Other Federal Programs	-	32,560
Non-major Funds	12,500	5
Total Governmental Funds	\$ 45,065	\$ 45,065

Interfund receivables/payables are short-term balances between funds for payments made by one fund on behalf of another fund.

A summary of transfers for the year ended June 30, 2019 is as follows (in thousands):

	Transfers to:		
	General Fund	Non-major Funds	Total
Transfers from:			
Major Funds:			
General Obligation School Bonds Fund	\$ 189	\$ -	\$ 189
Capital Improvement LOML	130,355	230,294	360,649
Non-major Funds	47,012	4,528	51,540
Total Governmental Funds	\$ 177,556	\$ 234,822	\$ 412,378

Transfers to the General Fund relate primarily to funding for the maintenance, renovation and/or repair of school facilities from the Capital Improvement LOML Fund \$(130,355), pursuant to Section 1011.71 of the Florida Statutes, Transfers to other non-major funds relate primarily to amounts transferred to make debt service payments (\$234,822).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

6. DUE FROM/TO OTHER GOVERNMENTS OR AGENCIES:

Due from other governments or agencies at June 30, 2019, are as follows (in thousands):

	<u>General Fund</u>	<u>Other Federal Programs</u>	<u>Non-major Governmental Funds</u>	<u>Total</u>
Federal Government:				
Medicaid Federal	\$ 3,507	\$ -	\$ -	\$ 3,507
Food Service Reimbursement	-	-	18,215	18,215
Early Head Start/Head Start	-	3,951	-	3,951
Restart	2,250	-	-	2,250
Miscellaneous Federal	373	1,014	-	1,387
State Government:				
Title I	-	18,000	-	18,000
IDEA	-	11,939	-	11,939
Title II	-	2,452	-	2,452
Dept of Education Security Grant	-	-	7,528	7,528
Schools of Hope	1,765	-	-	1,765
Voluntary Prekindergarten Program	3,298	-	-	3,298
Miscellaneous State	1,005	2,619	264	3,888
Local Government:				
Clearwire Educational Broadband Service	16,428	-	-	16,428
Miscellaneous Local	5,821	611	87	6,519
Miami-Dade County	-	-	4,994	4,994
Total	\$ 34,447	\$ 40,586	\$ 31,088	\$ 106,121

Due to other governments or agencies at June 30, 2019, are as follows (in thousands):

	<u>General Fund</u>	<u>Other Federal Programs</u>	<u>Non-major Governmental Funds</u>	<u>Total</u>
Federal Government:				
Miscellaneous Federal	\$ -	\$ 32	\$ -	\$ 32
State:				
Miscellaneous State	111	-	-	111
Local Government:				
Charter Schools	3,979	-	-	3,979
Miscellaneous Local	-	1,736	81	1,817
Total	\$ 4,090	\$ 1,768	\$ 81	\$ 5,939

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

7. SHORT-TERM DEBT

Short-term debt activity for the fiscal year ended June 30, 2019, is as follows (in thousands):

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2019</u>
Tax Anticipation Note (TAN), Series 2018, issued on August 14, 2018, effective yield of 1.576%, with a maturity date of June 15, 2019	\$ -	\$ 335,000	\$ 335,000	\$ -
Total	\$ -	\$ 335,000	\$ 335,000	\$ -

Proceeds from the TAN were used as a working capital reserve in the General Fund as permitted under State and Federal tax laws.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

8. COMPENSATED ABSENCES:

The District's employee vacation and sick leave policies provide for the granting of a specific number of days of vacation based on years of service governed by applicable labor contracts and one day of sick leave with pay per each month of employment. Active employees, excluding administrators, may request payment of 80% of their unused sick leave which has accumulated during the fiscal year, provided they have not used more than three sick/personal days during that time and have a remaining balance, after payment, of twenty-one days. These policies also provide for paying most employees unused vacation up to 60 days upon termination, and up to 100% of unused sick leave after thirteen years of service; 50% after ten years; 45% after six years; 40% after three years and 35% during the first three years of qualified service upon retirement, death or resignation. Vacation accrual is limited to 60 days for twelve-month active employees.

The School Board approved the adoption of the Miami-Dade County Public Schools Terminal Leave Retirement Program (TLRP) at its May 14, 2003 Board meeting. The TLRP Program consists of a tax-favored retirement plan, which allows the Board to direct accrued annual (vacation) leave or terminal sick leave (accrued sick days) for employees who are separating from service as a result of retirement, or entering into or continuing DROP, to a tax-sheltered annuity program, or other qualified plan, in lieu of a taxable cash payment to the employee, upon separation from service.

The program is mandatory as a result of Board action which became effective on May 15, 2003, for all personnel (except AFSCME employees) who will have their annual (vacation) leave and terminal sick leave automatically contributed to either the Board's Tax Sheltered Annuity 403(b) or 401(a) Programs. Contributions into this program will not be subject to either Federal Income Tax (estimated 27%) or Social Security Tax (FICA) of 7.65%. Any amount of accrued terminal leave in excess of the amounts authorized by the Internal Revenue Service will be paid out to the retiring employee and will be subject to applicable taxes.

The current portion (the amount expected to be liquidated with current available resources) of the accumulated vested vacation and anticipated sick leave payments is recorded in the General Fund and is included in accrued payroll and compensated absences. The liabilities recorded include provisions for the employer's portion of pension contributions, FICA and other fringe benefits due on the vested vacation and sick leave balances as applicable. At June 30, 2019, the accrued liability for compensated absences in the General Fund was \$13.2 million.

GASB Statement No. 16, *Accounting for Compensated Absences*, requires governmental agencies to record as a liability the vested and future rights to sick and/or vacation leave. Accordingly, the probability of partially vested employees becoming fully vested and actual past termination payment experience was considered in the determination of this liability.

The statement of net position reflects both the current and long-term portions of compensated absences including retirement incentive benefits. At June 30, 2019, the current and long-term portions were \$21,271 and \$270,851, respectively (in thousands).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

9. CAPITAL LEASES:

The District has entered into various capital lease agreements for the acquisition of certain property, vehicles, and equipment which are stated at acquisition cost and reported as capital assets. At June 30, 2019 the cost of leased equipment recorded in capital assets was \$182.4 million, with accumulated depreciation of \$154.2 million, for a net book value of \$28.2 million. Additionally, there were no unspent proceeds relating to Master Equipment Lease Agreements at June 30, 2019.

The following is a summary of the future minimum lease payments, under capital leases together with the present value of the minimum lease payments as of June 30, 2019 (in thousands):

<u>Fiscal Year</u>	<u>Other Leases</u>	<u>Master Equipment</u>	<u>Lease Total</u>
2020	\$ 1,056	\$ 11,883	\$ 12,939
2021	920	8,475	9,395
2022	853	5,581	6,434
2023	601	1,884	2,485
2024	185	-	185
	<u>\$ 3,615</u>	<u>\$ 27,823</u>	<u>\$ 31,438</u>
Less Amount Representing Interest *	442	731	1,173
Present Value of Minimum Lease Payments	<u><u>\$ 3,173</u></u>	<u><u>\$ 27,092</u></u>	<u><u>\$ 30,265</u></u>

* The amount representing interest was calculated using rates ranging from 1.30% to 6.00%.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

10. LONG-TERM BONDS PAYABLE:

State Board of Education Capital Outlay Bonds

Capital Outlay Bonds are issued by the State Board of Education (SBE) on behalf of the District and are generally referred to as "SBE Bonds." The bonds mature serially and are secured by a portion of the District's state revenues derived from the sale of automobile license plates. Principal and Interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the State Board of Education and the State Board of Administration.

General Obligation Bonds

On March 8, 1988, pursuant to Florida Statutes, Sections 1010.40 through 1010.54, voter residents of the County approved a referendum authorizing the School Board to issue General Obligation School Bonds in an aggregate amount not exceeding \$980 million, to be issued as required. The proceeds from the bonds were used to pay for the construction of new educational facilities and improving existing educational facilities. As of June 30, 2018, no bonds remain to be issued. Principal and interest on the bonds is paid from ad valorem District taxes on all taxable real and personal property, excluding homestead exemption as required by Florida law, without limitation as to rate or amount.

On November 6, 2012, pursuant to Florida Statutes, Sections 1010.40 through 1010.54, voter residents of the County approved a referendum authorizing the School Board to issue additional General Obligation School Bonds in an aggregate amount not to exceed \$1.2 billion. The proceeds of the bonds are to be used to pay for modernizing, constructing, enlarging or otherwise improving school buildings, including educational technology upgrades.

As of June 30, 2019, five separate bond series have been issued pursuant to this referendum. The General Obligation Bond Series 2013 and 2014A were sold on July 10, 2013. The General Obligation Bond Series 2013, for \$190.0 million was issued on July 24, 2013 and the General Obligation Bond Series 2014A, for \$96.5 million was issued on February 11, 2014. The General Obligation Bond Series 2015, for \$192.72 million, was sold on July 21, 2015 and issued on August 12, 2015. The General Obligation Bond Series 2016, for \$200 million, was sold on August 2, 2016 and issued on August 18, 2016. The General Obligation Bond Series 2017, for \$250 million, was sold on April 18, 2017 and issued on May 2, 2017. As of June 30, 2019, \$270.8 million bonds remain to be issued.

Principal and interest on these and any future bond issues will be paid from ad valorem District taxes on all taxable real and personal property, excluding Homestead Exemption as required by Florida Law, without limitation as to rate or amount.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

10. LONG-TERM BONDS PAYABLE, Continued:

A summary of bonds payable as of June 30, 2019 is as follows (in thousands):

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2010A, Refunding due in varying annual payments through January 1, 2022, with interest rates ranging from 4.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2020 at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2001A & 2002A to achieve debt service savings.</p>	\$ 1,440	\$ 1,440	\$ 520
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2010A, New Portion due in varying annual payments through January 1, 2030, with interest rates ranging from 3.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2020 at par.</p>	\$ 640	\$ 640	\$ 410
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2011A, Refunding due in varying annual payments through January 1, 2023, with interest rates ranging from 3.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2021 at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2003A to achieve debt service savings.</p>	\$ 725	\$ 725	\$ 375
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2014A, Refunding due in varying annual payments through July 1, 2024, with interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2024 at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2004A to achieve debt service savings.</p>	\$ 2,963	\$ 2,963	\$ 1,757

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

10. LONG-TERM BONDS PAYABLE, Continued:

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
<p>State Board of Education (SBE) Capital Outlay Bonds - Series 2014B, Refunding due in varying annual payments through January 1, 2020, with interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually on January and July 1. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2005A and 2005B to achieve debt service savings.</p>	\$ 12,527	\$ 12,527	\$ 37
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2017A, Refunding due in varying annual payments through July 1, 2028, with interest rates ranging from 3.00% to 5.00%. Interest is payable semi-annually on January and July 1. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2008A to achieve debt service savings.</p>	\$ 5,201	\$ 5,201	\$ 4,853
<p>State Board of Education (SBE) Capital Outlay Bonds – Series 2019A, Refunding due in varying annual payments through January 1, 2029, with interest rates of 5.00%. Interest payable semi-annually on January and July 1. A portion of the proceeds was used to refund SBE Capital Bonds Series 2009A to achieve debt service savings.</p>	\$ 787	\$ 787	\$ 787
<p>General Obligation School Bonds, Series 2013, consisting of Serial and Term Bonds, due in varying payments through March 15, 2043. Interest rates ranging from 4.0% to 5.0% is payable March 15 and September 15. True Interest Cost is 4.54%. Bonds maturing on March 15, 2024 and thereafter are callable by the District.</p>	\$ 1,200,000	\$ 190,005	\$ 173,135
<p>General Obligation School Bonds, Series 2014A, consisting of Serial and Term Bonds, due in varying payments through March 15, 2044. Interest, at a rate of 5.0%, is payable March 15 and September 15. True Interest Cost is 4.68%. Bonds maturing on March 15, 2025 and thereafter are callable by the District.</p>	\$ 1,200,000	\$ 96,475	\$ 89,805

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

10. LONG-TERM BONDS PAYABLE, Continued:

	Authorized	Issued	Outstanding
<p>General Obligation School Bonds, Series 2015, consisting of Serial and Term Bonds, due in varying payments through March 15, 2045. Interest rates, ranging from 3.5% to 5% is payable March 15 and September 15. True Interest Cost is 3.8973%. Bonds maturing on March 2026 and thereafter, with the exception of the bond maturing on March 15, 2030, are callable by the District.</p>	<p>Third in a series not to exceed \$ 1,200,000</p>	<p>\$ 192,720</p>	<p>\$ 180,215</p>
<p>General Obligation School Bonds, Series 2016, consisting of Serial and Term Bonds, due in varying payments through March 15, 2046. Interest, at a rate of 5.0% is payable March 15 and September 15. True Interest Cost is 3.4066%. Bonds maturing on March 2027 and thereafter are callable by the District.</p>	<p>Fourth in a series not to exceed \$ 1,200,000</p>	<p>\$ 200,000</p>	<p>\$ 191,405</p>
<p>General Obligation School Bonds Series 2017, consisting of Serial and Term Bonds, due in varying payments through March 15, 2047. Interest rates, ranging from 4.0% to 5.0%, is payable March 15 and September 15. True Interest Cost is 3.5808%. Bonds maturing on March 2028 and thereafter, with the exception of bonds maturing on March 15, 2033 and March 15, 2035, are callable by the District.</p>	<p>Fifth in a series not to exceed \$ 1,200,000</p>	<p>\$ 250,000</p>	<p>\$ 241,950</p>
Total Long-Term Bonds Payable			<p>\$ 885,249</p>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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For the Fiscal Year Ended June 30, 2019

10. LONG-TERM BONDS PAYABLE, Continued:

On January 17, 2019, the Florida Department of Education issued State Board of Education (SBE) Capital Outlay Refunding Bonds, Series 2019A, to refund the State of Florida, Full Faith and Credit, SBE Capital Outlay Bonds, Series 2009A, maturing in the years 2020 through 2029.

The District's portion of the refunding bonds totaling \$787 (in thousands) is to refund the \$890 (in thousands) principal amount of the District's callable portion of Series 2009A, that matures on or after January 1, 2019. The District's pro rata share of net proceeds is to provide for future debt service payments. As of June 30, 2019, the SBE Capital Outlay, Bond Series 2009A in the amount of \$465 (in thousands) has been defeased. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$5 (in thousands). This difference reported in the accompanying financial statements as a deferred inflow of resources is being credited to operations through the year 2029. The District completed the refunding to reduce its total debt service payments over the next 10 years by \$103 (in thousands).

Several of the SBE long-term bonds are callable by the State of Florida prior to maturity during the years 2020 through 2024. The GOB and SBE debt service requirements to maturity, assuming none of the SBE bonds are called prior to their scheduled maturity date, are as follows (in thousands):

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service Requirements</u>
2020	\$ 18,333	\$ 41,191	\$ 59,524
2021	19,275	40,277	59,552
2022	20,242	39,313	59,555
2023	21,137	38,303	59,440
2024	22,132	37,249	59,381
2025-2029	125,865	168,702	294,567
2030-2034	155,385	135,833	291,218
2035-2039	194,490	97,147	291,637
2040-2044	190,650	43,208	233,858
2045-2047	117,740	10,858	128,598
Total	\$ 885,249	\$ 652,081	\$ 1,537,330

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT -
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs):**

On August 1, 1994, the District entered into a Lease Purchase Agreement, with the Dade County School Board Foundation, Inc., a Florida not-for-profit corporation (the "Foundation") and blended component unit of the District, to finance the acquisition and construction of new schools and appurtenant equipment and other property (the "Facilities") to be operated by the District. The members of the School Board serve as the Board of Directors of The Foundation. The Foundation was formed by the School Board solely for the purpose of acting as the lessor of the Facilities, with the District as lessee. The School Board as lessor entered into Ground Leases with the Foundation for the Facilities sites and all improvements. In conjunction therewith, Certificates of Participation, (the "Certificates") were issued to third parties, evidencing undivided proportionate interests in basic lease payments to be made by the District, as lessee, pursuant to the Lease Purchase Agreement. Fee title to the Facilities and the Facilities sites is in the name of the District. The District is responsible for operation, maintenance, use, occupancy, upkeep and insurance of the Facilities.

The Foundation leases the Facilities to the District under the Lease Purchase Agreement, which are automatically renewable annually through May 1, 2037, unless terminated, in accordance with the provisions of the Lease Purchase Agreements, as a result of default or the failure of the School Board to appropriate funds to make lease payments in its final official budget. The remedies on default or upon an event of non-appropriation include the surrender of the Facilities by the District and its re-letting for the remaining Ground Lease term, or the voluntary sale of the Facilities by the School Board, in either case with the proceeds to be applied against the School Board's obligations under the Lease Purchase Agreements.

The Certificates are not separate legal obligations of the School Board, but represent undivided interests in lease payments to be made from appropriated funds budgeted annually by the School Board for such purpose from current or other funds authorized by law and regulations of the Department of Education, including the local optional millage levy. However, neither the School Board, the District, the State of Florida, nor any political subdivision thereof, are obligated to pay, except from appropriated funds, any sums due under the Lease Purchase Agreement from any source of taxation. The full faith and credit of the School Board and the District is not pledged for payment of such sums due under the Lease Purchase Agreement and such sums do not constitute an indebtedness of the School Board or the District within the meaning of any constitutional or statutory provision or limitation. The District plans to make the Series 2006C, 2006D, 2012B-1, 2012B-2, and 2014B lease payments from the impact fees collected on new residential construction by Miami-Dade County and remitted to the School Board, and from Local Optional Millage Levy.

Basic lease payments are deposited with the Trustee semi-annually. For accounting purposes, due to the consolidation of the Foundation within the financial statements, basic lease payments are reflected as debt service expenditures when payable to Certificate holders. A trust fund was established with the Trustee to facilitate payments in accordance with the Lease Purchase Agreements and the Trust Agreements. Various accounts are maintained by the Trustee in accordance with the trust indenture. All funds held in the various accounts, are invested by the Trustee, as directed by the School Board. Interest earned on funds in the Acquisition Account is transferred to the Lease Payment Account.

Under the American Recovery and Reinvestment Act of 2009, Qualified School Construction Bonds (QSCBs) and Build America Bonds (BABs) were established to provide for taxable obligations to be issued by the School District with a federal subsidy for interest. The Series 2009B and 2010A were issued under the Qualified School Construction Bond program and Series 2010B were issued under the Build America Bond program. The 2009B Series provides federal tax credits in lieu of interest payments to the Certificate holder, which is similar to the Series 2006 and 2015 Qualified Zone Academy Bonds (QZAB) program. The Series 2010A and 2010B, along with the Series 2010 QZAB, were issued as direct pay bonds whereby the interest subsidy is paid directly to the School District by the U.S. Treasury.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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For the Fiscal Year Ended June 30, 2019

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs),
Continued:

The Internal Revenue Services (IRS) announced on March 4, 2013, that payments to issuers of these bonds were subject to a reduction of 8.7% of the amount budgeted for such payments. This sequester reduction rate has been modified annually, and all refund payments processed on or after October 1, 2018 and on or before September 30, 2019, will be reduced by the fiscal year 2019 sequestration rate of 6.2%. Accordingly, unless Congress acts to again change the sequester percentage or otherwise changes the application of the cuts, the District anticipates its aggregate expected QSCB Issuer Subsidy, BAB Issuer Subsidy and QZAB Issuer Subsidy of \$7,258 (in thousands) to be reduced by 6.2% which equates to a reduction of approximately \$450 (in thousands), for fiscal year 2019, resulting in a corresponding increase in interest costs for the District that must be paid from other revenue sources.

