



AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

ITEM No.:
K-7.

MEETING DATE	2018-09-05 10:05 - School Board Operational Meeting
AGENDA ITEM	ITEMS
CATEGORY	K. OFFICE OF FINANCIAL MANAGEMENT
DEPARTMENT	Capital Budget

Special Order Request <input type="radio"/> Yes <input checked="" type="radio"/> No
Time
Open Agenda <input type="radio"/> Yes <input checked="" type="radio"/> No

TITLE:
Capital Budget Fund Amendment as of June 30, 2018

REQUESTED ACTION:
Approve the attached Capital Fund Amendment as of June 30, 2018.

SUMMARY EXPLANATION AND BACKGROUND:
The Capital Fund Amendment is submitted to the School Board pursuant to State Board Administrative Rule 6A-1.006. This Amendment is for the purpose of updating the Broward County School District Budget for estimated revenues and appropriation changes in the Capital Funds. The Amendment includes information as of June 30, 2018.

SCHOOL BOARD GOALS:
 Goal 1: High Quality Instruction
 Goal 2: Continuous Improvement
 Goal 3: Effective Communication

FINANCIAL IMPACT:
There is a net increase to Capital Revenues and Appropriations of \$32,698,594. The various revenue and appropriation impacts are described in the Summary Explanation and Background. Activity for Capital Reserve is shown on Exhibit C, with SMART Program Reserve at \$40.6 million and Unallocated Reserve at \$9.8 million.

EXHIBITS: (List)
(1) Exhibit A - Revenue (2) Exhibit B - Appropriations (3) Exhibit C - Reserve

BOARD ACTION:
APPROVED
(For Official School Board Records Office Only)

SOURCE OF ADDITIONAL INFORMATION:

Name: Omar Shim	Phone: 754-321-2080
Name:	Phone:

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Senior Leader & Title

Judith M. Marte - Chief Financial Officer

Signature
Judith M. Marte
8/27/2018, 2:35:54 PM

Approved In Open Board Meeting On: **SEP 05 2018**
By: *Heather P. Brunkow*
School Board Chair

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Exhibit A

2017-18 Capital Fund Budget Amendment # 3

As of June 30, 2018

ESTIMATED REVENUES		PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
REVENUE AND FINANCING SOURCES				
3495	Local - Interest Subsidy (Federal)	\$ 4,367,000	(288,566)	4,078,434
3495	Local - E-Rate Reimbursement (Federal)	6,558,460	742	6,559,202
3321/3399	State - CO&DS (Capital Outlay and Debt Service / Motor Vehicle License Revenue)	2,293,000	5,912,287	8,205,287 (A)
3391	State - PECO (Public Education Capital Outlay)	4,807,536	0	4,807,536
3397	State - Charter School Capital Outlay (PECO flow-thru)	8,319,000	(111,303)	8,207,697
3413	Local - District Local Capital Improvement Tax (Capital Millage)	278,599,463	(1,578,083)	277,021,380 (B)
3496	Local - Impact Fees / Mitigation Fees	10,056,000	4,929,011	14,985,011 (C)
3490/3495	Local - Miscellaneous Sources	429,050	3,956,453	4,385,503 (D)
3710	Local - Issuance of General Obligation Bonds (GOB)	503,588,858	(503,588,858)	0 (E)
3720	Local - Equipment Lease Financing (Buses and Technology Equipment)	12,522,513	10,332,910	22,855,423 (F)
3733	Local - Sale of Capital Assets	6,756,869	5,693,253	12,450,122 (G)
TOTAL ESTIMATED REVENUE AND FINANCING SOURCES		838,297,749	(474,742,154)	363,555,595
BEGINNING FUND BALANCE		315,343,476	0	315,343,476
TOTAL ESTIMATED REVENUES AND FINANCING SOURCES & BEGINNING FUND BALANCE		1,153,641,225	(474,742,154)	678,899,071
Deferred Issuance of GOB		0	503,588,858	503,588,858
Deferred Issuance of GOB - Funds Accelerated in May & June		0	3,684,800	3,684,800 (H)
Deferred Equipment Lease Financing (Technology Lease)		0	167,090	167,090 (I)
SUB- TOTAL DEFERRED FINANCING		0	507,440,748	507,440,748
TOTAL ESTIMATED REVENUES AND FINANCING SOURCES, BEGINNING FUND BALANCE & DEFERRED FINANCING		\$ 1,153,641,225	\$ 32,698,594	\$ 1,186,339,819

