



## **Broward School District’s Long-Term Capital Outlay Debt Questions and Answers**

### **1) What is the District’s current capital outlay debt and what did it buy?**

The current capital outlay debt is \$1.7 billion. This is the mortgage that the District took out for its building program. The debt was incurred because schools were built in response to unprecedented student growth during the late 1990’s and early 2000’s, and the class size reduction mandate. By leveraging the capital money we were able to build:

- 25 New Schools
- 15 Replacement & Partial Replacement School Projects
- 79 Classroom Additions (over 1,000 classrooms)
- 28 Kitchen/Cafeteria Projects (replacements, renovations, and expansions)
- 46 Major Remodeling & Renovation Projects
- Districtwide Roofing & Indoor Air Quality
- Districtwide Modular Classrooms

### **2) How much debt has the District paid off recently and how much will be paid off in the future?**

Over the past five years, the District has paid off over \$300 million in principal debt. This year we plan to retire another \$91 million in debt.

The annual debt repayment does fluctuate from year to year, however this is not due to new debt. It is related to how the debt is structured and market conditions.

### **3) How does the District’s debt compare with the capital assets and total budget?**

#### Debt to Asset Ratio

The District’s capital assets are currently valued at \$3 billion. This results in a Debt to Asset ratio of 0.56. Four years ago the ratio was 0.60. The District’s Debt to Asset ratio will continue to go down.

#### Percentage of District Budget

This year the debt service payment is \$164.6 million. This is 5.4% of the District’s total budget, and 74.4% of the District’s capital outlay millage.