A summary of Certificates of Participation and QZABs payable as of June 30, 2019 is as follows (in thousands):

<u>Debt Series</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2006 Qualified Zone Academy Bonds – Interest is paid by U.S. Government through issuance of federal income tax credits.	12/15/06	12/15/22	N/A	\$ 2,599	\$ 2,599
2010 Qualified Zone Academy Bonds – 5.10% Tax Credit paid by U.S. Government to the District.	11/10/10	11/01/29	True Interest Cost 0.15% 5.25% (without 5.10% U.S. Subsidy)	24,480	24,480
2015 Qualified Zone Academy Bonds – Interest is paid by U.S. Government through issuance of federal income tax credits.	10/06/15	09/15/34	True Interest Cost 1.105% 0% to 1.37%	25,000	25,000
2001B Series – Auction Rate Certificates converted to variable rate mode based on LIBOR plus 0.75% under a Private Placement with predetermined reset terms.	06/19/01	05/01/31	Variable Interest 3.19% @ June 30, 2019	54,650	33,075
2006C Series – Serial & Term Certificates.	05/10/06	10/01/21	True Interest Cost 4.41% 3.875% to 5.00%	53,665	13,990
2006D Series – Serial Certificates. Partially refunded 2001C Series.	12/21/06	10/01/21	True Interest Cost 4.098% 3.625% to 5.00%	10,570	9,110
2007C Series – Auction Rate Certificates converted to variable rate mode based on LIBOR plus 0.75% under a Private Placement with predetermined reset terms.	05/24/07	05/01/37	Variable Interest 3.19% @ June 30, 2019	90,825	90,825
2009B Series – Qualified School Construction Bonds. Interest is paid by U.S. Government through issuance of federal income tax credits (sold at a discount price of 73.673% resulting in a True Interest Cost of 1.859%).	12/15/09	12/15/26	N/A	104,000	104,000
2010A Series – Qualified School Construction Bonds, 5.54% Tax Credit paid by U.S. Government to the District.	06/24/10	06/15/27	True Interest Cost 0.852% 6.24% to 6.49% (without 5.54% U.S. Subsidy)	96,290	96,290
2010B Series – Build America Bonds, 35% Tax Credit paid by U.S. Government to the District.	06/24/10	06/15/32	True Interest Cost 4.523% 6.84% to 6.94% (without 35% U.S. Subsidy)	27,990	27,990
2011A Series – Include fixed rate certificates refunding Series 2003B. Term bonds fully refunded by the 2014A Series.	03/29/11	05/01/31	True Interest Cost 4.449% 2.5% to 5%	139,055	19,915

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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For the Fiscal Year Ended June 30, 2019

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs),
Continued:

A summary of Certificates of Participation payable as of June 30, 2019 is as follows (in thousands):

<u>Debt Series</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2011B Series – Include fixed rate and term rate certificates partially refunding Series 2007A, 2007B, and 2009A. Term bonds fully refunded by the 2016A Series.	03/29/11	05/01/32	True Interest Cost 5.154% 5% to 5.75%	\$ 137,660	\$ 67,660
2012A Series – Include Fixed Rate and Term Rate Certificates partially refunding Series 2003D (\$148,850). Term Bonds fully refunded by the 2016B Series.	07/05/12	08/01/29	True Interest Cost 3.606% 2% to 5%	149,365	68,430
2012B-1 Series – Serial Certificates. Partially refunded 2004A (\$15,575).	07/05/12	10/01/20	True Interest Cost 2.814% 5%	13,765	13,765
2012B-2 Series – Serial Certificates. Partially refunded 2005A (\$16,725).	07/05/12	04/01/20	True Interest Cost 2.379% 4%	15,655	2,955
2013A Series – Serial Certificate. Partially refunded 2006A (\$15,335), 2006B (\$12,470), 2007A (\$9,525), 2007B (\$2,075) and 2008B (\$30,320).	05/01/13	05/01/32	True Interest Cost 4.199% 5%	68,230	68,230
2013B Series – Serial Certificates. Fully refunded 2003D (\$2,110) and partially refunded 2009A (\$6,395).	05/01/13	02/01/30	True Interest Cost 4.097% 5%	8,160	8,160
2014A Series – Term Rate Certificates fully refunding the 2011A Term Rate Certificates. The bonds have a mandatory 10 years soft put on 5/1/2024 at 100%.	03/11/14	05/01/31	True Interest Cost 4.056% 5%	70,980	70,980
2014C Series – Serial Certificates.	06/30/14	05/01/24	True Interest Cost 2.210% 2.21%	4,085	2,185
2014D Series – Serial Certificates. Partially refunding 2006A (\$146,565) and 2006B (\$151,230).	11/20/14	11/01/31	True Interest Cost 3.053% 4% to 5%	276,995	250,865
2015A Series – Serial Certificates. Partially refunding 2007A (\$249,470) and 2007B (\$76,740).	01/21/15	05/01/32	True Interest Cost 3.166% 5%	306,820	276,620
2015B Series – Serial and Term Certificates partially refunding 2008B (\$230,370).	07/30/15	05/01/28	True Interest Cost 3.162% 1% to 5%	239,630	234,950
2015C Series – Serial Certificates partially refunding 2008B (\$34,265).	07/31/15	05/01/25	True Interest Cost 3.095% 5%	33,565	33,565
2015D Series – Serial Certificates partially refunding 2008B (\$110,715) and 2009A (\$241,560).	12/16/15	02/01/34	True Interest Cost 3.456% 3.5% to 5%	345,890	345,890
2016A Series – Serial Certificates fully refunding 2011B Term Rate Certificates (\$70,000).	02/03/16	05/01/32	True Interest Cost 4.265% 5%	66,425	66,425

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT -
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs),
Continued:**

A summary of Certificates of Participation payable as of June 30, 2019 is as follows (in thousands):

<u>Debt Series</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2016B Series – Serial Certificates fully refunding 2012A Term Rate Certificates (\$58,780).	02/03/16	08/01/27	True Interest Cost 3.351% 5%	\$ 55,995	\$ 55,995
2016C Series – Serial Certificates partially refunding 2008B (\$90,695) and 2009A (\$8,575).	04/07/16	02/01/33	True Interest Cost 3.329% 3.25% to 5%	100,495	79,385
2018A Series – Serial Certificates. Fully refunded on a forward refunding basis the 2008A Serial Certificates (\$130,950).	05/03/18	08/01/26	True Interest Cost 2.840% 2.84%	119,995	119,995
2019A Series – Serial Certificates. Fully refunding 2002A and 2002B variable rate certificates and associated swaps (\$78,495) with a net present value savings of \$430.	03/29/19	08/01/27	True Interest Cost 1.91% 1.91%	87,265	87,265
2019 B Series – Serial Certificates. Fully refunding 2008C variable rate certificates and associated swap (\$47,280) with a net present value dissavings of (\$190).	03/29/19	07/15/27	True Interest Cost 2.00% 2.00%	54,630	54,630
				<u>\$ 2,784,729</u>	<u>\$ 2,355,224</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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For the Fiscal Year Ended June 30, 2019

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs), Continued:

At June 30, 2019, there are no defeased certificates outstanding.

The District implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The implementation of this Statement resulted in separate note disclosures for direct borrowings and direct placements of debt.

The schedule below details debt service requirements for obligations under lease purchase agreements (Certificates of Participation and QZABs) to maturity, assuming the obligations will be remarketed based on the specified soft put dates disclosed below. Additionally, the schedule also discloses principal and interest payments due from the District's direct borrowings and direct placements as follows (in thousands):

Year Ending June 30	Bonds		Certificates of Participation Payable from Direct Borrowings and Direct Placements		Total Debt Service Requirements*
	Principal	Interest***	Principal	Interest	
2020	\$ 111,188	\$ 93,621	\$ 27,539	\$ 6,695	\$ 239,043
2021	120,623	89,261	28,744	6,539	245,167
2022	111,653	85,337	31,669	5,867	234,526
2023	114,498	82,144	30,064	5,178	231,884
2024**	118,019	78,230	30,819	4,470	231,538
2025 - 2029	776,649	350,703	131,481	12,001	1,270,834
2030 - 2034	653,095	84,360	10,838	11,534	759,827
2035 - 2037	58,345	5,800	-	-	64,145
Total	\$ 2,064,070	\$ 869,456	\$ 291,154	\$ 52,284	\$ 3,276,964

* The schedule above reflects required annual payments to the sinking funds for the retirement of the debt, and are not considered reduction of principal until the year of maturity. The total outstanding balance for the QZABs as of year-end is \$52,079 (in thousands).

** COP Series 2014A has a 10 year soft put on May 1, 2024 of \$71 million. If the District is unable to remarket the debt, the interest rate on the COP will increase to 11%.

*** The District's variable rate debt at June 30, 2019 was \$123,900 (in thousands). The interest rate for such outstanding debt at June 30, 2019 was 3.19%.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs), Continued:

On March 29, 2019, the District issued Certificates of Participation (COPs) Series 2019A and 2019B via direct placement, in the amount of \$87.265 million and \$54.630 million, respectively.

The Series 2019A had a true interest cost of 1.91% and fully refunded Certificates of Participation Series 2002A and 2002B and the associated swaps with an average coupon rate of 1.91% and an economic savings of \$430 (in thousands). This transaction included a swap termination fee of \$8.1 million. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$8.1 million. This difference, reported in the accompanying financial statements as a deferred outflow of resources is being charged to operations through the year 2027 using the effective-interest method. The District completed the refunding to terminate the associated interest rate swaps and eliminate interest rate basis risk and this resulted in an economic savings (difference between the present values of the old and new debt service payments) of \$430 (in thousands).

The Series 2019B had a true interest cost of 2.0% and fully refunded Certificates of Participation Series 2008C and the associated swaps with an average coupon rate of 2.0% and an economic dissavings of \$(190) (in thousands). This transaction included a swap termination fee of \$7.0 million. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$7 million. This difference, reported in the accompanying financial statements as a deferred outflow of resources is being charged to operations through the year 2027 using the effective-interest method. The District completed the refunding to terminate the associated interest rate swaps and eliminate interest rate basis risk and this resulted in an economic dissaving (difference between the present values of the old and new debt service payments) of \$(190) (in thousands).

As of June 30, 2019, Series 2002A, 2002B, and 2008C pay-fixed interest rate forward swap agreements are terminated.

12. DEBT SERVICE:

The amount available for debt service consists of resources from the debt service funds legally required to be used for debt service until the related debt is extinguished (in thousands):

Categories:	Fund Balance
Restricted for Payment of State Board of Education and Capital Outlay Bonds	\$ 209
Restricted for Payment of District Bond Funds	38,267
Restricted for Certificates of Participation	16,785
Restricted for ARRA Economic Stimulus Debt Service	67,514
Total Available in Debt Service Funds	\$ 122,775

All Certificates of Participation Lease Payments and all other amounts required to be paid by the School Board under the various Series under the Master Lease and all other Leases are made from legally available funds appropriated for such purpose by the School Board. The substantive portion for these payments is provided by the Local Optional Millage Levy on ad-valorem property. Separate lease payment accounts are established for each series of Certificates issued under the Trust Agreement. Lease payments are due under the Master Lease on an all-or-none basis and are payable on a parity basis solely from legally available funds appropriated by the School Board for such purpose. Such payments are normally transferred to the Trustee 15 days before lease payments are due.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

13. ESTIMATED LIABILITY FOR CLAIMS:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; administrative errors and omissions; injuries to employees, students and guests; as well as natural disasters. The District is self-insured for portions of its general and automobile liability insurance, workers' compensation and health insurance. Losses involving auto and general liability claims are limited (generally) by provisions of the Florida State Statute 768.28. Claims brought against the District are handled by a contracted third-party administrator. The District purchases commercial insurance for other risks including property and other miscellaneous risks as follows:

<u>Type</u>	<u>Risk Retention/ Deductible</u>	<u>Coverage after Retention/Deductible</u>
Workers' Compensation	\$1,500,000	Statutory/\$3,000,000
General, Fleet Liability, and Errors and Omissions	\$200,000/\$300,000	\$500,000 per occurrence, \$3,250,000 annual aggregate
Property*	\$100,000,000 per occurrence for hurricanes; \$1,000,000 per incident for all other perils.	\$250,000,000 per occurrence/annual aggregate for all perils including windstorms, earthquakes and floods.
	\$100,000 for each act of terrorism	\$50,000,000 annual aggregate
Individual Stop Loss (ISL) for Self-Insured Medical Program	\$1,000,000	100%

* Settled claims have not exceeded the District's aggregate excess coverage in force for the last three years. The Board did not renew the parametric storm policy due to significant increase in premium. All other coverages remain in effect.

Accordingly, liabilities for certain retained risks are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The District's estimated liability for self-insured losses relating to the casualty program consisting of general liability, automobile liability, professional liability/errors and omissions, and workers' compensation claims was determined by an independent actuarial valuation performed as of June 30, 2019. Liabilities, as determined by the actuary, include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The portion of the liability that is due and payable at June 30, 2019 is recorded in the General Fund and the remaining portion is recorded in the government-wide financial statements. Liability for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment yield assumptions of 2.5%.

The School Board authorized the purchase of Individual Stop Loss (ISL) coverage for its self-insured health program effective January 1, 2019, from Cigna with an attachment point of \$1,000,000 per claimant.

The School Board approved a set of premium equivalent rates, based upon actuarial projections of claims including claims incurred but not reported (IBNR) for the calendar year provided by the School Board's Employee Benefits Consulting firm of AON Hewitt and Cigna. The calendar year 2019 monthly rates for the three offered Open Access Programs (OAP) are \$757 (OAP 10), \$718 (OAP 20) and \$717 (Local Plus). The Board's contribution for employee only coverage is limited to the \$717 (Local Plus); therefore, employees who choose the OAP 10 or OAP 20 are subject to a monthly cost share based upon their salary band. Effective January 1, 2010, the cost of dependent healthcare coverage became banded by salary tiers which was renewed for January 1, 2019.

The School Board continues to offer an opt out provision for employees who can provide proof of insurance coverage. Employees who opt out receive a monthly adjustment to gross compensation of \$100/month.

The District's estimated liability for health insurance claim payments was determined by an independent actuarial valuation performed as of June 30, 2019.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

13. ESTIMATED LIABILITY FOR CLAIMS, Continued:

A total estimated liability amount of \$176.8 million was actuarially determined to cover reported and unreported claims payable at June 30, 2019. It is estimated that of the current portion, \$64.6 million is due within a year. The remaining \$112.2 million will be due in future years.

	Estimated Liability For Claims (in thousands)		
	Current Portion	Long-Term Portion	Total
Workers' compensation	\$ 23,305	\$ 82,866	\$ 106,171
General and occupational liability	5,713	24,675	30,388
Fleet liability	1,658	4,639	6,297
Group Health	33,971	-	33,971
Total	\$ 64,647	\$ 112,180	\$ 176,827

Changes in the balance of claims liabilities for the years ended June 30, 2018 and 2019 are as follows (in thousands):

	Balance July 1, 2017	Current year claims and changes in estimates	Claim payments	Balance June 30, 2018
Workers' compensation	\$ 133,837	\$ 3,702	\$ (29,476)	\$ 108,063
General and occupational liability	16,398	8,650	(1,654)	23,394
Fleet liability	3,720	2,580	(1,475)	4,825
Group Health	29,388	333,195	(329,503)	33,080
Total	\$ 183,343	\$ 348,127	\$ (362,108)	\$ 169,362

	Balance July 1, 2018	Current year claims and changes in estimates	Claim payments	Balance June 30, 2019
Workers' compensation	\$ 108,063	\$ 31,277	\$ (33,169)	\$ 106,171
General and occupational liability	23,394	8,382	(1,388)	30,388
Fleet liability	4,825	3,280	(1,808)	6,297
Group Health	33,080	362,689	(361,798)	33,971
Total	\$ 169,362	\$ 405,628	\$ (398,163)	\$ 176,827

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

14. CHANGES IN LONG-TERM LIABILITIES:

Long-term liabilities balances and activity for the year ended June 30, 2019 are as follows (in thousands):

	<u>Balance July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2019</u>	<u>Amounts Due Within One Year</u>
Bonds Payable	\$ 980,501	\$ 911	\$ (22,951)	\$ 958,461 *	\$ 18,333
Certificates of Participation Payable, net	2,435,837 ***	-	(236,282)	2,199,555 **	111,188
Certificates of Participation Borrowings and Direct Placements	159,434 ***	141,895	(10,175)	291,154 **	27,539
Derivative Instrument Liabilities	13,926	-	(13,926)	-	-
Capital Leases Payable	44,316	1,396	(15,447)	30,265	12,378
Self-Insurance Estimated Claims Payable	169,362	405,628	(398,163)	176,827	64,647
Retirement Incentive Benefits	1,576	45	-	1,621	197
Compensated Absences	284,507	29,670	(23,675)	290,502	21,074
Other Post Employment Benefits Liability	211,851	20,816	(6,342)	226,325	-
Net Pension Liability	1,783,082	135,011	(144,624)	1,773,469	-
Total	<u>\$ 6,084,392</u>	<u>\$ 735,372</u>	<u>\$ (871,585)</u>	<u>\$ 5,948,179</u>	<u>\$ 255,356</u>

* Includes unamortized premium in the amount of \$73,212.

** Amount is \$135,485 more than the principal balance of \$2,355,224 in Note 11, the difference represents the net unamortized premium on outstanding debt issues.