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
2017-18 Capital Fund Budget Amendment # 3
As of June 30, 2018
Explanation Summary

<u>CHANGES IN ESTIMATED REVENUES</u>	<u>INCREASE/ (DECREASE)</u>
(A) State - CO & DS	5,912,287
<ul style="list-style-type: none"> • This increase is related to State activity to refinance and pay off outstanding debt series for capital outlay bonds, reducing the portion used by the state to service the debt and increasing the District's portion 	
(B) Local - District Local Capital Improvement Tax (Capital Millage)	(1,578,083)
<ul style="list-style-type: none"> • This millage adjustment is for taxes collected compared to the amount originally levied for 2017-18 including prior year taxes 	
(C) Local - Impact Fees/Mitigation Fees	4,929,011
<ul style="list-style-type: none"> • Impact Fee collections exceeded the original estimates 	
(D) Local - Miscellaneous	3,956,453
<ul style="list-style-type: none"> • Interest Earnings (\$3.1M) • Settlements (\$0.7M) 	
(E) Local - Issuance of General Obligation Bonds	(503,588,858)
<ul style="list-style-type: none"> • The District did not issue a new tranche of the General Obligation Bonds during the Fiscal Year. Funds are deferred into the 2018-19 Fiscal Year to preserve project funding • Staff will continue to monitor the progress of the SMART Program and will issue future GOB financings to match the Program's needs. 	
(F) Local - Equipment Lease Financing	10,332,910
<ul style="list-style-type: none"> • Lease issued for new school buses approved by the Board (\$10.5M) • Due to the structure of the zero-percent technology equipment lease, a portion of the lease must be deferred into the 2018-19 fiscal year [see item (I)] 	
(G) Local - Sale of Capital Assets	5,693,253
<ul style="list-style-type: none"> • The District collected funds for the Sale of Edgewood in June, 2018 (\$5.6M) 	

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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<u>CHANGES IN ESTIMATED REVENUES</u>	<u>INCREASE/ (DECREASE)</u>
(H) Deferred Issuance of GOB accelerated projects <ul style="list-style-type: none"> • Board Approved SMART Accelerations - May and June, 2018 are deferred to preserve project funding for SMART Program 	3,684,800
<u>Board Meeting for 5/08/2018</u>	
JJ-1, Cooper City ES	640,000
JJ-2, Bethune ES	282,000
JJ-2, Sawgrass ES	262,000
JJ-3, Sheridan Technical HS	185,000
JJ-3, Deerfield Beach HS	295,000
Sub-Total for Board Meeting 5/08/18	1,664,000
<u>Board Meeting for 6/12/2018</u>	
JJ-1, Coral Springs Pre-K - 8	218,000
JJ-1, Westglades MS	272,000
JJ-2, Plantation Park ES	189,000
JJ-2, Crystal Lake MS	195,000
JJ-2, Pines MS	43,500
JJ-2, Tradewinds ES	175,000
Sub-Total for Board Meeting 6/12/18	1,092,500
<u>Board Meeting for 6/26/2018</u>	
JJ-1, Cooper City ES	99,000
JJ-1, Heron Heights ES	85,000
JJ-1, Nova Blanche Forman ES	180,000
JJ-1, Nova Eisenhower ES	114,000
JJ-1, Silver Palms ES	150,000
Sub-Total for Board Meeting 6/26/18	628,000
<u>Other</u>	
JJ-8, Hunt Elementary School (12/19/17)	200,300
JJ-9, Cooper City Elementary School (12/19/17)	100,000
Sub-Total for Other Board Items	300,300
(I) Deferred Equipment Lease Financing <ul style="list-style-type: none"> • Deferred revenue to preserve funding for the technology equipment associated with the zero-percent financing. 	167,090

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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Exhibit B