*** Reflects disclosures to comply with GASB Statement No. 88

Payments for insurance claims (other than health insurance claims that are paid from the Internal Service Fund), retirement incentive benefits, compensated absences, pension liabilities, and other post employment benefits are paid by the General Fund, as in prior years. Capital Leases are primarily paid from capital project funds.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

15. STATE REVENUE SOURCES:

A major source of the District's revenue is received from the State of Florida, who provided approximately 32% of total revenues in fiscal year 2018-19. The following is a schedule of state revenue sources and amounts (in thousands):

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$ 650,067
Categorical Educational Programs	425,143
Workforce Development	80,670
Charter School Capital Outlay Funding	34,503
Best and Brightest Teacher Scholarship Program	22,061
CO&DS Distributed	13,153
Educational Facilities Security Grant	12,184
Public Education Capital Outlay (PECO)	6,245
Food Service Supplement	2,054
Standard Student Attire Incentive	1,819
Capital Outlay and Debt Service (CO&DS) Withheld for SBE/COBI Bonds	1,609
District Discretionary Lottery Funds	1,225
Adults with Disabilities	1,125
Interest on Undistributed CO&DS	278
Workforce Education Performance Incentive	240
CO&DS Withheld For Administrative Expense	225
State License Tax	201
SBE/COBI Bond Interest	3
Miscellaneous	4,377
Total	\$ 1,257,182

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

16. PROPERTY TAXES:

The Board is authorized by state law to levy property taxes for District school operations, capital improvements and debt service. Property taxes consist of ad valorem taxes on real and personal property within the District. Property taxes are assessed by the County Property Appraiser and are collected by the County Tax Collector.

Property values are assessed as of January 1 of each year. Taxes are levied after the millage rate is certified in September of each year. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4% for early payment.

Taxes become delinquent on April 1 of the year following the year levied for. State law provides for enforcement of collection of real property taxes. First, interest-bearing tax certificates are sold at public auction to recover delinquent taxes. Finally, if the tax certificates are not paid with accrued interest by the property owner, the purchaser of the tax certificate is entitled to take possession of the property. Accordingly, substantially all of the taxes assessed for calendar year 2018 have been recognized for the fiscal year ended June 30, 2019.

The State Constitution limits the levying of non-voted taxes by the District to 10 mills (\$10.00 per thousand of assessed valuation). State law prescribes on an annual basis the upper limit of non-voted property tax millage that may be levied. For fiscal year 2018-19, 6.733 mills was levied. The total adjusted assessed value for calendar year 2018 on which the fiscal year 2019 levy was based, was approximately \$322.2 billion.

State law prescribes that the District budgets 96% of the current year's tax levy. However, actual property taxes collected and reflected in the table below totaled 94.6% of taxes levied, including collections from prior years' tax levies but exclude tax redemptions. The Miami-Dade County Tax Collector is not required by law to make an accounting to the District of the difference between taxes levied and taxes collected.

The following is a summary of millages and taxes levied on the 2018 tax roll for the fiscal year 2018-19 (in thousands):

	<u>Millages</u>	<u>Taxes</u>	
		<u>Levied</u>	<u>Collected</u>
<u>GENERAL FUND</u>			
Nonvoted School Tax:			
Required Local Effort	4.2560	\$ 1,371,253	\$ 1,297,370
Discretionary Local Effort	0.748	241,000	228,015
	<u>5.004</u>	<u>\$ 1,612,253</u>	<u>\$ 1,525,385</u>
<u>CAPITAL PROJECT FUNDS</u>			
Nonvoted Tax:			
Local Capital Improvements	1.50	\$ 483,290	\$ 457,339
<u>DEBT SERVICE FUNDS</u>			
Voted Tax:			
Debt Service - General			
Obligation Bonds	0.229	\$ 73,782	\$ 69,809

Taxes reported in the Governmental Funds as reflected above include an accrual only for taxes collected within 60 days after the fiscal year-end. In the government-wide financial statements the District bases the estimates of taxes receivable and uncollectible taxes on historical experience. For fiscal year 2018-19, the District considered \$37.7 million or 1.8% of levied taxes as uncollectible.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS:

The School Board provides retirement benefits to its employees through the Florida Retirement System (FRS and HIS), the Supplemental Early Retirement Plan (SERP), and a Deferred Retirement Option Program (DROP), as well as state approved Other Post Employment Benefits (OPEB) in the form of subsidized health insurance premiums.

Florida Retirement System

The School Board participates in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The District's pension expense for FRS and HIS totaled \$224.6 million for the fiscal year ended June 30, 2019.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

FRS Pension Plan

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<i>Regular Class members initially enrolled before July 1, 2011</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<i>Elected County Officers</i>	3.00
<i>Senior Management Service Class</i>	2.00
<i>Special Risk Regular</i>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

FRS Pension Plan

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2018-19 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>			
	<u>Employee</u>		<u>Employer (1)</u>	
FRS, Regular	3.00	%	8.26	%
FRS, Elected County Officers	3.00		48.70	
FRS, Senior Management Service	3.00		24.06	
FRS, Special Risk Regular	3.00		24.50	
FRS, Special Risk Administrative	3.00		34.98	
DROP - Applicable to				
Members from All of the Above Classes	0.00		14.03	
FRS, Reemployed Retiree		(2)		(2)

Notes: (1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a liability of \$1,197.4 million for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 3.98 percent, which was a decrease of (.05) percent from its proportionate share measured as of June 30, 2017.

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 7.00% rate of return assumption used in the June 30, 2018 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes, which differs from the rate used for funding purposes, which is used to establish the contribution rates for the Pension Plan. The discount rate used in the July 1, 2017 valuation was 7.50%.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

FRS Pension Plan

For the fiscal year ended June 30, 2019, the District recognized pension expense of \$189.8 million related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 101,439	\$ 3,682
Change of assumptions	391,256	-
Net difference between projected and actual earnings on FRS pension plan investments	-	92,515
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	-	51,970
District FRS contributions subsequent to the measurement date	122,577	-
Total	\$ 615,272	\$ 148,167

The deferred outflows of resources related to pensions, totaling \$122.6 million, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>Deferred outflows/ (inflows), net</u>
2020	137,414
2021	89,073
2022	3,075
2023	64,002
2024	44,588
Thereafter	6,376

Actuarial Assumptions. The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
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17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

FRS Pension Plan

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash Equivalents	1%	2.9%	2.9%	1.8%
Fixed Income	18%	4.4%	4.3%	4.0%
Global Equity	54%	7.6%	6.3%	17.0%
Real Estate	11%	6.6%	6.0%	11.3%
Private Equity	10%	10.7%	7.8%	26.5%
Strategic Investments	6%	6.0%	5.7%	8.6%
Total	100%			
Assumed inflation - Mean			2.6%	1.9%

Note: (1) As outlined in the Plan's investment policy

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate (in thousands):

	<u>1% Decrease (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase (8.00%)</u>
District's proportionate share of the net pension liability	\$ 2,185,327	\$ 1,197,412	\$ 376,890

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

The Retiree Health Insurance Subsidy Program (HIS)

Plan Description. The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2019, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a net pension liability of \$563.9 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the total 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 5.33 percent, which was a decrease of (.07) percent from its proportionate share measured as of June 30, 2017.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

The Retiree Health Insurance Subsidy Program (HIS)

For the fiscal year ended June 30, 2019, the District recognized pension expense of \$34.8 million related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 8,632	\$ 958
Change of assumptions	62,707	59,615
Net difference between projected and actual earnings on HIS pension plan investments	341	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	-	29,010
District contributions subsequent to the measurement date	29,293	-
Total	\$ 100,973	\$ 89,583

The deferred outflows of resources related to pensions, totaling \$29.3 million, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>Deferred outflows/ (inflows), net</u>
2020	581
2021	552
2022	(1,262)
2023	(2,797)
2024	(10,031)
Thereafter	(4,946)

Actuarial Assumptions. The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.87 percent

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
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17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

The Retiree Health Insurance Subsidy Program (HIS)

Discount Rate. The discount rate used to measure the total pension liability was 3.87 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.87 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate (in thousands):

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
District's proportionate share of the net pension liability	\$ 642,192	\$ 563,850	\$ 498,547

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

FRS – Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019**

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System – continued

Allocations to the investment members' accounts during the 2018-19 fiscal year were as follows:

<u>Membership Class</u>	<u>Gross Compensation</u>
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension contributions totaled \$17.5 million for the fiscal year ended June 30, 2019.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan

Plan Description

In addition to participating in the FRS Plan, the School Board established an early retirement plan on July 1, 1984. The plan is a single employer, non-contributory defined benefit plan administered by an independent trustee and investments are managed by the District, through a third party asset manager.

Benefits Provided – The Plan was established in order to supplement an early retiree’s benefits by the amount of reduction imposed by the FRS. The Plan provides supplemental income for those employees who retired between the ages of 55 and 61 and who had completed at least 25 years, but not more than 28 years of creditable service. Payments under the Plan are equal to the difference in monthly retirement income for the participant under the FRS between the retirement benefit based on average final compensation, as defined above, and creditable service as of the member’s early retirement date and the early retirement benefit under the FRS. Benefits are subject to an annual 3% cost of living adjustment. These benefit provisions and all other requirements are established by Florida Statutes, Section 1012.685.

At June 30, 2019 the total number of retirees and beneficiaries of deceased retirees currently receiving benefits is 456, averaging \$717.18 per month. The District closed the Supplemental Early Retirement Plan (the “Plan”) to new employees on July 1, 2000, with no additional employees vesting after July 1, 2003.

The Plan is included as a Pension Trust Fund in the accompanying financial statements. Separate stand alone statements are not issued for the Plan.

Contributions - The District provides for actuarially determined periodic contributions sufficient to pay the benefits provided by this Plan when they become due. Plan members do not contribute to the Plan. Total contributions to the Plan for 2018-19 fiscal year of \$2,007 (in thousands) were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2018.

Net Pension Liability

The District’s net pension liability was measured as of July 1, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The following table represents the components of the net pension liability of the District at June 30, 2019 (in thousands).

	June 30, 2019
Total Pension Liability	\$ 36,803
Less: Plan Fiduciary Net Position	24,596
Net Pension Liability	\$ 12,207
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.83 %
Measurement Date	7/1/2018

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan - continued

Actuarial Assumptions

The total pension liability in the July 1, 2018 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

Inflation	2.5	%
Investment rate of return	6.25	%

The long-term expected rate of return on pension plan investments are developed for each major asset class by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash/Money Market	2 %	1.0 %
Domestic Equity	39 %	5.0 %
International Equity	21 %	5.0 %
Domestic Fixed Income	38 %	3.4 %
Total	100.0 %	

Mortality rates were based on the mortality table used by FRS – (Healthy Female – RP2000 Generational, 100% Annuitant White Collar, Scale BB and Healthy Males – RP2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar, Scale BB).

Discount Rate

The discount rate used to measure the total pension liability was 6.25 percent. The discount rate reflects the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits, to the extent that the pension plan's fiduciary net position is projected to be sufficient to make projected benefit payments and pension plan assets are expected to be invested using a strategy to achieve that return. The projection of cash flows used to determine the discount rate assumes the District will continue to make future contributions at the actuarially determined contribution rate.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. **RETIREMENT BENEFITS, Continued:**

Supplemental Early Retirement Plan - continued

Changes in Net Pension Liability (in thousands):

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a) – (b)</u>
Balances at June 30, 2018	\$ 39,511	\$ 24,590	\$ 14,921
Changes for the year:			
Interest	2,344	-	2,344
Differences between expected and actual experience	(966)	-	(966)
Contributions – employer	-	2,156	(2,156)
Net investment income	-	1,984	(1,984)
Benefit payments, including refunds of employee contributions	(4,086)	(4,086)	-
Administrative expense	-	(48)	48
Net changes	(2,708)	6	(2,714)
Balances at June 30, 2019	\$ 36,803	\$ 24,596	\$ 12,207

Sensitivity

The following table illustrates the impact of interest rate sensitivity on the net pension liability for the fiscal year ended June 30, 2019 (in thousands):

	<u>1% Decrease (5.25%)</u>	<u>Current Rate (6.25%)</u>	<u>1% Increase (7.25%)</u>
Net Pension Liability	\$ 14,774	\$ 12,207	\$ 9,928

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan - continued

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2019, the District recognized a reduction in pension expense of \$449 (in thousands). In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows/Inflows

The following table illustrates the deferred inflows of resources and outflows of resources under GASB Statement No. 68 as of June 30, 2019 (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual earnings on Pension Plan Investments	\$ -	\$ 218
Contributions subsequent to the measurement date	2,007	-
Total	\$ 2,007	\$ 218

The deferred outflows of resources related to pensions, totaling \$2.0 million, resulting from District contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

Fiscal Year ended June 30	Deferred outflows/(inflows), net
2020	\$ 177
2021	(5)
2022	(288)
2023	(102)

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Other Post Employment Benefits

As authorized by the Board, employees who retire in the first year of their eligibility under the FRS Plan can receive up to \$1,200 per year as reimbursement for health insurance cost paid until they reach 65 years of age or until they become eligible for Medicare or Social Security disability. In October 2019, approximately 245 retirees will receive an estimated \$197 thousand in premium reimbursements for the year ended June 30, 2019.

From 1991 through 2005, the District offered retirement incentive programs in an effort to reduce salary costs. The programs include enhanced insurance benefits up to the Board's annual monthly contribution and payments of accrued sick leave at an enhanced rate. Enhanced insurance benefits offered to eligible employees, as defined under the provisions of each program, consist of health and term life insurance subsidies for up to ten years. Expenditures for the retirement incentive program are recognized in the General Fund each year on a pay-as-you-go basis. The estimated liability for retirees receiving benefits of approximately \$1.6 million is fully accrued and included in the government-wide financial statements.

Plan Description. Effective January 1, 2010, the District changed from a fully-insured health program to a self-insured program for eligible employees and retirees. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical and prescription drugs. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. A retiree means any employee who retires under a state retirement system or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any employee who retires under the Florida Retirement System Investment Plan is considered a "retiree" if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. Such provisions may be amended at any time by further action from the Florida Legislature. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended through action from the Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue separate financial statements or required supplementary information.

Benefits Provided. The OPEB Plan provides healthcare insurance benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019**

17. RETIREMENT BENEFITS, Continued:

Other Post Employment Benefits - continued

Employees Covered by Benefit Terms. The actuarial valuation was based on personnel information as of May 1, 2019. The following employees were covered by the benefit terms:

Inactive Participants	795
Active Participants	29,332
Total	30,127

Total OPEB Liability

The District's total OPEB liability of \$226,325 (in thousands) was measured as of June 30, 2018, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.20 percent
Salary increases	3.00 percent
Discount rate	3.87 percent
Healthcare cost trend rates	6.45 percent for 2019, grading down to an ultimate rate of 4.50 percent for 2028-2029.

The plan is unfunded so no projection of Fiduciary Net Position is required.

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index with no blending of the expected return on assets.

Healthy mortality rates were based on the Pub-2010 for Teachers (head-count weighted) projected with scale MP-2018.

Disabled mortality rates were based on the Pub-2010 Disabled Mortality for Teachers (head count weighted) projected with scale MP-2018.

The demographic actuarial assumptions for OPEB Liability used in the June 30, 2018 valuation were based on data at May 1, 2019.

The remaining actuarial assumptions health care cost trends used in the June 30, 2018 valuation were based on experience for the 24-month period ending May 31, 2018.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Other Post Employment Benefits - continued

Changes in the Total OPEB Liability (in thousands):

	Total OPEB Liability
Balance at June 30, 2018	\$ 211,851
Changes for the year:	
Service Cost	10,496
Interest	7,829
Differences Between Expected and Actual Experiences	(23,334)
Changes in assumptions or other inputs	26,867
Contributions from the employer	(7,384)
Net Changes	14,474
Balance at June 30, 2019	\$ 226,325

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58 percent at June 30, 2017 to 3.87 percent at June 30, 2018.

The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2019 (in thousands):

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability	\$ 240,291	\$ 226,325	\$ 212,011

The following table illustrates the impact of healthcare cost trend sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2019 (in thousands):

	1% Decrease (5.45%)	Healthcare Cost Trend (6.45%)	1% Increase (7.45%)
Total OPEB Liability	\$ 201,210	\$ 226,325	\$ 255,952

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

17. RETIREMENT BENEFITS, Continued:

Other Post Employment Benefits - continued

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2019, the District recognized OPEB expense of \$17,676 (in thousands). At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Actual and Expected Experience	\$ -	\$ 19,750
Change of assumptions or other inputs	22,740	5,375
District contributions subsequent to the measurement date	7,102	-
Total	\$ 29,842	\$ 25,125

Of the total amount reported as deferred outflows of resources related to OPEB, \$7.1 million resulting from District contributions made subsequent to the measurement date will be included as a reduction of the total OPEB liability for the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>Deferred Outflows (inflows), net</u>
2020	\$ (649)
2021	(649)
2022	(649)
2023	(649)
2024	(65)
Thereafter	276

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

18. COMMITMENTS AND CONTINGENCIES:

A. Commitments

As part of its capital outlay program, the District has entered into various construction commitments totaling approximately \$123.1 million as of June 30, 2019 (see Note 4).

The District leases certain facilities and equipment under various cancelable, operating lease agreements with lease terms not extending beyond one year. The total rent expense under these leases was approximately \$5.6 million for the fiscal year ended June 30, 2019.

B. Contingencies

Florida Education Finance Program and Federal, State and Local Grants

The District receives funding from the State of Florida under the Florida Education Finance Program (FEFP), which is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. Additionally, the District participates in a number of federal, state and local grants which are subject to financial and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the District.

Hurricane Irma

On September 10, 2017 the President declared Hurricane Irma a major disaster as a result of damage sustained through-out the State of Florida. This declaration allows the District to seek reimbursement for all eligible costs through the Federal Emergency Management Agency (FEMA) as well as Miami-Dade County for shelter related expenses. The District sustained relatively minor property damage to its facilities. However, the District did incur significant debris removal costs as well costs associated with operating shelters. These costs did not exceed the District's \$100 million named windstorm deductible.

Estimated losses from Hurricane Irma are approximately \$21.3 million, which consist of: labor \$7.5 million, debris monitoring and removal \$6.3 million, and temporary/permanent repairs and related expenses \$7.5 million. These amounts may increase as permanent repairs are finalized. The District has submitted project worksheets for eligible scope of work and is awaiting FEMA approval.

C. Litigation

The District is a defendant in numerous lawsuits as of June 30, 2019. In the opinion of management, the District's estimated aggregate liability, with respect to probable losses, has been provided for in the estimated claim liability accrual in the accompanying financial statements, after giving consideration to the District's related insurance coverage, as well as the Florida statutory limitations of governmental liability on uninsured risks. It is the opinion of management and District's legal counsel that the amount of losses resulting, if any, from the above-mentioned litigation in excess of the amount accrued as of June 30, 2019, would not be material to the financial position of the District.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

19. FUND BALANCES:

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District reports its fund balance in the following categories:

Nonspendable – The District has \$17.5 million of prepaid items and \$9.2 million of inventories that are considered nonspendable.

Restricted – The District reported restricted fund balances totaling \$674.7 million comprised of \$18.0 million of State Required Carryover programs, \$29.6 million in Food Service, \$0.3 million in Miscellaneous Special Revenue, \$122.8 million in Debt Services and \$504.0 million in Capital Projects.

Committed – The District did not have any committed fund balances at June 30, 2019.

Assigned – The District has assigned fund balances totaling \$111.0 million comprised of \$42.0 million for rebudgets and obligations; \$68.9 million for outstanding encumbrances for goods and services; including \$42.5 million for purchased services, \$14.0 million for energy services, \$2.8 million for materials and supplies, \$8.1 million for capital outlay, \$1.5 million for other expenses; and \$0.1 million for capital projects.

Unassigned – The portion of fund balance that is the residual classification for the general fund. This balance represents amounts that have not been restricted, committed, or assigned for specific purposes. The unassigned fund balance for the General Fund is \$107.0 million.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Board Policy 6220.01 delineates Fund Balance Reserve Policies to target 5.5% of the combined assigned and unassigned General Fund fund balance, as a percentage of total General Fund revenues at fiscal year end. At June 30, 2019 the combined assigned and unassigned General Fund fund balance totaled \$217.9 million or 9.4% of General Fund revenues net of charter schools' revenues.

Below is a table of fund balance categories and classifications for the fiscal year ended June 30, 2019 for the Districts' governmental funds (in thousands):

	General Fund	General Obligation School Bonds Fund	Capital Improvement LOML	Other Governmental non-major*	Total
FUND BALANCES					
Nonspendable:					
Inventory	\$ 6,053	\$ -	\$ -	\$ 3,132	\$ 9,185
Prepaid amounts	1,455	-	16,078	-	17,533
Restricted:					
State Required Carryover	17,999	-	-	-	17,999
Special Revenue:	-	-	-	-	-
Food Service	-	-	-	29,618	29,618
Miscellaneous	-	-	-	349	349
Debt Service	-	-	-	122,775	122,775
Capital Projects	-	293,528	122,092	88,373	503,993
Assigned:					
Rebudgets and Obligations	42,000	-	-	-	42,000
Encumbrances:					
School Level Services	61,192	-	-	-	61,192
Instructional Support Services	3,927	-	-	-	3,927
Business/Central Services	3,661	-	-	-	3,661
General Administration	153	-	-	-	153
Capital Projects	-	-	-	45	45
Unassigned:	107,017	-	-	-	107,017
Total Fund Balance	\$ 243,457	\$ 293,528	\$ 138,170	\$ 244,292	\$ 919,447

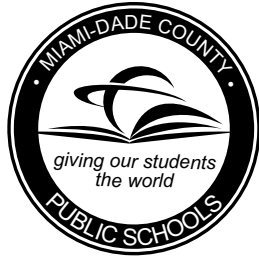
* Aggregates all of the District's non-major fund balances

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2019

20. SUBSEQUENT EVENTS:

Tax Anticipation Notes

On August 27, 2019, the District issued \$400 million in Tax Anticipation Notes (“the Notes”) with an effective yield of 1.15%. The Notes were issued to pay operating expenditures incurred prior to the receipt of the ad-valorem taxes levied and collected for operating purposes for the fiscal year commencing July 1, 2019. The Notes will mature on February 27, 2020.



REQUIRED SUPPLEMENTARY INFORMATION





**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	Budget as Originally Adopted	Final Amended Budget	Actual GAAP Basis	Variance With Final Amended Budget
Revenues:				
Local sources:				
Ad valorem taxes	\$ 1,547,764	\$ 1,530,155	\$ 1,530,155	\$ -
Interest income	14,200	29,680	29,680	-
Net increase in fair value of investments	-	42	42	-
Local grants and other	55,119	65,907	65,907	-
Total local sources	<u>1,617,083</u>	<u>1,625,784</u>	<u>1,625,784</u>	<u>-</u>
State sources:				
Florida education finance program	698,361	650,067	650,067	-
State grants and other	513,158	536,767	536,767	-
Total state sources	<u>1,211,519</u>	<u>1,186,834</u>	<u>1,186,834</u>	<u>-</u>
Federal sources:				
Federal direct	1,775	2,192	2,192	-
Federal through state and local	26,873	16,532	16,532	-
Total federal sources	<u>28,648</u>	<u>18,724</u>	<u>18,724</u>	<u>-</u>
Total revenues	<u>2,857,250</u>	<u>2,831,342</u>	<u>2,831,342</u>	<u>-</u>
Expenditures:				
Current:				
Instructional services	2,206,123	2,063,722	2,054,020	9,702
Instructional support services:				
Student personnel services	107,718	113,532	111,750	1,782
Instructional media services	30,947	15,170	14,913	257
Instruction and curriculum development service	23,521	36,210	35,828	382
Instructional staff training services	2,716	6,345	6,276	69
Instruction related technology	39,628	33,929	33,657	272
Total instructional support services	<u>204,530</u>	<u>205,186</u>	<u>202,424</u>	<u>2,762</u>
Student transportation services	<u>68,802</u>	<u>76,043</u>	<u>75,087</u>	<u>956</u>
Operation and maintenance of plant:				
Operation of plant	282,968	323,340	283,990	39,350
Maintenance of plant	103,701	98,106	93,915	4,191
Total operation and maintenance of plant	<u>386,669</u>	<u>421,446</u>	<u>377,905</u>	<u>43,541</u>
School administration	<u>183,967</u>	<u>165,211</u>	<u>164,822</u>	<u>389</u>

	<u>Budget as Originally Adopted</u>	<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance With Final Amended Budget</u>
Expenditures, continued				
General administration:				
Central services	\$ 56,603	\$ 56,947	\$ 55,369	\$ 1,578
Board of education	7,880	8,226	8,124	102
General administration	5,310	5,297	5,295	2
Administrative technology services	1,614	2,455	2,090	365
Fiscal services	12,040	12,714	11,314	1,400
Total general administration	<u>83,447</u>	<u>85,639</u>	<u>82,192</u>	<u>3,447</u>
Community services	<u>29,192</u>	<u>30,780</u>	<u>30,699</u>	<u>81</u>
Capital outlay	<u>3,949</u>	<u>31,595</u>	<u>23,540</u>	<u>8,055</u>
Debt services:				
Principal retirement	5,800	751	751	-
Interest and fiscal charges	-	4,874	4,874	-
Total debt service	<u>5,800</u>	<u>5,625</u>	<u>5,625</u>	<u>-</u>
Total expenditures	<u>3,172,479</u>	<u>3,085,247</u>	<u>3,016,314</u>	<u>68,933</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(315,229)</u>	<u>(253,905)</u>	<u>(184,972)</u>	<u>68,933</u>
Other financing sources (uses):				
Transfers in	190,992	177,556	177,556	-
Proceeds from sale of capital assets	-	312	312	-
Proceeds from leases	-	1,397	1,397	-
Total other financing sources (uses)	<u>190,992</u>	<u>179,265</u>	<u>179,265</u>	<u>-</u>
Net change in fund balance	<u>\$ (124,237)</u>	<u>\$ (74,640)</u>	(5,707)	<u>\$ 68,933</u>
Fund balance - beginning of year			<u>249,164</u>	
Fund balance - end of year			<u>\$ 243,457</u>	

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
OTHER FEDERAL PROGRAMS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (amounts expressed in thousands)

	<u>Budget as Originally Adopted</u>	<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
Revenues:				
Local sources:				
Local grants and other	\$ 2,504	\$ 6,250	\$ 3,502	\$ (2,748)
Total local sources	<u>2,504</u>	<u>6,250</u>	<u>3,502</u>	<u>(2,748)</u>
Federal sources:				
Federal direct	5,073	9,010	9,686	676
Federal through state and local	304,080	350,439	289,488	(60,951)
Total federal sources	<u>309,153</u>	<u>359,449</u>	<u>299,174</u>	<u>(60,275)</u>
Total revenues	<u>311,657</u>	<u>365,699</u>	<u>302,676</u>	<u>(63,023)</u>
Expenditures:				
Current:				
Instructional services	170,329	192,863	161,839	31,024
Instructional support services	102,354	134,367	109,489	24,878
Student transportation services	14,449	16,378	13,357	3,021
Operation and maintenance of plant	434	527	429	98
School administration	41	49	33	16
General administration	11,653	8,892	7,237	1,655
Community services	1,240	80	73	7
Capital outlay	<u>11,157</u>	<u>12,543</u>	<u>10,219</u>	<u>2,324</u>
Total expenditures	<u>311,657</u>	<u>365,699</u>	<u>302,676</u>	<u>63,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning of year			<u>-</u>	
Fund balance - end of year			<u>\$ -</u>	

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
District's proportion of the FRS net pension liability	4.633%	4.400%	4.097%	4.025%	3.975%
District's proportionate share of the FRS net pension liability	\$ 282,715	\$ 568,422	\$ 1,034,599	\$ 1,190,686	\$ 1,197,412
District's covered payroll	\$ 1,765,382	\$ 1,717,736	\$ 1,719,598	\$ 1,747,073	\$ 1,765,529
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	16.01%	33.09%	60.17%	68.15%	67.82%
FRS Plan fiduciary net position as a percentage of the total pension liability	96.09%	92.00%	84.88%	83.89%	84.26%

Note: The amounts presented for each fiscal year were determined as of June 30th. GASB Statement No. 68 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF DISTRICT CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required FRS contribution	\$ 101,495	\$ 107,295	\$ 100,527	\$ 104,999	\$ 113,560	\$ 122,577
FRS contributions in relation to the contractually required contribution	<u>\$ (101,495)</u>	<u>\$ (107,295)</u>	<u>\$ (100,527)</u>	<u>\$ (104,999)</u>	<u>\$ (113,560)</u>	<u>\$ (122,577)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 1,765,382	\$ 1,717,736	\$ 1,719,598	\$ 1,747,073	\$ 1,765,529	\$ 1,786,995
FRS contributions as a percentage of covered payroll	5.75%	6.25%	5.85%	6.01%	6.43%	6.86%

Note: The amounts presented for each fiscal year were determined as of June 30th. GASB Statement No. 68 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
District's proportion of the HIS net pension liability	5.830%	5.576%	5.490%	5.401%	5.327%
District's proportionate share of the HIS net pension liability	\$ 545,094	\$ 568,680	\$ 639,889	\$ 577,474	\$ 563,850
District's covered payroll	\$ 1,765,381	\$ 1,717,136	\$ 1,719,597	\$ 1,747,073	\$ 1,765,529
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	0.03%	33.11%	37.21%	33.05%	31.94%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.99%	0.50%	0.97%	1.64%	2.15%

Note: The amounts presented for each fiscal year were determined as of June 30th. GASB Statement No. 68 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF DISTRICT CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required HIS contribution	\$ 19,971	\$ 21,316	\$ 28,170	\$ 28,593	\$ 28,908	\$ 29,293
HIS contributions in relation to the contractually required HIS contribution	\$ (19,971)	\$ (21,316)	\$ (28,170)	\$ (28,593)	\$ (28,908)	\$ (29,293)
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 1,765,382	\$ 1,717,736	\$ 1,719,598	\$ 1,747,073	\$ 1,765,529	\$ 1,786,995
HIS contributions as a percentage of covered payroll	1.13%	1.24%	1.64%	1.64%	1.64%	1.64%

Note: The amounts presented for each fiscal year were determined as of June 30th. GASB Statement No. 68 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST FUND
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Total Pension Liability					
Interest Cost	\$ 2,662	\$ 2,467	\$ 2,470	\$ 2,374	\$ 2,344
Differences Between Expected and Actual Experiences	(1,432)	(969)	1,694	1,204	(966)
Changes of Assumptions	-	2,651	1,339	-	-
Benefit Payments, Including Refunds of Member Contributions	(4,147)	(4,098)	(4,106)	(4,108)	(4,086)
Net Change in Total Pension Liability	(2,917)	51	1,397	(530)	(2,708)
Total Pension Liability - Beginning	41,510	38,593	38,644	40,041	39,511
Total Pension Liability - Ending	<u>\$ 38,593</u>	<u>\$ 38,644</u>	<u>\$ 40,041</u>	<u>\$ 39,511</u>	<u>\$ 36,803</u>
Plan Fiduciary Net Position					
Contributions - Employer	2,276	2,276	1,890	2,167	2,156
Net Investment Income	4,476	864	273	2,380	1,984
Benefit Payments, Including Refunds of Member Contributions	(4,147)	(4,098)	(4,106)	(4,108)	(4,086)
Administrative expense	(42)	(87)	(49)	(7)	(48)
Net Change in Plan Fiduciary Net Position	2,563	(1,045)	(1,992)	432	6
Plan Fiduciary Net Position - Beginning	24,632	27,195	26,150	24,158	24,590
Plan Fiduciary Net Position - Ending	<u>\$ 27,195</u>	<u>\$ 26,150</u>	<u>\$ 24,158</u>	<u>\$ 24,590</u>	<u>\$ 24,596</u>
Net Pension Liability - Ending	<u>\$ 11,398</u>	<u>\$ 12,494</u>	<u>\$ 15,883</u>	<u>\$ 14,921</u>	<u>\$ 12,207</u>
Net Position as a % of the Total Pension Liability	70.47%	67.67%	60.33%	62.24%	66.83%
Covered payroll*	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a % of covered payroll	N/A	N/A	N/A	N/A	N/A

Note: The amounts presented for each fiscal year were determined as of June 30th. GASB Statement No. 68 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

* The School Board closed the Supplemental Early Retirement Plan to new employees on July 1, 2000, with no additional employees vesting after July 1, 2003.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
 REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
 SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST FUND
 SCHEDULE OF INVESTMENT RETURNS
 JUNE 30, 2019**

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Annual Money-Weighted Rate of Return, Net of investment expense	(15.06)%	8.60%	14.10%	2.39%	13.37%	18.53%	3.29%	1.39%	10.60%	8.22%

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST FUND
SCHEDULE OF CONTRIBUTIONS
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actuarially Determined Contribution	\$ 2,276	\$ 2,276	\$ 1,890	\$ 2,167	\$ 2,156	\$ 2,007
Contribution made in relation to the Actuarially Determined Contribution	\$ 2,276	\$ 2,276	\$ 1,890	\$ 2,167	\$ 2,156	\$ 2,007
Contribution Deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*
Contributions as a % of covered payroll	N/A*	N/A*	N/A*	N/A*	N/A*	N/A*

Notes to Schedule:

GASB Statement No. 68 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

Valuation Date: Actuarially determined contribution rates are calculated as of July 1 of the year before the fiscal year in which contributions are reported. The contribution calculated at 7/1/2018 was contributed during 2018-19.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Inflation	2.5%
Cost of Living Increase	3.0%
Investment Rate of Return	6.25% net of pension plan investment expense, including inflation.
Retirement Age	Not Applicable

Mortality: RP2000 Generational at Scale BB, Females - 100% Annuitant White Collar; Males - 50% Annuitant White Collar/50% Annuitant Blue Collar.

* The School Board closed the Supplemental Early Retirement Plan to new employees on July 1, 2000, with no additional employees vesting after July 1, 2003.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL
OTHER POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
JUNE 30, 2019
(amounts expressed in thousands)**

	<u>2018</u>	<u>2019</u>
Total OPEB Liability		
Service Cost	\$ 11,360	\$ 10,496
Interest Cost	6,198	7,829
Differences Between Expected and Actual Experiences	-	(23,334)
Changes of Assumptions	(7,759)	26,867
Benefit Payments	<u>(8,028)</u>	<u>(7,384)</u>
Net Change in Total OPEB Liability	1,771	14,474
Total OPEB Liability - Beginning	<u>\$ 210,080</u>	<u>\$ 211,851</u>
Total OPEB Liability - Ending	<u><u>\$ 211,851</u></u>	<u><u>\$ 226,325</u></u>
Covered payroll	\$ 1,782,584	\$ 1,819,691
Total OPEB Liability as a % of covered payroll	11.88%	12.44%

Notes to Schedule:

The discount rate increased from 3.58% at June 30, 2017 to 3.87% at June 30, 2018.

A change in the mortality assumption from State of Florida RP-2000 with Fully Generational Scale BB with 100% White Collar for females and 50/50 White Collar/Blue Collar for males to Pub-2010 for Teachers (head-count weighted) projected with scale MP-2018.

A change in the salary increase assumption from 4.50% to 3.00%.

The addition of lapse rates to better reflect historical experience and expected future trends.

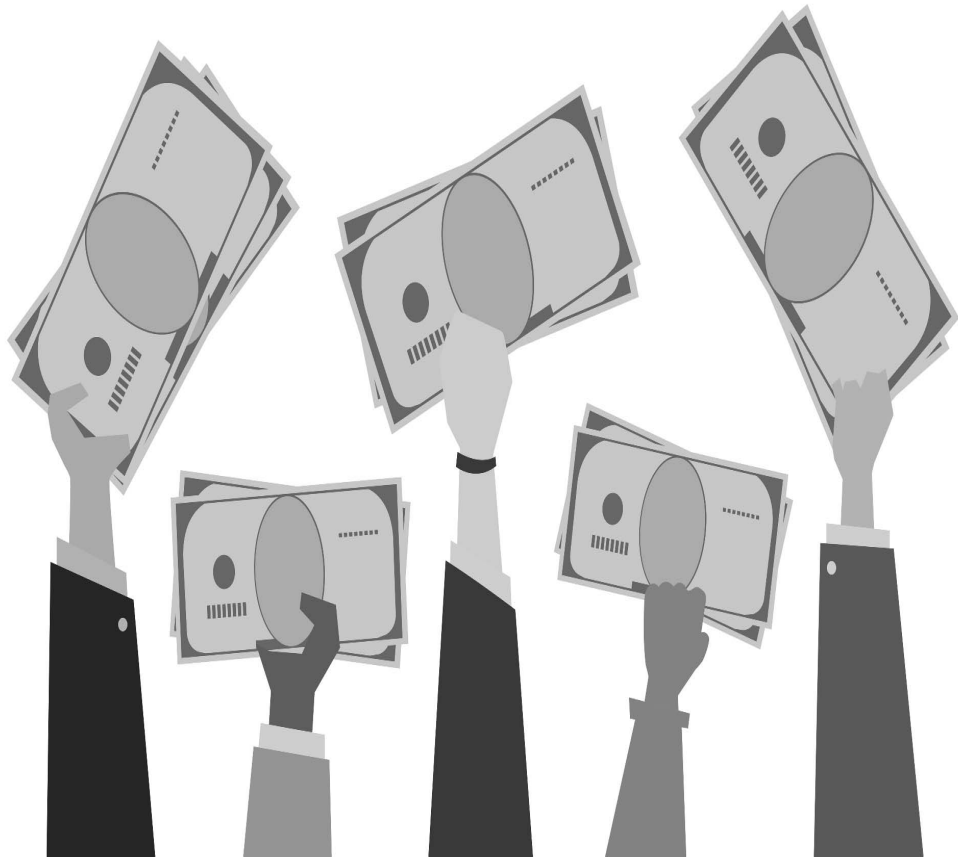
A change in assumed medical trend rates to reflect the most recently available information (reflecting excise tax).

Updated assumed medical claims rates to reflect the most recently available information.

The amounts presented for each fiscal year were determined as of June 30th. GASB Statement No. 75 requires the schedule to show information for 10 years. Additional years will be displayed as they become available.

**COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND OTHER SUPPLEMENTARY INFORMATION**





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019
 (amounts expressed in thousands)

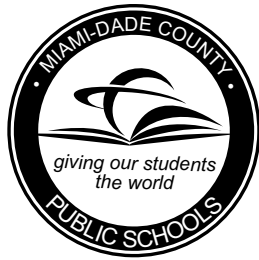
	Total Non-major Special Revenue Funds
ASSETS	
Cash and cash equivalents	\$ 3,561
Equity in pooled cash and investments	10,207
Cash and investments with fiscal agents	-
Total cash, cash equivalents, and investments	13,768
Taxes receivable	-
Accounts and interest receivable	30
Due from other governments or agencies	18,295
Due from other funds	-
Inventories	3,132
	3,132
TOTAL ASSETS	\$ 35,225
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 35,225
LIABILITIES	
Accounts and contracts payable and accrued expenditures	\$ 1,145
Accrued payroll and compensated absences	900
Due to other funds	-
Due to other governments or agencies	81
Unearned revenue	-
Retainage payable on contracts	-
Total liabilities	2,126
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	-
Total deferred inflows of resources	-
FUND BALANCES	
Nonspendable	3,132
Restricted	29,967
Assigned	-
Total fund balances	33,099
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 35,225

Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
\$ 10,247	\$ 18,342	\$ 32,150
112,062	52,343	174,612
209	-	209
<u>122,518</u>	<u>70,685</u>	<u>206,971</u>
509	-	509
88	184	302
-	12,793	31,088
-	12,500	12,500
-	-	3,132
<u>\$ 123,115</u>	<u>\$ 96,162</u>	<u>\$ 254,502</u>
<u>\$ 123,115</u>	<u>\$ 96,162</u>	<u>\$ 254,502</u>
\$ 137	\$ 1,433	\$ 2,715
-	-	900
-	5	5
-	-	81
-	3,797	3,797
-	2,509	2,509
<u>137</u>	<u>7,744</u>	<u>10,007</u>
203	-	203
<u>203</u>	<u>-</u>	<u>203</u>
-	-	3,132
122,775	88,373	241,115
-	45	45
<u>122,775</u>	<u>88,418</u>	<u>244,292</u>
<u>\$ 123,115</u>	<u>\$ 96,162</u>	<u>\$ 254,502</u>

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds
Revenues:		
Local sources:		
Ad valorem taxes	\$ -	\$ 70,026
Food service sales	15,436	-
Interest income	111	1,256
Net increase in fair value of investments	3	6,548
Local grants and other	159	-
Total local sources	15,709	77,830
State sources:		
Public education capital outlay	-	-
Food services	2,054	-
State licensing revenue	-	1,609
State grants and other	-	3
Total state sources	2,054	1,612
Federal sources:		
Federal grants and other	9,748	-
Food services	132,224	-
Total federal sources	141,972	-
Total revenues	159,735	79,442
Expenditures:		
Current:		
Operation and maintenance of plant	33	-
Food services	164,226	-
Community services	106	-
Capital outlay	5,247	-
Debt service:		
Principal retirement	-	138,364
Interest and fiscal charges	-	148,411
Total expenditures	169,612	286,775
Excess (deficiency) of revenues over (under) expenditures	(9,877)	(207,333)
Other financing sources (uses):		
Issuance of debt for refunding	-	142,682
Premium on issuance of debt for refunding	-	124
Payments to refunded bond escrow agent	-	(141,350)
Transfers in	-	234,822
Transfers out	-	-
Total other financing sources (uses)	-	236,278
Net change in fund balances	(9,877)	28,945
Fund balances - beginning of year	42,976	93,830
Fund balances - end of year	\$ 33,099	\$ 122,775

Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
\$ -	\$ 70,026
-	15,436
406	1,773
8	6,559
35,551	35,710
<u>35,965</u>	<u>129,504</u>
6,245	6,245
-	2,054
-	1,609
60,437	60,440
<u>66,682</u>	<u>70,348</u>
6,808	16,556
-	132,224
6,808	148,780
<u>109,455</u>	<u>348,632</u>
-	33
-	164,226
-	106
27,905	33,152
-	138,364
14	148,425
<u>27,919</u>	<u>484,306</u>
81,536	(135,674)
-	142,682
-	124
-	(141,350)
-	234,822
(51,540)	(51,540)
<u>(51,540)</u>	<u>184,738</u>
29,996	49,064
58,422	195,228
<u>\$ 88,418</u>	<u>\$ 244,292</u>



Non-major Special Revenue Funds

The Non-major Special Revenue Funds account for and report the proceeds of specific revenue sources derived from Miami-Dade County, Florida, the State of Florida and the Federal Government; that are restricted or committed to finance designated activities. Activities included within the funds are as follows:

- **Food Service Fund** - Accounts for and reports on proceeds of specific revenues of the food service program in serving breakfast and lunch at the schools.
- **Miscellaneous Special Revenue Funds** - Accounts for and report on proceeds of specific revenues that are restricted or committed to expenditures of the law enforcement and special events fund.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019
(amounts expressed in thousands)

	Food Service Fund
ASSETS	
Cash and cash equivalents	\$ 3,450
Equity in pooled cash and investments	9,889
Total cash, cash equivalents, and investments	13,339
Accounts and interest receivable	29
Due from other governments or agencies	18,295
Inventories	3,132
	34,795
TOTAL ASSETS	\$ 34,795
LIABILITIES	
Accounts and contracts payable and accrued expenditures	\$ 1,145
Accrued payroll and compensated absences	900
Due to other governments or agencies	-
Total liabilities	2,045
FUND BALANCES	
Nonspendable	3,132
Restricted	29,618
Total fund balances	32,750
TOTAL LIABILITIES AND FUND BALANCES	\$ 34,795

Miscellaneous Special Revenue Funds	Total Non-major Special Revenue Funds
\$ 111	\$ 3,561
318	10,207
<u>429</u>	<u>13,768</u>
1	30
-	18,295
<u>-</u>	<u>3,132</u>
<u>\$ 430</u>	<u>\$ 35,225</u>
\$ -	\$ 1,145
-	900
<u>81</u>	<u>81</u>
<u>81</u>	<u>2,126</u>
-	3,132
<u>349</u>	<u>29,967</u>
<u>349</u>	<u>33,099</u>
<u>\$ 430</u>	<u>\$ 35,225</u>

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

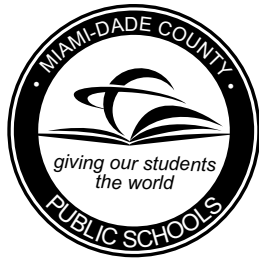
	Food Service Fund
Revenues:	
Local sources:	
Food service sales	\$ 15,436
Interest income	109
Net increase in fair value of investments	3
Local grants and other	-
Total local sources	15,548
State sources:	
Food services	2,054
State grants and other	-
Total state sources	2,054
Federal sources:	
Federal grants and other	9,748
Food services	132,224
Total federal sources	141,972
Total revenues	159,574
Expenditures:	
Current:	
Operation and maintenance of plant	-
Food services	164,226
Community services	-
Capital outlay	5,247
Total expenditures	169,473
Excess (deficiency) of revenues over (under) expenditures	(9,899)
Net change in fund balances	(9,899)
Fund balances - beginning of year	42,649
Fund balances - end of year	\$ 32,750

Miscellaneous Special Revenue Funds	Total Non-major Special Revenue Funds
\$ -	\$ 15,436
2	111
-	3
159	159
<u>161</u>	<u>15,709</u>
-	2,054
-	-
<u>-</u>	<u>2,054</u>
-	9,748
<u>-</u>	<u>132,224</u>
<u>-</u>	<u>141,972</u>
<u>161</u>	<u>159,735</u>
33	33
-	164,226
106	106
-	5,247
<u>139</u>	<u>169,612</u>
<u>22</u>	<u>(9,877)</u>
22	(9,877)
327	42,976
<u>\$ 349</u>	<u>\$ 33,099</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (amounts expressed in thousands)

	Food Service Fund		
	Final Amended Budget	Actual	Variance
Revenues:			
Local sources:			
Food service sales	\$ 15,436	\$ 15,436	\$ -
Interest income	109	109	-
Net increase in fair value of investments	3	3	-
Local grants and other	-	-	-
Total local sources	<u>15,548</u>	<u>15,548</u>	<u>-</u>
State sources:			
Food services	2,054	2,054	-
Total state sources	<u>2,054</u>	<u>2,054</u>	<u>-</u>
Federal sources:			
Federal grants and other	9,748	9,748	-
Food services	132,224	132,224	-
Total federal sources	<u>141,972</u>	<u>141,972</u>	<u>-</u>
Total revenues	<u>159,574</u>	<u>159,574</u>	<u>-</u>
Expenditures:			
Current:			
Operation and maintenance of plant	-	-	-
Food services	164,226	164,226	-
Community services	-	-	-
Capital outlay	5,247	5,247	-
Total expenditures	<u>169,473</u>	<u>169,473</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,899)</u>	<u>(9,899)</u>	<u>-</u>
Net change in fund balances	<u>\$ (9,899)</u>	<u>\$ (9,899)</u>	<u>\$ -</u>
Fund balances - beginning of year		<u>42,649</u>	
Fund balances - end of year		<u>\$ 32,750</u>	

Miscellaneous Special Revenue Funds			Totals		
Final Amended Budget	Actual	Variance	Final Amended Budget	Actual	Variance
\$ -	\$ -	\$ -	\$ 15,436	\$ 15,436	\$ -
2	2	-	111	111	-
-	-	-	3	3	-
159	159	-	159	159	-
<u>161</u>	<u>161</u>	<u>-</u>	<u>15,709</u>	<u>15,709</u>	<u>-</u>
-	-	-	2,054	2,054	-
-	-	-	<u>2,054</u>	<u>2,054</u>	<u>-</u>
-	-	-	9,748	9,748	-
-	-	-	<u>132,224</u>	<u>132,224</u>	<u>-</u>
-	-	-	<u>141,972</u>	<u>141,972</u>	<u>-</u>
<u>161</u>	<u>161</u>	<u>-</u>	<u>159,735</u>	<u>159,735</u>	<u>-</u>
33	33	-	33	33	-
-	-	-	164,226	164,226	-
106	106	-	106	106	-
-	-	-	<u>5,247</u>	<u>5,247</u>	<u>-</u>
<u>139</u>	<u>139</u>	<u>-</u>	<u>169,612</u>	<u>169,612</u>	<u>-</u>
22	22	-	(9,877)	(9,877)	-
<u>\$ 22</u>	22	<u>\$ -</u>	<u>\$ (9,877)</u>	(9,877)	<u>\$ -</u>
	327			42,976	
	<u>\$ 349</u>			<u>\$ 33,099</u>	



Non-major Debt Service Funds

The Non-major Debt Service Funds account for the payment of interest and principal of the current portion on long-term debt, primarily from tax proceeds and earnings on temporary investments:

- **State Board of Education Bond Funds** - Account for and report on payment of principal and interest on various bond issues serviced by the State.
- **Certificates of Participation Fund** - Accounts for and reports on payment of principal, interest and related costs on obligations pertaining to lease payments, acquisition and construction of schools and ancillary facilities.
- **General Obligation School Bonds Fund** - Accounts for and reports on payment of principal, interest and related costs on bonds of the voter-approved Bond Referendum issued to finance the building of new schools and facilities.
- **ARRA Economic Stimulus Debt Service Fund** - Accounts for and reports on payment of principal and interest for Debt Services for American Recovery and Reinvestment Act school construction bonds.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019
 (amounts expressed in thousands)

	State Board of Education Bond Funds	Certificates of Participation Fund
ASSETS		
Cash and cash equivalents	\$ -	\$ 447
Equity in pooled cash and investments	-	16,475
Cash and investments with fiscal agents	209	-
Total cash, cash equivalents, and investments	<u>209</u>	<u>16,922</u>
Taxes receivable	-	-
Interest receivable	-	-
TOTAL ASSETS	<u>\$ 209</u>	<u>\$ 16,922</u>
LIABILITIES		
Accounts and accrued expenditures payable	\$ -	\$ 137
Total liabilities	<u>-</u>	<u>137</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>
FUND BALANCES		
Restricted	209	16,785
Total fund balances	<u>209</u>	<u>16,785</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 209</u>	<u>\$ 16,922</u>

General Obligation School Bonds Fund	ARRA Economic Stimulus Debt Service	Total Non-major Debt Service Funds
\$ 9,800	\$ -	\$ 10,247
28,073	67,514	112,062
-	-	209
<u>37,873</u>	<u>67,514</u>	<u>122,518</u>
509	-	509
88	-	88
<u>\$ 38,470</u>	<u>\$ 67,514</u>	<u>\$ 123,115</u>
\$ -	\$ -	\$ 137
-	-	137
203	-	203
<u>203</u>	<u>-</u>	<u>203</u>
38,267	67,514	122,775
<u>38,267</u>	<u>67,514</u>	<u>122,775</u>
<u>\$ 38,470</u>	<u>\$ 67,514</u>	<u>\$ 123,115</u>

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	<u>State Board of Education Bond Funds</u>	<u>Certificates of Participation Fund</u>
Revenues:		
Local sources:		
Ad valorem taxes	\$ -	\$ -
Interest income	-	1,058
Net increase in fair value of investments	-	1,102
Total local sources	<u>-</u>	<u>2,160</u>
State sources:		
State licensing revenue	1,609	-
SBE/COBI bond interest	3	-
Total state sources	<u>1,612</u>	<u>-</u>
Total revenues	<u>1,612</u>	<u>2,160</u>
Expenditures:		
Debt service:		
Principal retirement	1,179	120,735
Interest and fiscal charges	1,379	97,384
Total expenditures	<u>2,558</u>	<u>218,119</u>
Excess (deficiency) of revenues over (under) expenditures	(946)	(215,959)
Other financing sources (uses):		
Issuance of debt for refunding	787	141,895
Premium on issuance of debt for refunding	124	-
Payments to refunded debt escrow agent	-	(141,350)
Transfers in	-	210,031
Total other financing sources	<u>911</u>	<u>210,576</u>
Net change in fund balances	(35)	(5,383)
Fund balances - beginning of year	244	22,168
Fund balances - end of year	<u>\$ 209</u>	<u>\$ 16,785</u>

General Obligation School Bonds Fund	ARRA Economic Stimulus Debt Service	Total Non-major Debt Service Funds
\$ 70,026	\$ -	\$ 70,026
184	14	1,256
3	5,443	6,548
<u>70,213</u>	<u>5,457</u>	<u>77,830</u>
-	-	1,609
-	-	3
-	-	1,612
<u>70,213</u>	<u>5,457</u>	<u>79,442</u>
16,450	-	138,364
41,601	8,047	148,411
<u>58,051</u>	<u>8,047</u>	<u>286,775</u>
12,162	(2,590)	(207,333)
-	-	142,682
-	-	124
-	-	(141,350)
-	24,791	234,822
<u>-</u>	<u>24,791</u>	<u>236,278</u>
12,162	22,201	28,945
26,105	45,313	93,830
<u>\$ 38,267</u>	<u>\$ 67,514</u>	<u>\$ 122,775</u>

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	<u>State Board of Education Bond Funds</u>		
	<u>Final</u>		
	<u>Amended</u>	<u>Actual</u>	
	<u>Budget</u>	<u>GAAP Basis</u>	<u>Variance</u>
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
State licensing revenue	1,609	1,609	-
SBE/COBI bond interest	3	3	-
Interest income	-	-	-
Net increase in fair value of investments	-	-	-
Total revenues	<u>1,612</u>	<u>1,612</u>	<u>-</u>
Expenditures:			
Debt service:			
Principal retirement	1,179	1,179	-
Interest and fiscal charges	1,379	1,379	-
Total expenditures	<u>2,558</u>	<u>2,558</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(946)</u>	<u>(946)</u>	<u>-</u>
Other financing sources (uses):			
Issuance of debt for refunding	787	787	-
Premium on issuance of debt for refunding	124	124	-
Payments to refunded bond escrow agent	-	-	-
Transfers in	-	-	-
Total other financing sources (uses)	<u>911</u>	<u>911</u>	<u>-</u>
Net change in fund balances	<u>\$ (35)</u>	<u>(35)</u>	<u>\$ -</u>
Fund balances - beginning of year		<u>244</u>	
Fund balances - end of year		<u>\$ 209</u>	

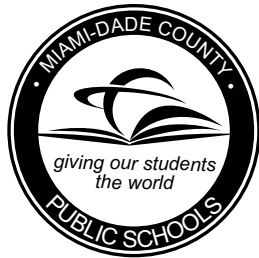
<u>Certificates of Participation Fund</u>		
<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
1,058	1,058	-
1,102	1,102	-
<u>2,160</u>	<u>2,160</u>	<u>-</u>
120,735	120,735	-
97,384	97,384	-
<u>218,119</u>	<u>218,119</u>	<u>-</u>
<u>(215,959)</u>	<u>(215,959)</u>	<u>-</u>
141,895	141,895	-
-	-	-
(141,350)	(141,350)	-
210,031	210,031	-
<u>210,576</u>	<u>210,576</u>	<u>-</u>
<u>\$ (5,383)</u>	<u>(5,383)</u>	<u>\$ -</u>
	<u>22,168</u>	
	<u>\$ 16,785</u>	

<u>General Obligation School Bonds Fund</u>		
<u>Final Amended Budget</u>	<u>Actual GAAP Basis</u>	<u>Variance</u>
\$ 70,026	\$ 70,026	\$ -
-	-	-
-	-	-
184	184	-
3	3	-
<u>70,213</u>	<u>70,213</u>	<u>-</u>
16,450	16,450	-
41,601	41,601	-
<u>58,051</u>	<u>58,051</u>	<u>-</u>
<u>12,162</u>	<u>12,162</u>	<u>-</u>
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 12,162</u>	<u>12,162</u>	<u>\$ -</u>
	<u>26,105</u>	
	<u>\$ 38,267</u>	

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)

	<u>ARRA Economic Stimulus Debt Service Fund</u>		
	Final		
	Amended	Actual	
	Budget	GAAP Basis	Variance
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
State licensing revenue	-	-	-
SBE/COBI bond interest	-	-	-
Interest income	14	14	-
Net increase in fair value of investments	5,443	5,443	-
Total revenues	<u>5,457</u>	<u>5,457</u>	<u>-</u>
Expenditures:			
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	8,047	8,047	-
Total expenditures	<u>8,047</u>	<u>8,047</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,590)</u>	<u>(2,590)</u>	<u>-</u>
Other financing sources (uses):			
Issuance of debt for refunding	-	-	-
Premium on issuance of debt for refunding	-	-	-
Payments to refunded bond escrow agent	-	-	-
Transfers in	24,791	24,791	-
Total other financing sources (uses)	<u>24,791</u>	<u>24,791</u>	<u>-</u>
Net change in fund balances	<u>\$ 22,201</u>	22,201	<u>\$ -</u>
Fund balances - beginning of year		45,313	
Fund balances - end of year		<u>\$ 67,514</u>	

Totals		
Final Amended Budget	Actual GAAP Basis	Variance
\$ 70,026	\$ 70,026	\$ -
1,609	1,609	-
3	3	-
1,256	1,256	-
6,548	6,548	-
<u>79,442</u>	<u>79,442</u>	<u>-</u>
138,364	138,364	-
148,411	148,411	-
<u>286,775</u>	<u>286,775</u>	<u>-</u>
<u>(207,333)</u>	<u>(207,333)</u>	<u>-</u>
142,682	142,682	-
124	124	-
(141,350)	(141,350)	-
234,822	234,822	-
<u>236,278</u>	<u>236,278</u>	<u>-</u>
<u>\$ 28,945</u>	28,945	<u>\$ -</u>
	93,830	
	<u>\$ 122,775</u>	



Non-major Capital Projects Funds

The Non-major Capital Projects Funds account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

- **Impact Fees Funds** - Accounts for and reports on local revenues associated with new construction and development.
- **Master Equipment Lease Fund** - Accounts for and reports on funds for leased equipment acquisitions.
- **Public Education Capital Outlay (PECO) Funds** - Accounts for and reports on funds received from the State for the construction and maintenance of schools.
- **Capital Outlay and Debt Service Funds** - Accounts for and reports on the excess dollars from the debt service funds, used for construction and maintenance of schools.
- **Certificates of Participation Funds** - Accounts for the issuance of Certificates of Participation, used for the acquisition and construction of schools and ancillary schools.
- **Other Capital Projects Funds** - Accounts for resources used in site acquisition, construction, renovation and remodeling of educational facilities.