APPROPRIATIONS	PREVIOUS BUDGET	INCREASE/ (DECREASE)	REVISED BUDGET
CAPITAL OUTLAY			
610 Library Books	\$ 0	\$ 28,646	\$ 28,646
630 Buildings & Fixed Equipment	72,433,100	0	72,433,100
640 Furniture, Fixtures & Equip	84,274,498	0	84,274,498
650 Motor Vehicles	22,070,578	10,500,000	32,570,578 (1)
660 Land	100,000	0	100,000
670 Improvement other than Bldgs	13,527,841	0	13,527,841
680 Remodeling	705,588,126	17,866,354	723,454,480 (2)
730 Agents Fees	0	12,225	12,225
793 Indirect Cost (Charter School Capital Millage)	11,500,798	0	11,500,798
Total Capital Outlay	909,494,941	28,407,225	937,902,166
OTHER FINANCING USES			
910 To General Fund	80,628,300	12,831,739	93,460,039 (3)
920 To Debt Service Fund	163,517,984	(8,540,370)	154,977,614 (4)
Total Other Financing Uses	244,146,284	4,291,369	248,437,653
TOTAL APPROPRIATIONS	\$ 1,153,641,225	\$ 32,698,594	\$ 1,186,339,819

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
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<u>CHANGES IN APPROPRIATIONS</u>	<u>INCREASE/ (DECREASE)</u>
(1) 650 Motor Vehicles <ul style="list-style-type: none"> • Board Approved Lease for new School Buses 	10,500,000
(2) 680 Remodeling <ul style="list-style-type: none"> • Safety & Security in the DEFP FY19 (\$6.2M) • Funding for the DEFP FY19 Maintenance Transfer (\$3M) • Gator Run ES covered walkways DEFP FY19 (\$1.9M) • Favorable Year-End Closing to the unallocated reserve (\$3.0M) • The following Board Items accelerated the GOB Bond funds from the SMART program Year 5 to Year 4 (\$3.7M): 	17,866,354
<u>Board Meeting for 5/08/2018</u>	
JJ-1, Cooper City ES	640,000
JJ-2, Bethune ES	282,000
JJ-2, Sawgrass ES	262,000
JJ-3, Sheridan Technical HS	185,000
JJ-3, Deerfield Beach HS	295,000
Sub-Total for Board Meeting 5/08/18	1,664,000
<u>Board Meeting for 6/12/2018</u>	
JJ-1, Coral Springs Pre-K - 8	218,000
JJ-1, Westglades MS	272,000
JJ-2, Plantation Park ES	189,000
JJ-2, Crystal Lake MS	195,000
JJ-2, Pines MS	43,500
JJ-2, Tradewinds ES	175,000
Sub-Total for Board Meeting 6/12/18	1,092,500
<u>Board Meeting for 6/26/2018</u>	
JJ-1, Cooper City ES	99,000
JJ-1, Heron Heights ES	85,000
JJ-1, Nova Blanche Forman ES	180,000
JJ-1, Nova Eisenhower ES	114,000
JJ-1, Silver Palms ES	150,000
Sub-Total for Board Meeting 6/26/18	628,000
<u>Other</u>	
JJ-8, Hunt ES (12/19/17)	200,300
JJ-9, Cooper City ES (12/19/17)	100,000
Sub-Total for Other Board Items	300,300

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CHANGES IN APPROPRIATIONS	INCREASE/ (DECREASE)
<p>(3) 910 Transfer to General Fund</p> <ul style="list-style-type: none"> • Additional Capital Transfer to General Fund to cover additional PPO expenditures from hurricane expenditures, overtime related to MSD work, additional security work at schools and year-end reconciliation to work-order system. (\$10.6) • Capital Transfer to re-allocate Workforce Education funding into the General Fund (\$2.2M) 	<p style="text-align: right;">12,831,739</p>
<p>(4) 920 Transfer to Debt Service Fund</p> <ul style="list-style-type: none"> • Savings from refinancing and Fed rate hikes below expectations keeping interest rates lower than previously anticipated 	<p style="text-align: right;">(8,540,370)</p>