**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2019
(amounts expressed in thousands)**

	Impact Fee Funds	Master Equipment Lease Fund
ASSETS		
Cash and cash equivalents	\$ 8,564	\$ -
Equity in pooled cash and investments	24,533	-
Total cash, cash equivalents, and investments	33,097	-
Accounts and interest receivable	67	-
Due from other governments or agencies	4,994	-
Due from other funds	-	-
TOTAL ASSETS	\$ 38,158	\$ -
LIABILITIES		
Accounts and contracts payable and accrued expenditures	600	-
Due to other funds	-	-
Retainage payable on contracts	1,216	-
Unearned revenue	-	-
Total liabilities	1,816	-
FUND BALANCES		
Restricted	36,342	-
Assigned	-	-
Total fund balances	36,342	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 38,158	\$ -

Public Education Capital Outlay (PECO) Funds	Capital Outlay and Debt Service Fund	Certificates of Participation	Other Capital Projects Funds	Total Non-major Capital Projects Funds
\$ -	\$ 5,555	\$ 3	\$ 4,220	\$ 18,342
2	15,915	141	11,752	52,343
2	21,470	144	15,972	70,685
6	43	-	68	184
-	264	-	7,535	12,793
-	-	-	12,500	12,500
<u>\$ 8</u>	<u>\$ 21,777</u>	<u>\$ 144</u>	<u>\$ 36,075</u>	<u>\$ 96,162</u>
-	321	12	500	1,433
5	-	-	-	5
-	773	132	388	2,509
-	-	-	3,797	3,797
<u>5</u>	<u>1,094</u>	<u>144</u>	<u>4,685</u>	<u>7,744</u>
3	20,683	-	31,345	88,373
-	-	-	45	45
<u>3</u>	<u>20,683</u>	<u>-</u>	<u>31,390</u>	<u>88,418</u>
<u>\$ 8</u>	<u>\$ 21,777</u>	<u>\$ 144</u>	<u>\$ 36,075</u>	<u>\$ 96,162</u>

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)**

	<u>Impact Fee Funds</u>	<u>Master Equipment Lease Fund</u>
Revenues:		
Local sources:		
Interest income	\$ 159	\$ 21
Net increase in fair value of investments	3	-
Local grants and other	20,367	-
Total local sources	<u>20,529</u>	<u>21</u>
State sources:		
Public education capital outlay	-	-
Other state revenue	-	-
Total state sources	<u>-</u>	<u>-</u>
Federal sources:		
Federal grants and other	-	-
Total federal sources	<u>-</u>	<u>-</u>
Total revenues	<u>20,529</u>	<u>21</u>
Expenditures:		
Capital outlay	8,401	131
Debt service	-	-
Total expenditures	<u>8,401</u>	<u>131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,128</u>	<u>(110)</u>
Other financing sources (uses):		
Transfers out	(4,509)	(20)
Total other financing sources (uses)	<u>(4,509)</u>	<u>(20)</u>
Net change in fund balances	7,619	(130)
Fund balances - beginning of year	28,723	130
Fund balances - end of year	<u>\$ 36,342</u>	<u>\$ -</u>

Public Education Capital Outlay (PECO) Funds	Capital Outlay and Debt Service Fund	Certificates of Participation	Other Capital Projects Funds	Total Non-major Capital Projects Funds
\$ 5	\$ 64	\$ 35	\$ 122	\$ 406
-	2	-	3	8
-	-	-	15,184	35,551
<u>5</u>	<u>66</u>	<u>35</u>	<u>15,309</u>	<u>35,965</u>
6,245	-	-	-	6,245
<u>34,503</u>	<u>13,431</u>	<u>-</u>	<u>12,503</u>	<u>60,437</u>
<u>40,748</u>	<u>13,431</u>	<u>-</u>	<u>12,503</u>	<u>66,682</u>
-	-	-	6,808	6,808
-	-	-	<u>6,808</u>	<u>6,808</u>
<u>40,753</u>	<u>13,497</u>	<u>35</u>	<u>34,620</u>	<u>109,455</u>
646	7,772	3,642	7,313	27,905
-	14	-	-	14
<u>646</u>	<u>7,786</u>	<u>3,642</u>	<u>7,313</u>	<u>27,919</u>
<u>40,107</u>	<u>5,711</u>	<u>(3,607)</u>	<u>27,307</u>	<u>81,536</u>
(40,123)	-	(8)	(6,880)	(51,540)
<u>(40,123)</u>	<u>-</u>	<u>(8)</u>	<u>(6,880)</u>	<u>(51,540)</u>
(16)	5,711	(3,615)	20,427	29,996
19	14,972	3,615	10,963	58,422
<u>\$ 3</u>	<u>\$ 20,683</u>	<u>\$ -</u>	<u>\$ 31,390</u>	<u>\$ 88,418</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CAPITAL PROJECTS FUNDS*
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGETARY BASIS
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(amounts expressed in thousands)

	Totals		
	Final Amended Budget	Actual Budgetary Basis	Variance
Revenues:			
Local sources:			
Ad valorem taxes	\$ 458,768	\$ 458,768	\$ -
Interest income	7,216	7,216	-
Net increase in fair value of investments	154	153	(1)
Local grants and other	39,347	35,551	(3,796)
Total local sources	505,485	501,688	(3,797)
State sources:			
Public education capital outlay	6,245	6,245	-
Other state revenue	60,437	60,437	-
Total state sources	66,682	66,682	-
Federal sources:			
Federal grants and other	6,808	6,808	-
Total federal sources	6,808	6,808	-
Total revenues	578,975	575,178	(3,797)
Expenditures:			
Capital outlay	940,079	191,020	749,059
Debt service:			
Interest and fiscal charges	158	28	130
Total expenditures	940,237	191,048	749,189
Excess (deficiency) of revenues over (under) expenditures	(361,262)	384,130	745,392
Other financing sources (uses):			
Transfers out	(412,378)	(412,378)	-
Issuance of debt	230,616	-	(230,616)
Total other financing sources (uses)	(181,762)	(412,378)	(230,616)
Net change in fund balances	\$ (543,024)	(28,248)	\$ 514,776
Fund balances - beginning of year		548,364	
Fund balances - end of year		\$ 520,116	

*Florida Statutes, Section 1013.61, requires that the capital outlay budget designate the proposed capital expenditures by project for the year from all sources. Accordingly, annual budgets for the Capital Projects Funds are adopted on a combined basis only. Therefore, both major and non-major funds are presented in this schedule.

Agency Fund

Agency Fund accounts for the resources of the Schools' Internal Fund, which is used to administer monies, collected at the schools in connection with school, student athletics, class and club activities.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
SCHOOLS' INTERNAL FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
 (amounts expressed in thousands)

	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2019</u>
Assets				
Cash and cash equivalents	\$ 6,902	\$ 80,417	\$ 80,979	\$ 6,340
Investments	17,661	675	911	17,425
Accounts receivable, net	673	82	673	82
Interest receivable	70	92	70	92
Due from other agencies	-	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 25,306</u>	<u>\$ 81,266</u>	<u>\$ 82,633</u>	<u>\$ 23,939</u>
Liabilities				
Accounts payable	\$ 172	\$ 40	\$ 174	\$ 38
Due to other governments or agencies	4,081	4,429	4,082	4,428
Due to student organizations	21,053	76,797	78,377	19,473
Total liabilities	<u>\$ 25,306</u>	<u>\$ 81,266</u>	<u>\$ 82,633</u>	<u>\$ 23,939</u>

III. Statistical Section

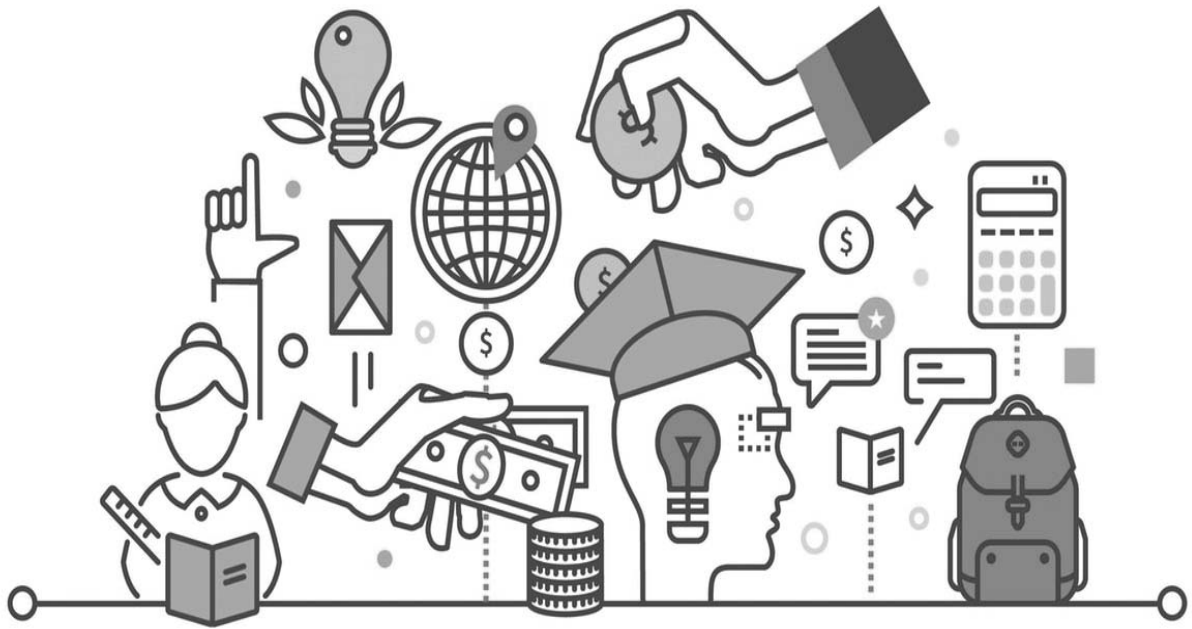


Statistical Section

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary says about the District's overall financial health. Contents included are as follows:

- **Financial Trends** - These schedules contain trend information to help the reader understand how the District's financial performance and financial condition have changed over time.
- **Revenue Capacity** - These schedules contain information to help the reader assess the factors affecting the District's ability to generate a significant revenue source and property taxes.
- **Debt Capacity** - These schedules present information to help the reader assess the District's current debt burden and the District's ability to issue additional debt.
- **Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the District operates.
- **Operation Information** - These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services it provides and the activities it performs.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NET POSITION BY COMPONENT - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in millions)
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Primary Government:					
Governmental activities:					
Net investment in capital assets	\$ 1,830.1	\$ 1,670.6	\$ 1,557.5	\$ 1,550.2	\$ 1,480.1
Restricted	109.0	180.7	173.3	104.2	69.5
Unrestricted	<u>(233.9)</u>	<u>(168.3)</u>	<u>(242.3)</u>	<u>(259.0)</u>	<u>(321.0)</u>
Total primary government net position	<u>\$ 1,705.2</u>	<u>\$ 1,683.0</u>	<u>\$ 1,488.5</u>	<u>\$ 1,395.4</u>	<u>\$ 1,228.6</u>

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller

TABLE 1

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 1,444.1	\$ 1,363.0	\$ 1,352.0	\$ 1,302.5	\$ 1,307.0
55.3	111.1	115.9	245.9	354.8
<u>(1,384.1)</u>	<u>(1,282.6)</u>	<u>(1,281.1)</u>	<u>(1,491.2)</u>	<u>(1,609.8)</u>
<u>\$ 115.3</u>	<u>\$ 191.5</u>	<u>\$ 186.8</u>	<u>\$ 57.2</u>	<u>\$ 52.0</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CHANGES IN NET POSITION - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Primary Government:				
Governmental activities:				
Program Revenues				
Charges for services				
Instruction	\$ 29,826	\$ 29,438	\$ 33,094	\$ 32,219
Student transportation services	1,087	760	462	715
Food services	31,902	29,647	27,148	21,546
Community Services	-	-	-	-
Operating grants and contributions				
Instruction	-	-	-	-
Student transportation services	-	-	-	-
Operation and maintenance of plant	-	-	55	-
Food services	111,940	120,257	121,631	132,541
Capital grants and contributions				
Operation and maintenance of plant	19,601	28,529	14,494	14,394
Facilities acquisition and construction	7,403	8,860	10,107	22,708
Interest on long-term debt	13,471	13,512	13,552	13,591
Total primary government program revenues	<u>\$ 215,230</u>	<u>\$ 231,003</u>	<u>\$ 220,543</u>	<u>\$ 237,714</u>
Expenses				
Governmental activities:				
Instructional services	\$ 1,933,411	\$ 2,016,750	\$ 1,918,275	\$ 1,956,415
Instructional support services	314,994	287,551	277,361	284,372
Student transportation services	84,479	83,894	81,573	82,507
Operation and maintenance of plant	372,935	351,511	344,296	342,379
Food services	134,808	140,639	145,146	150,301
School administration	166,116	165,566	154,588	153,151
General administration	82,454	81,435	83,904	83,985
Community Services	32,843	33,249	30,302	30,982
Facilities Acquisition and Construction	84,195	103,561	77,863	26,584
Interest on long-term debt	148,251	144,112	136,274	129,252
Unallocated Depreciation/Amortization (Excludes direct Depreciation Expenses, Note 4)	132,979	152,779	155,582	157,235
Total primary government expenses	<u>\$ 3,354,486</u>	<u>\$ 3,561,047</u>	<u>\$ 3,405,164</u>	<u>\$ 3,397,163</u>
Net (Expense)/Revenue-Primary Government	<u>\$ (3,139,256)</u>	<u>\$ (3,330,044)</u>	<u>\$ (3,184,621)</u>	<u>\$ (3,159,449)</u>
General Revenues and Other Changes in Net Position				
Taxes				
Property Taxes, Levied for Operational Purposes	\$ 1,339,331	\$ 1,222,023	\$ 1,191,592	\$ 1,184,421
Property Taxes, Levied for Debt Service	61,145	72,052	44,572	44,454
Property Taxes, Levied for Capital Projects	366,078	288,595	301,453	296,122
Grants and Contributions Not Restricted to Specific Programs	1,466,475	1,677,325	1,415,403	1,495,657
Investment earnings	6,794	6,145	3,742	3,228
Miscellaneous	19,095	41,673	33,313	46,986
Total primary government general revenues	<u>\$ 3,258,918</u>	<u>\$ 3,307,813</u>	<u>\$ 2,990,075</u>	<u>\$ 3,070,868</u>
Change in Net Position	<u>\$ 119,662</u>	<u>\$ (22,231)</u>	<u>\$ (194,546)</u>	<u>\$ (88,581)</u>

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller

TABLE 2

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 32,791	\$ 32,491	\$ 11,006	\$ 11,575	\$ 10,891	\$ 10,803
313	365	368	485	547	845
20,121	17,314	16,297	15,514	12,157	15,436
-	-	21,923	21,468	20,900	21,395
-	-	811,895	837,627	864,309	854,415
-	-	-	-	-	-
-	-	258	-	-	-
147,457	146,975	152,418	151,237	165,750	144,027
23,866	25,429	18,829	27,721	18,121	40,749
22,733	36,866	34,322	30,459	36,508	46,525
13,543	13,448	10,641	5,055	1,881	1,612
<u>\$ 260,824</u>	<u>\$ 272,888</u>	<u>\$ 1,077,957</u>	<u>\$ 1,101,141</u>	<u>\$ 1,131,064</u>	<u>\$ 1,135,807</u>
\$ 2,098,540	\$ 1,954,230	\$ 1,986,742	\$ 2,137,014	\$ 2,221,179	\$ 2,311,324
294,258	280,020	286,463	293,449	301,196	324,932
81,539	76,737	91,403	93,491	92,993	94,939
359,065	357,679	352,393	366,510	378,832	389,129
159,742	159,473	159,245	159,284	161,050	164,259
158,316	154,222	157,387	163,317	167,613	170,967
81,601	82,137	79,210	80,315	88,341	86,167
29,949	30,232	29,269	30,338	31,031	32,496
69,492	100,896	100,121	83,137	68,629	53,940
149,861	137,143	133,392	144,075	150,200	146,189
158,932	160,143	163,770	167,087	168,389	171,260
<u>\$ 3,641,295</u>	<u>\$ 3,492,912</u>	<u>\$ 3,539,395</u>	<u>\$ 3,718,017</u>	<u>\$ 3,829,453</u>	<u>\$ 3,945,602</u>
<u>\$ (3,380,471)</u>	<u>\$ (3,220,024)</u>	<u>\$ (2,461,438)</u>	<u>\$ (2,616,876)</u>	<u>\$ (2,698,389)</u>	<u>\$ (2,809,795)</u>
\$ 1,214,002	\$ 1,385,924	\$ 1,435,951	\$ 1,499,190	\$ 1,519,998	\$ 1,529,167
65,832	44,303	49,122	48,888	63,545	70,059
306,099	348,164	383,394	398,622	434,762	458,991
1,605,649	1,476,346	630,033	615,587	661,347	656,874
2,876	2,561	4,323	8,753	20,673	45,012
43,793	53,970	34,785	41,161	25,677	44,461
<u>\$ 3,238,251</u>	<u>\$ 3,311,268</u>	<u>\$ 2,537,608</u>	<u>\$ 2,612,201</u>	<u>\$ 2,726,002</u>	<u>\$ 2,804,564</u>
<u>\$ (142,220)</u>	<u>\$ 91,244</u>	<u>\$ 76,170</u>	<u>\$ (4,675)</u>	<u>\$ 27,613</u>	<u>\$ (5,231)</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund:				
Nonspendable:	\$ 205	\$ 8,580	\$ 6,364	\$ 7,138
Restricted:	4,522	8,409	5,146	1,522
Assigned:	43,431	33,815	51,758	17,733
Unassigned:	83,574	170,908	80,875	57,957
Total general fund	<u>\$ 131,732</u>	<u>\$ 221,712</u>	<u>\$ 144,143</u>	<u>\$ 84,350</u>
All other governmental funds:				
Nonspendable:				
Capital Projects	\$ 21,039	\$ 20,301	\$ 20,038	\$ 22,213
Other Non-major	1,525	3,723	2,378	3,109
Restricted:				
Special Revenue	7,095	11,691	14,963	15,036
Debt Service	81,329	93,322	79,704	77,619
Capital Projects	462,843	253,666	105,151	45,183
Assigned:				
Capital Projects	8,686	8,750	9,765	1,395
Unassigned:				
Special Revenue	-	-	-	-
Capital Projects	-	-	-	-
Total all other governmental funds	<u>\$ 582,517</u>	<u>\$ 391,453</u>	<u>\$ 231,999</u>	<u>\$ 164,555</u>