Capital Funds - SMART Program Reserve				
Date	Item	Location	Description	Reserve Activity
7/1/2017			Fiscal Year 2018 Beginning Balance	\$ 71,700,000
10/17/2017	JJ-2	McNicol Middle	Construction Bid Recommendation - Single Point of Entry	(25,000)
10/17/2017	JJ-3	North Fork Elementary	Construction Bid Recommendation - Single Point of Entry	(28,863)
10/17/2017	JJ-12	Monarch High	Increase of Funds - Track Resurfacing	(35,000)
10/17/2017	JJ-13	Cypress Bay High	Increase of Funds - Track Resurfacing	(45,000)
10/17/2017	JJ-14	Manatee Bay Elementary	Construction Bid Recommendation - SMART Program Renovations	(625,661)
11/07/2017	JJ-10	Indian Ridge Elementary	Construction Bid Recommendation - SMART Program Renovations	(945,102)
12/19/2017	JJ-11	Forest Glen Middle	Additional Funding - Single Point of Entry	(178,186)
12/19/2017	JJ-12	Tradewinds Elementary	Additional Funding - Single Point of Entry	(186,560)
12/19/2017	JJ-13	Larkdale Elementary	Additional Funding - Single Point of Entry	(289,410)
12/19/2017	JJ-14	Coconut Creek Elementary	Construction Bid Recommendation - SMART Program Renovations	(517,143)
12/19/2017	JJ-15	Cypress Elementary	Construction Bid Recommendation - SMART Program Renovations	(452,897)
01/17/2018	JJ-7	Lauderhill 6-12 School	Additional Funding - Single Point of Entry	(33,916)
01/17/2018	JJ-8	Royal Palm Elementary	Additional Funding - Single Point of Entry	(44,120)
03/20/2018	JJ-4	Eagle Ridge Elementary	Construction Bid Recommendation - SMART Program Renovations	(1,047,383)
04/10/2018	JJ-5	Cypress Bay High	Additional Funding - Single Point of Entry	(116,336)
04/17/2018	Item 1	Blanche Ely High	Second GMP Amendment - SMART Program Renovations	(7,310,000)
04/24/2018	JJ-5	Various Schools	Approve Acceleration of SMART funding for the athletic line items for weight room renovations for various schools, from Year 5 (2019) to Year 4 (2018).	4,000
04/24/2018	JJ-7	Stranahan High	Second GMP Amendment - SMART Program Renovations	(13,710,000)
05/22/2018	JJ-1	Annabel C. Perry Pre-K - 8	Construction Bid Recommendation - SMART Program Renovations	(1,950,037)
05/22/2018	JJ-2	Castle Hill Elementary	Construction Bid Recommendation - SMART Program Renovations	(1,567,030)
06/26/2018	JJ-5	Forest Hills Elementary	Additional Funding - Fire Sprinklers, Media Center and Building Envelope Improvements	(1,083,601)
06/26/2018	JJ-6	Bayview Elementary	Additional Funding - HVAC and Building Envelope Improvements	(946,739)
6/30/2018			Sub-Total SMART Program Reserve Balance	\$ 40,566,016

Capital Funds - Unallocated Reserve				
Date	Item	Location	Description	Reserve Activity
7/1/2017			Fiscal Year 2018 Beginning Balance	\$ 22,071,000
08/08/2017	JJ-5	Blanche Ely High	Approve Change Order #1 - C&F Electric (P.001385)	(15,084)
11/07/2017	KK-1	District-Wide	Hurricane Irma Emergency Funding	(18,000,000)
11/07/2017	JJ-11	Stranahan High	Approve Change Order #1 - MBR Construction Inc.	(76,529)
12/05/2017	JJ-7	Plantation High	Approve Change Order #1 -ACA Contractors, Inc. (P.001630)	(51,610)
12/19/2017	JJ-10	BECON ITV Center	Additional Funding - New Campus Generator	(163,530)
12/31/2017	K-4 (2/21/18)	Capital Reserve	State - PECO (Public Education Capital Outlay)	207,536
12/31/2017	K-4 (2/21/18)	Capital Reserve	Local - Sale of Land	1,035,033
12/31/2017	K-4 (2/21/18)	Capital Reserve	E-Rate Reimbursement (Federal)	5,058,460
12/31/2017	K-4 (2/21/18)	Capital Reserve	Charter School - Millage	1,210,337
01/17/2018	JJ-2	Colbert Elementary	Approve the Final Change Order/Retainage Reduction/Funding Request	(178,046)
03/06/2018	JJ-12	Stranahan High	New Cafeteria Addition	(4,275,000)
06/30/2018	NA	District-Wide	Favorable Year End Results	3,012,554
6/30/2018			Sub-Total Unallocated Reserve Balance	\$ 9,835,121

4/30/2018			Grand Total Capital Funds Reserve Balance	\$ 50,401,137
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Description	Appropriations	Commitments	Expenditures	Balance
Hurricane Irma Emergency Funding	18,000,000	1,577,225	10,405,187	\$ 6,017,588