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller

TABLE 3

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 7,843	\$ 6,163	\$ 7,713	\$ 6,868	\$ 7,899	\$ 7,508
1,321	5,358	8,644	10,146	10,436	17,999
18,094	19,217	38,566	56,529	72,452	110,933
29,274	93,816	120,377	148,726	158,377	107,017
<u>\$ 56,532</u>	<u>\$ 124,554</u>	<u>\$ 175,300</u>	<u>\$ 222,269</u>	<u>\$ 249,164</u>	<u>\$ 243,457</u>
\$ 21,461	\$ 20,843	\$ 18,244	\$ 16,257	\$ 16,730	\$ 16,078
3,296	3,496	1,921	2,425	38	3,132
17,624	19,367	26,848	29,943	42,976	29,967
71,802	40,242	44,109	65,009	93,830	122,775
304,038	191,306	270,819	644,800	531,511	503,993
1,393	1,391	697	235	85	45
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 419,614</u>	<u>\$ 276,645</u>	<u>\$ 362,638</u>	<u>\$ 758,669</u>	<u>\$ 685,170</u>	<u>\$ 675,990</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
AND DEBT SERVICE RATIO
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
REVENUES:				
Local sources:				
Ad valorem taxes	\$ 1,770,556	\$ 1,586,242	\$ 1,541,080	\$ 1,520,106
Food services sales	31,902	29,647	27,148	21,545
Interest income	4,443	4,499	3,556	3,290
Net increase (decrease) in fair value of investments	(120)	25	(59)	(62)
Local grants and other	83,526	86,541	82,527	99,872
Total local sources	<u>1,890,307</u>	<u>1,706,954</u>	<u>1,654,252</u>	<u>1,644,751</u>
State sources:				
Florida education finance program	451,375	603,780	561,609	610,377
Public education capital outlay	5,178	14,895	-	-
Food services	2,249	2,136	2,261	2,146
State grants and other	528,514	537,531	531,406	542,181
Total state sources	<u>987,316</u>	<u>1,158,342</u>	<u>1,095,276</u>	<u>1,154,704</u>
Federal sources:				
Federal grants and other	521,840	572,850	358,665	381,118
Food services	104,107	110,212	112,963	122,149
Total federal sources	<u>625,947</u>	<u>683,062</u>	<u>471,628</u>	<u>503,267</u>
Total revenues	<u>\$ 3,503,570</u>	<u>\$ 3,548,358</u>	<u>\$ 3,221,156</u>	<u>\$ 3,302,722</u>
EXPENDITURES:				
Instructional services	\$ 1,926,447	\$ 2,005,289	\$ 1,904,491	\$ 1,936,994
Instructional support services	307,703	282,397	269,897	277,591
Student transportation services	84,186	83,906	81,543	81,096
Operation and maintenance of plant	370,137	350,357	343,246	340,929
School administration	164,967	165,147	154,420	152,857
General administration	97,421	96,156	91,095	89,560
Food services	136,740	142,048	145,803	151,711
Community Service	32,511	32,363	30,046	30,829
Capital outlay	305,287	231,541	189,354	148,644
Debt service				
Principal	144,900	152,360	153,986	133,117
Interest	156,486	139,147	108,430	103,280
Total expenditures	<u>\$ 3,726,785</u>	<u>\$ 3,680,711</u>	<u>\$ 3,472,311</u>	<u>\$ 3,446,608</u>
Excess of revenues over (under) expenditures	\$ (223,215)	\$ (132,353)	\$ (251,155)	\$ (143,886)
Other financing sources (uses)				
Transfers in	534,579	366,201	344,206	321,832
Transfers out	(534,579)	(366,201)	(356,206)	(309,832)
Issuance of debt	231,345	25,120	-	-
Premium on issuance of debt	203	57	-	-
Issuance of debt for refunding	(27,380)	278,155	725	255,175
Premium on refunding of debt	-	8,479	111	19,772
Payments to refunding bond escrow agent	(1,862)	(284,294)	(834)	(272,796)
Proceeds from sale of capital assets	257	3,650	898	423
Proceeds from loans/leases/construction agreements	507	102	25,232	2,075
Total other financing sources (uses)	<u>\$ 203,070</u>	<u>\$ 31,269</u>	<u>\$ 14,132</u>	<u>\$ 16,649</u>
Net change in fund balances	\$ (20,145)	\$ (101,084)	\$ (237,023)	\$ (127,237)
Debt service as a percentage of noncapital expenditures	8.6%	8.2%	7.8%	7.1%

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller

TABLE 4

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 1,605,799	\$ 1,765,167	\$ 1,874,710	\$ 1,952,360	\$ 2,015,402	\$ 2,058,949
20,121	17,314	16,297	15,514	12,157	15,436
2,764	2,563	4,266	8,814	20,076	38,263
113	(2)	57	(60)	597	6,746
103,433	132,523	108,443	103,464	94,791	105,119
<u>1,732,230</u>	<u>1,917,565</u>	<u>2,003,773</u>	<u>2,080,092</u>	<u>2,143,023</u>	<u>2,224,513</u>
712,494	661,800	630,034	615,587	654,569	650,067
-	5,987	6,166	9,176	6,125	6,245
2,231	2,210	2,087	1,976	1,881	2,054
551,514	547,337	542,141	554,585	562,136	598,816
<u>1,266,239</u>	<u>1,217,334</u>	<u>1,180,428</u>	<u>1,181,324</u>	<u>1,224,711</u>	<u>1,257,182</u>
390,809	311,326	307,833	329,663	347,177	334,454
135,158	135,242	139,473	138,098	153,102	132,224
<u>525,967</u>	<u>446,568</u>	<u>447,306</u>	<u>467,761</u>	<u>500,279</u>	<u>466,678</u>
<u>\$ 3,524,436</u>	<u>\$ 3,581,467</u>	<u>\$ 3,631,507</u>	<u>\$ 3,729,177</u>	<u>\$ 3,868,013</u>	<u>\$ 3,948,373</u>
\$ 2,059,963	\$ 1,992,545	\$ 2,022,038	\$ 2,103,184	\$ 2,161,587	\$ 2,215,859
286,813	280,423	286,648	292,256	291,770	311,913
79,755	75,986	85,747	88,080	87,491	88,444
357,268	360,619	355,275	365,995	374,591	378,367
157,803	157,173	160,409	163,968	164,662	164,855
90,801	89,786	87,657	90,073	96,075	89,429
161,405	160,056	160,062	160,919	162,437	164,226
29,724	30,430	29,687	30,177	30,090	30,878
133,887	244,044	249,603	270,417	249,528	230,026
142,546	156,564	149,927	142,567	170,473	139,115
141,428	143,317	137,319	141,764	158,556	153,313
<u>\$ 3,641,393</u>	<u>\$ 3,690,943</u>	<u>\$ 3,724,372</u>	<u>\$ 3,849,400</u>	<u>\$ 3,947,260</u>	<u>\$ 3,966,425</u>
\$ (116,957)	\$ (109,476)	\$ (92,865)	\$ (120,223)	\$ (79,247)	\$ (18,052)
355,836	369,892	379,500	413,672	454,015	412,378
(355,836)	(369,892)	(379,500)	(393,672)	(424,015)	(412,378)
290,565	-	217,720	-	-	-
14,806	-	8,709	-	-	-
73,943	634,472	842,000	5,201	119,995	142,682
9,046	100,778	90,203	-	-	124
(82,043)	(733,725)	(929,258)	(5,966)	(119,802)	(141,350)
625	434	95	3,344	515	312
37,256	32,570	135	28,477	1,935	1,397
<u>\$ 344,198</u>	<u>\$ 34,529</u>	<u>\$ 229,604</u>	<u>\$ 51,056</u>	<u>\$ 32,643</u>	<u>\$ 3,165</u>
<u>\$ 227,241</u>	<u>\$ (74,947)</u>	<u>\$ 136,739</u>	<u>\$ (69,167)</u>	<u>\$ (46,604)</u>	<u>\$ (14,887)</u>
8.0%	8.5%	8.1%	7.8%	8.7%	7.7%

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
The School Board of Miami-Dade County					
General Fund	5.998	6.314	6.165	6.204	6.083
Debt Service Funds	0.297	0.385	0.240	0.233	0.333
Capital Project Funds	1.700	1.550	1.600	1.561	1.561
Total District Direct Tax Rates	<u>7.995</u>	<u>8.249</u>	<u>8.005</u>	<u>7.998</u>	<u>7.977</u>
Overlapping Tax Rates **					
Miami (0100)	7.674	7.571	7.571	7.615	7.647
Miami Beach (0200)	6.216	6.166	6.091	5.863	5.794
Coral Gables (0300)	6.072	5.869	5.669	5.629	5.589
Hialeah (0400)	6.540	6.540	6.302	6.302	6.302
Miami Springs (0500)	6.471	6.740	6.995	7.671	7.671
North Miami (0600)	8.196	8.196	8.100	7.934	7.934
North Miami Beach (0700)	6.604	6.604	6.604	6.604	6.604
Opa Locka (0800)	8.800	9.153	9.100	9.089	8.500
South Miami (0900)	4.953	4.666	4.364	4.364	4.364
Homestead (1000)	6.292	6.292	6.244	5.922	5.922
Miami Shores (1100)	8.000	8.000	8.000	8.000	8.000
Bal Harbour (1200)	2.557	2.447	2.268	1.919	2.061
Bay Harbor Island (1300)	5.297	5.297	5.297	5.250	4.900
Surfside (1400)	5.603	5.500	5.300	5.200	5.029
West Miami (1500)	6.886	6.886	6.886	6.886	6.886
Florida City (1600)	7.750	7.750	7.750	7.590	7.590
Biscayne Park (1700)	8.993	8.900	9.500	9.700	9.700
El Portal (1800)	7.900	8.300	8.300	8.300	8.300
Golden Beach (1900)	7.014	6.980	6.995	7.113	7.245
Pinecrest (2000)	2.104	2.200	2.200	2.200	2.300
Indian Creek (2100)	1.804	2.720	7.952	6.950	7.674
Medley (2200)	5.650	5.650	5.585	5.380	6.380
North Bay Village (2300)	4.777	4.777	4.777	5.474	5.474
Key Biscayne (2400)	3.200	3.200	3.200	3.000	3.000
Sweetwater (2500)	4.662	2.920	2.920	2.920	2.749
Virginia Gardens (2600)	5.749	5.423	5.423	5.423	5.150
Hialeah Gardens (2700)	5.460	5.588	5.381	5.381	5.161
Aventura (2800)	1.726	1.726	1.726	1.726	1.726
Unincorporated County (3000)	2.298	2.008	1.928	1.928	1.928
Sunny Isles Beach (3100)	2.886	2.886	2.800	2.700	2.600
Miami Lakes (3200)	2.370	2.352	2.352	2.352	2.352
Palmetto Bay (3300)	2.447	2.447	2.447	2.447	2.447
Miami Gardens (3400)	5.714	6.562	6.362	6.936	6.936
Doral (3500)	2.447	2.438	2.222	1.928	1.928
Cutler Bay (3600)	2.589	2.570	2.570	2.570	2.391

NOTE(S): Millage rate represents \$1,000 of taxable assessed valuation.
Municipality will show millage rates starting the year after they were incorporated.
** (Millage Code)

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller, and
Miami-Dade County Office of the Property Appraiser

TABLE 5

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019*</u>
6.214	5.852	5.638	5.274	5.004
0.199	0.199	0.184	0.220	0.229
1.561	1.561	1.500	1.500	1.500
<u>7.974</u>	<u>7.612</u>	<u>7.322</u>	<u>6.994</u>	<u>6.733</u>
7.647	7.647	7.437	7.587	7.567
5.709	5.709	5.722	5.729	5.729
5.559	5.559	5.559	5.559	5.559
6.302	6.302	6.302	6.302	6.302
7.671	7.500	7.358	7.350	7.330
7.934	7.500	7.500	7.500	7.500
6.604	6.500	6.400	6.300	6.200
8.900	10.000	9.000	9.800	9.800
4.364	4.300	4.300	4.300	4.300
5.922	5.922	5.922	5.922	5.922
8.000	7.900	7.900	7.900	7.900
1.965	1.965	1.965	1.965	1.965
4.550	4.400	4.000	3.720	3.625
5.029	5.014	4.800	4.500	4.400
6.886	6.886	6.886	6.886	6.886
7.186	7.186	7.186	7.186	7.186
9.700	9.700	9.700	9.700	9.700
8.300	8.300	8.300	8.300	8.300
7.375	7.396	7.480	7.480	7.578
2.300	2.300	2.300	2.399	2.399
7.500	6.950	6.609	6.400	6.300
5.579	5.500	5.400	6.300	5.050
6.474	4.843	5.650	5.520	5.499
3.000	3.000	3.000	3.100	3.195
2.749	4.500	4.215	3.995	3.995
5.150	5.150	5.150	5.100	5.100
5.161	5.161	5.161	5.161	5.161
1.726	1.726	1.726	1.726	1.726
1.928	1.928	1.928	1.928	1.928
2.500	2.400	2.300	2.200	2.200
2.352	2.335	2.335	2.313	2.313
2.447	2.329	2.329	2.239	2.200
6.936	6.936	6.936	6.936	6.936
1.928	1.900	1.900	1.900	1.900
2.535	2.391	2.391	2.432	2.432

* District millage rates are actual. All other millage rates are adopted by the Miami-Dade County Office of the Property Appraiser.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

Table 6

Fiscal Year	Taxes Levied for the Fiscal Year *	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 1,805,599	\$ 1,770,657	98.1 %	\$ 47,047	\$ 1,817,704	100.0 %
2011	1,614,699	1,586,242	98.2	32,056	1,618,298	100.0
2012	1,525,140	1,509,025	98.9	24,972	1,533,997	100.0
2013	1,584,376	1,495,134	94.4	3,523	1,498,657	94.6
2014	1,647,236	1,605,597	97.5	13,501	1,615,098	98.0
2015	1,872,320	1,751,666	93.6	7,969	1,759,635	94.0
2016	1,995,314	1,874,710	94.0	-	1,874,710	94.0
2017	2,085,643	1,952,360	93.6	-	1,952,360	93.6
2018	2,048,688	2,015,402	98.4	-	2,015,402	98.4
2019	2,082,553	2,058,949 **	98.9	-	2,058,949	98.9

* Property taxes levied reflected at 100% of the total levy, however, the District is required by the State to budget at 96% of the total levy.

** Collected within the fiscal year. Includes \$0 for the prior year levy.

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Treasurer

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
ASSESSED VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 7

Fiscal Year	Assessed Value		Personal Property	Total Taxable Value	Less: Exemptions	Total Net Assessed Taxable Value	Total Direct Tax Rate*
	Residential Property	Non-Residential Property					
2010	\$ 148,033,436	\$ 101,993,192	\$ 15,512,732	\$ 265,539,360	\$ 41,438,793	\$ 224,100,567	7.995
2011	128,304,836	94,587,729	15,343,608	238,236,173	42,095,110	196,141,063	8.249
2012	127,627,907	92,085,058	15,217,124	234,930,089	41,991,505	192,938,584	8.005
2013	131,395,063	93,095,428	15,258,069	239,748,560	41,604,134	198,144,426	7.998
2014	138,364,263	94,556,129	16,923,589	249,843,981	41,239,222	208,604,759	7.977
2015	152,571,778	101,097,359	17,724,445	271,393,582	42,344,971	229,048,611	7.974
2016	167,838,897	112,883,617	18,116,164	298,838,628	44,035,717	254,802,910	7.612
2017	181,976,167	123,855,699	18,647,896	324,479,762	46,157,232	278,322,530	7.322
2018	192,066,527	134,651,915	19,085,700	345,804,142	47,979,107	297,825,035	6.994
2019	200,052,488	143,212,869	19,609,447	362,874,804	49,131,518	313,743,286	6.733

* Total District Direct Overlapping Rates are found on Table 5.

NOTE(S): Projected assessed valuation as of January 1 reflects 100% of actual value.

SOURCE(S): Miami-Dade County Property Appraiser and The School Board of Miami-Dade County, Florida

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
Current year and Ten Years Ago
(amounts expressed in thousands)
(Unaudited)

TABLE 8

<u>Taxpayer</u>	<u>2019 Taxable Assessed Value</u>	<u>Rank</u>	<u>2019 Percentage of Total Taxable Assessed Value</u>	<u>2009 Taxable Assessed Value *</u>	<u>Rank</u>	<u>2009 Percentage of Total Taxable Assessed Value *</u>
Florida Power & Light Company	\$ 6,039,438	1	1.92 %	\$ 3,012,789	1	1.20 %
BellSouth Telecommunication, Inc.	603,586	2	0.19	595,914	2	0.24
Aventura Mall Venture	492,394	3	0.16	316,800	7	0.13
Oak Plaza Associates (Del) LLC	464,585	4	0.15			
SDG Dadeland Associates, Inc.	428,000	5	0.14	341,200	6	0.14
Fountainebleau Florida Hotel LLC	409,555	6	0.13			
The Graham Companies	400,494	7	0.13	369,637	5	0.15
Ponte Gadea Biscayne LLC	394,801	8	0.13			
SC Residences Condominium LLC	384,223	9	0.12			
Dolphin Mall Assoc., LTD	355,349	10	0.11	259,200	10	0.10
Teachers Insurance	-		-	451,354	3	0.18
Century Grand LLP	-		-	408,438	4	0.16
200 S Biscayne TIC LLC	-		-	304,500	8	0.12
MB Redevelopment Inc.	-		-	280,000	9	0.11
Total	<u><u>\$ 9,972,425</u></u>		<u><u>3.18 %</u></u>	<u><u>\$ 6,339,832</u></u>		<u><u>2.53 %</u></u>

NOTE(S): See Table 7 for Total Taxable Value for Miami-Dade County.
FY 2009-2010 was \$224,100,567. FY 2018-19 was \$313,743,286.

SOURCE(S): Miami-Dade County Property Appraiser's Office

* 2010 Data not Available

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 9

Fiscal Year	Government Activities					Total Primary Government	Percent of Total Outstanding Debt to Personal Income	Per Capita
	State Board of Education Capital Outlay Bonds	General Obligation Bonds	Certificates of Participation	Capital Leases Payable				
2010	\$ 80,740	\$ 267,360	\$ 2,939,394	\$ 157,509	\$ 3,445,003	5.69 %	\$ 1,344	
2011	72,715	216,005	2,994,934	125,213	3,408,867	5.65	1,355	
2012	61,085	161,860	2,935,340	120,096	3,278,381	5.29	1,285	
2013	50,260	123,345	2,878,597	89,332	3,141,534	5.09	1,224	
2014	38,508	369,185	2,809,463	103,555	3,320,711	5.24	1,286	
2015	27,709	337,303	2,819,537	106,390	3,290,939	4.86	1,240	
2016	17,807	501,451	2,841,475	70,785	3,431,518	4.82	1,265	
2017	13,181	988,846	2,730,245	78,271	3,810,543	5.37	1,397	
2018	11,477	969,024	2,595,271	44,316	3,620,088	5.13	1,307	
2019	9,989 *	948,472 *	2,199,555 *	30,265	3,188,281	4.48	1,140	

* Includes unamortized premium/discount, Note 14

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller, and The Beacon Council

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

Fiscal Year	General Bonded Debt	Less Amounts Available in Debt Service Funds	Net General Bonded Debt	Net Assessed Property Value	Ratio of Net Bonded Debt to Net Assessed Property Value
2010	\$ 348,100	\$ 48,150	\$ 299,950	\$ 224,100,567	0.13
2011	288,720	55,660	233,060	196,141,063	0.12
2012	222,945	36,805	186,140	192,938,584	0.10
2013	173,605	33,865	139,740	198,144,426	0.07
2014	407,693	48,070	359,623	208,604,759	0.17
2015	365,012	27,993	337,019	229,048,611	0.15
2016	519,258	20,129	499,129	254,802,910	0.20
2017	1,002,027	19,446	982,581	278,322,530	0.35
2018	980,501	23,349	954,152	297,825,035	0.32
2019	958,461 *	38,476	919,985	313,743,286	0.29

* Includes unamortized Premium, Note 14

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller,
Miami-Dade County - Office of the Property Appraiser, and The Beacon Council

TABLE 10

<u>Population</u>	<u>Net Bonded Debt per Capita</u>	<u>Student Enrollment</u>	<u>Net Bonded Debt Per Student</u>
2,563,885	\$ 117	345,458	\$ 868
2,516,515	93	347,133	671
2,551,255	73	349,945	532
2,565,685	54	353,152	396
2,581,623	139	355,268	1,012
2,653,934	127	355,913	947
2,712,952	184	356,480	1,400
2,727,606	360	356,086	2,759
2,769,813	344	354,172	2,694
2,795,722	329	350,040	2,628

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CURRENT DEBT RATIOS AND BOND DEBT PER CAPITA OF
MIAMI-DADE COUNTY - COMPUTATION OF DIRECT AND
OVERLAPPING DEBT FOR LAST YEAR
(amounts expressed in thousands)
(Unaudited)

TABLE 11

Factors:

The School Board of Miami-Dade County, Florida, Debt, Net Reserves:		
State Board of Education Capital Outly Bonds	\$	9,989
General Obligation Bonds		948,472
Certificates of Participation		2,199,555
Capital Leases Payable		30,265
Total Direct Debt	\$	3,188,281
Overlapping Debt (1):		
Miami-Dade County (2)		
Total Outstanding Debt	\$	16,124,630
Estimated Percentage Applicable (3)		12.48%
Total Overlapping Debt	\$	2,013,020
Total Direct and Overlapping Debt	\$	5,201,301

Population of Miami-Dade County	2,795,722
Assessed Property Value	\$ 362,874,804
Assessed Taxable Property Value	\$ 313,743,286

DEBT RATIOS:

	PERCENTAGE OF ASSESSED PROPERTY VALUE	PERCENTAGE OF ASSESSED TAXABLE PROPERTY VALUE, NET	PER CAPITA (4)
Direct Debt	0.88%	1.02%	\$ 1,140
Overlapping Debt	0.55%	0.64%	\$ 720
Direct and Overlapping Debt	1.43%	1.66%	\$ 1,860

(1) Overlapping governments are those whose geographic area coincides at least in part with the area of the District

(2) Most recent data available for Miami-Dade County is as of September 2019

(3) Percent of County's General Obligation Bonds to County's Total Primary Government Debt as reflected in Miami-Dade County's CAFR

(4) Represents gross debt per capita. Net bonded debt per capita is reported in Table 10

SOURCES: The School Board of Miami-Dade County, Florida - Office of the Controller, and Miami-Dade County.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 12

Fiscal Year	Local Optional Millage Levy				Coverage Ratio
	Revenue	Debt Service		Total	
		Principal	Interest		
2010	\$ 368,334	\$ 85,724	\$ 132,260	\$ 217,984	1.69
2011	289,618	90,463	119,636	210,099	1.38
2012	301,450	88,908	92,310	181,218	1.66
2013	291,812	83,292	89,640	172,932	1.69
2014	313,877	90,072	122,695	212,767	1.48
2015	345,774	98,183	120,664	218,847	1.58
2016	384,374	149,412	135,001	284,413	1.35
2017	398,828	142,103	138,627	280,730	1.42
2018	431,463	169,986	156,787	326,773	1.32
2019	457,339	138,364	148,411	286,775	1.59

Coverage Ratio: Revenue divided by Debt Service Total (Principal and Interest)

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit	\$22,410,057	\$19,614,106	\$19,293,858	\$19,814,443
Less: Total net debt applicable to the limit	<u>299,950</u>	<u>233,060</u>	<u>186,140</u>	<u>139,740</u>
Legal debt margin	<u>\$22,110,107</u>	<u>\$19,381,046</u>	<u>\$19,107,718</u>	<u>\$19,674,703</u>
Total net debt applicable to the limit as a percentage of debt	1.34%	1.19%	0.96%	0.71%

SOURCE(S): Miami-Dade County- Office of the Property Appraiser
The School Board of Miami-Dade County, Florida - Office of the Controller

TABLE 13

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 21,451,853	\$ 23,483,826	\$ 25,480,291	\$ 27,832,253	\$ 29,782,504	\$ 31,374,329
<u>359,623</u>	<u>321,158</u>	<u>499,129</u>	<u>982,581</u>	<u>954,152</u>	<u>919,985</u>
<u>\$ 21,092,230</u>	<u>\$ 23,162,668</u>	<u>\$ 24,981,162</u>	<u>\$ 26,849,672</u>	<u>\$ 28,828,352</u>	<u>\$ 30,454,344</u>
1.68%	1.37%	1.96%	3.53%	3.20%	2.93%

LEGAL DEBT MARGIN CALCULATION
FOR FISCAL YEAR 2019

Net Assessed Taxable Property Value - January 2019		<u>\$313,743,286</u>
Limit on Bond Indebtedness, 10% of Net Assessed Taxable Property Value		\$ 31,374,329
Total Bonded Debt	\$ 958,461	
Less: Net Assets in Debt Service Funds	<u>38,476</u>	
Less Total Net Debt Applicable to the Limit		<u>919,985</u>
Legal Debt Limit		<u>\$ 30,454,344</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

TABLE 14

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2010	2,563,885	\$ 60,576,911	\$ 23,627	12.0 %
2011	2,516,515	60,378,744	23,993	12.7
2012	2,551,255	61,972,535	24,291	9.7
2013	2,565,685	61,743,210	24,065	8.9
2014	2,586,290	63,397,727	24,513	7.2
2015	2,653,934	67,715,126	25,515	6.2
2016	2,712,952	71,223,129	26,253	5.2
2017	2,727,606	70,906,846	25,996	5.2
2018	2,769,813	70,577,605	25,481 *	3.7 *
2019	2,795,722	71,237,792	25,481 *	3.7 *

SOURCE(S): Miami-Dade County 2018 CAFR, The Beacon Council, and various websites
 * Last information available as of the date of the report is from 2018

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
Last Year and Nine Years Ago
(Unaudited)

TABLE 15

<u>Employer</u>	<u>Rank</u>	<u>2018 Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>2010 Percentage of Total Employment</u>	<u>Employees</u>
Miami-Dade County Public Schools	1	2.43%	33,477	1	3.72%	48,571
Miami-Dade County	2	1.85	25,502	2	2.22	29,000
U.S. Federal Government	3	1.39	19,200	3	1.49	19,500
Florida State Government / State of Florida	4	1.24	17,100	4	1.31	17,100
University of Miami, Inc.	5	0.93	12,818	6	1.23	16,000
Baptist Health South Florida	6	0.82	11,353	7	1.02	13,376
American Airlines	7	0.80	11,031	9	0.69	9,000
Jackson Memorial Hospital	8	0.71	9,797	5	0.96	12,571
Publix Super Market	9	0.33	4,604	8	0.83	10,800
City of Miami	10	0.29	3,997			
Florida International University	-	-	-	10	0.61	8,000
Total Civilian Labor Force Employment:		<u>1,379,023</u>				<u>1,305,117</u>

SOURCE(S): Miami-Dade County 2018 Comprehensive Annual Financial Report, and
The School Board of Miami Dade County, Florida 2010 Comprehensive Annual Financial Report

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NUMBER OF PERSONNEL
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	(1) Instructional	(2) Administrative and Technical	(3) Other Instructional
2010	22,540	1,919	2,179
2011	22,299	1,889	2,116
2012	21,389	1,890	1,993
2013	21,161	1,886	1,874
2014	26,388	1,856	2,700
2015	20,619	1,867	2,701
2016	20,278	1,877	2,652
2017	20,016	1,901	2,653
2018	19,795	1,952	2,656
2019	19,530	1,996	2,684

(1) Elementary and Secondary Teachers, Exceptional Student Teachers, Other Teachers, Guidance/Psychological, Librarians, Audiovisual Staff, Social Workers, Other Professional Instructional Staff

(2) Officials, Administrators and Managers (Instructional and Non-Instructional), Consultants, Supervisors of Instructional, Principals, Assistant Principals, Other Professional/Technical Staff, Non-Instructional

(3) Paraprofessionals (Teacher Aides)

(4) Technicians, Clerical and Secretarial Staff, Service Workers, and Skilled Crafters and Laborers (Unskilled)

* See Table 18 for student enrollment information.

SOURCE(S): The School Board of Miami-Dade County, Florida - Research Services

(4) Other Non- Instructional	Part-Time Hourly	Total	Ratio of Instructional and Administrative Personnel to Students*
10,514	8,417	45,569	0.07
10,055	7,773	44,132	0.07
9,242	7,675	42,189	0.07
8,910	8,157	41,988	0.07
9,604	5,366	45,914	0.08
9,247	5,123	39,557	0.06
8,870	5,267	38,944	0.06
8,758	4,996	38,324	0.06
8,812	4,744	37,959	0.06
8,886	4,734	37,830	0.06

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
TEACHER BASE SALARIES
Last Ten Fiscal Years
(Unaudited)

TABLE 17

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>County Average Salary</u>	<u>Statewide Average Salary</u>
2010	\$ 38,500	\$ 75,425	\$ 50,749	\$ 46,696
2011	38,500	75,425	52,440	45,723
2012	38,500	75,425	54,000	53,000
2013	40,000	76,425	52,702	52,940
2014	40,500	77,525	54,615	45,723
2015	40,500	77,525	53,304	47,950
2016	40,500	78,585	50,000	51,000
2017	40,800	79,200	51,156	47,858
2018	41,000	79,920	54,774	52,896
2019	41,000	80,647	55,917	54,567

SOURCE(S): The School Board of Miami-Dade County, Florida - Research Services, Statistical Highlights, and Salary.com

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
OPERATING STATISTICS
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(Unaudited)

TABLE 18

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Student</u>	<u>Instructional Staff</u>	<u>Student Teacher Ratio</u>	<u>Percentage of Students Receiving Free or Reduced-Price Meals</u>
2010	345,458	\$ 3,120,112	\$ 9.03	22,540	15.33	83.13 %
2011	347,133	3,157,663	9.10	22,299	15.57	87.55
2012	349,945	3,020,541	8.63	21,389	16.36	88.99
2013	353,152	3,061,567	8.67	21,161	16.69	89.93
2014	355,268	3,223,532	9.07	26,388	13.46	86.76
2015	355,913	3,147,018	8.84	20,619	17.26	87.21
2016	356,480	3,187,523	8.94	20,278	17.58	87.24
2017	356,086	3,294,652	9.25	20,016	17.79	87.48
2018	354,172	3,368,703	9.51	19,795	17.89	91.04
2019	350,040	3,443,971	9.84	19,530	17.92	86.25

SOURCE(S): The School Board of Miami-Dade County, Florida - Office of the Controller and Research Services Department

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CAPITAL ASSET INFORMATION
Last Ten Fiscal Years
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Schools</u>					
<u>Elementary *</u>					
Buildings	2,068	2,066	2,041	2,074	2,078
Square Feet	19,347,677	19,423,637	19,326,611	20,567,609	20,632,822
Capacity	175,124	175,563	173,301	185,440	183,712
Enrollment	161,894	161,687	158,279	159,724	159,962
<u>Middle</u>					
Buildings	452	449	427	412	409
Square Feet	8,317,452	8,156,068	8,056,542	7,667,841	7,626,708
Capacity	67,056	65,769	64,950	69,057	67,511
Enrollment	58,830	54,666	81,213	80,561	79,730
<u>Senior **</u>					
Buildings	367	374	357	344	331
Square Feet	12,908,595	13,198,179	13,365,034	12,770,548	13,270,029
Capacity	101,595	103,909	101,046	104,973	108,186
Enrollment	88,685	88,857	106,441	108,162	109,163
<u>Other</u>					
Buildings	157	154	172	114	127
Square Feet	2,100,516	2,058,234	2,169,806	1,848,408	2,068,055
Capacity	10,744	10,693	11,364	8,279	9,777
Enrollment	47,434	34,884	26,324	28,892	28,153
<u>Administrative</u>					
Buildings	88	82	71	74	77
Square Feet	1,324,202	1,289,954	1,237,005	1,197,461	1,208,917
<u>Transportation</u>					
Garages	9	9	9	9	9
Buses	1,623	1,515	1,401	1,446	1,380
<u>Athletics</u>					
Football fields	41	41	41	41	41
Soccer fields	12	12	12	12	12
Running tracks	19	19	19	19	19
Baseball/Softball	44	44	44	44	44
Swimming Pools	1	1	1	1	1

* The totals for elementary schools include K-8 centers

** The totals for senior high schools include 6-12 combination schools

SOURCE(S): Florida Inventory of School Houses and M-DCPS website

TABLE 19

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
2,080	2,096	2,102	2,080	2,096
20,942,594	21,239,050	21,325,893	21,554,946	21,487,096
185,656	188,656	189,072	189,513	192,035
160,709	160,248	166,746	164,496	162,473
410	375	376	380	379
7,655,168	6,746,679	7,221,062	7,365,410	6,915,777
67,243	59,782	59,813	60,964	61,222
79,393	79,236	79,250	80,345	80,385
330	342	323	320	325
13,134,450	13,659,288	13,398,045	14,172,455	13,366,540
106,620	111,865	109,539	108,461	109,007
109,755	110,079	110,090	109,331	107,182
123	136	128	121	114
2,094,041	2,157,876	2,069,802	1,997,368	2,011,680
9,398	9,923	9,535	9,536	9,266
30,089	29,322	25,377	23,646	23,800
76	76	93	91	98
1,067,862	1,073,951	1,152,702	1,287,441	1,268,751
9	9	9	9	9
1,286	1,286	1,251	1,144	1,059
41	41	41	41	41
12	12	12	12	12
19	19	21	21	21
45	45	45	45	45
1	1	1	1	1



Anti-Discrimination Policy

Federal and State Laws

The School Board of Miami-Dade County, Florida adheres to a policy of nondiscrimination in employment and educational programs/activities and strives affirmatively to provide equal opportunity for all as required by:

Title VI of the Civil Rights Act of 1964 - prohibits discrimination on the basis of race, color, religion, or national origin.

Title VII of the Civil Rights Act of 1964 as amended - prohibits discrimination in employment on the basis of race, color, religion, gender, or national origin.

Title IX of the Education Amendments of 1972 - prohibits discrimination on the basis of gender.

Age Discrimination in Employment Act of 1967 (ADEA) as amended - prohibits discrimination on the basis of age with respect to individuals who are at least 40.

The Equal Pay Act of 1963 as amended - prohibits gender discrimination in payment of wages to women and men performing substantially equal work in the same establishment.

Section 504 of the Rehabilitation Act of 1973 - prohibits discrimination against the disabled.

Americans with Disabilities Act of 1990 (ADA) - prohibits discrimination against individuals with disabilities in employment, public service, public accommodations and telecommunications.

The Family and Medical Leave Act of 1993 (FMLA) - requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons.

The Pregnancy Discrimination Act of 1978 - prohibits discrimination in employment on the basis of pregnancy, childbirth, or related medical conditions.

Florida Educational Equity Act (FEEA) - prohibits discrimination on the basis of race, gender, national origin, marital status, or handicap against a student or employee.

Florida Civil Rights Act of 1992 - secures for all individuals within the state freedom from discrimination because of race, color, religion, sex, national origin, age, handicap, or marital status.

Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA) - prohibits discrimination against employees or applicants because of genetic information.

Boy Scouts of America Equal Access Act of 2002 – no public school shall deny equal access to, or a fair opportunity for groups to meet on school premises or in school facilities before or after school hours, or discriminate against any group officially affiliated with Boy Scouts of America or any other youth or community group listed in Title 36 (as a patriotic society).

Veterans are provided re-employment rights in accordance with P.L. 93-508 (Federal Law) and Section 295.07 (Florida Statutes), which stipulate categorical preferences for employment.

In Addition:

School Board Policies 1362, 3362, 4362, and 5517 - Prohibit harassment and/or discrimination against students, employees, or applicants on the basis of sex, race, color, ethnic or national origin, religion, marital status, disability, genetic information, age, political beliefs, sexual orientation, gender, gender identification, social and family background, linguistic preference, pregnancy, citizenship status, and any other legally prohibited basis. Retaliation for engaging in a protected activity is also prohibited.