

Business Operations
 Ofelia San Pedro, Deputy Superintendent

**SUBJECT: RESOLUTION NO. 1, 2006-07 CAPITAL OUTLAY FUNDS
 MID-YEAR BUDGET REVIEW**

**COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL
 RELATIONS**

**LINK TO DISTRICT
 STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES**

This Capital Outlay Resolution will recognize new revenues, changes to appropriations, and various changes in object codes made since budget adoption.

I. REVENUES AND OTHER SOURCES

**Increase
 (Decrease)**

A. Local Revenues – Impact Fees **\$ (22,691,405)**

Decrease impact fees to reflect revised projected collections.

<u>Benefit District</u>	<u>Adopted Amount</u>	<u>Revised Amount</u>	<u>Change Amount</u>
East	\$32,905,209	\$12,233,806	\$(20,671,403)
Northwest	3,886,647	2,609,256	(1,277,391)
Southwest	3,610,772	3,131,448	(479,324)
Administrative Fund	<u>474,652</u>	<u>211,365</u>	<u>(263,287)</u>
	\$40,877,280	\$18,185,875	\$(22,691,405)

B. Local Revenues – Developer Donations **486,880**

Recognize receipts of voluntary monetary donations from developers over and above educational facilities impact fees.

C. Non-Revenue Source – Line of Credit **20,000,000**

Increase the Line of Credit to reflect the actual issue of \$220,000,000 to include S/S “E1” (North Miami, Biscayne Gardens, and Oak Grove Elementary Relief and North Miami Middle Replacement).

I. REVENUES AND OTHER SOURCES <i>(continued)</i>	Increase (Decrease)
D. Non-Revenue Source – Remarketing of General Obligation Bonds	\$ 174,779,878
Increase revenue to reflect actual proceeds from remarketing:	
Gross Proceeds as required by GASB 34	\$166,435,000
Premium	<u>8,344,878</u>
	\$174,779,878
TOTAL INCREASE IN REVENUES AND OTHER SOURCES	<u>\$ 172,575,353</u>

I. APPROPRIATIONS

	Increase (Decrease)
A. Establish an appropriation to upgrade Data Backbone to 1 Gigabit at 40 schools under the original General Obligation Bond Resolution 87-30.	\$ 1,110,716
B. Increase Program 2843, S/S "E-1" – a re-use of the K-8 prototype (to relieve North Miami, Biscayne Gardens and Oak Grove Elementary schools and to replace North Miami Middle school.)	20,000,000
C. Increase Program 2803, Reserves Site Purchase/Improvements, in the amount of Developmental Impact Contributions (DIC). (See Attachment A).	486,880
D. Confirm the adjusted budget of \$4,750,483 in Program 0942, Debt Service Reserves that was decreased by \$5,000,000 to fully fund Program 1512, Comprehensive Needs for \$219,925,395 at Budget Adoption 2006-07.	0
E. Decrease the following appropriations to reflect shortfall in projected Impact Fee Collections and for the replenishment of Program 0001, Undistributed Capital Contingency. These projects are cancelled and will no longer be included in the District's Facilities Work Program as per follow up meetings between Board Members and Facilities staff to the Five-Year Capital Workplan Board Workshop held on November 1, 2006.	(22,849,404)

Cancelled Projects

S/S "CC2" (Kenwood K-8/Glades Middle/ Arvida Middle Relief) *	\$ (1,606,142)
S/S "HH1" (Smith Elementary/EB Thomas K-8/ Doral Middle Relief)	(19,843,262)
North Twin Lakes Elementary	(1,000,000)
English Center	(400,000)
	<u>\$(22,849,404)</u>

*This project is currently funded with Impact Fee Funds (SW benefit district). Item F-20 from Facilities will provide the appropriate funding swap with a non-restrictive funding source that qualifies to replenish contingency.

II. APPROPRIATIONS (continued)

	Increase (Decrease)
F. Decrease/Increase the following programs to reflect the cost of issuance for the City of North Miami Facilities Construction Note:	\$ 0
Decrease Program 2620, S/S "BBB1" (North Miami Senior High Replacement)	\$ (360,000)
Decrease Program 2844, S/S "QQQ1" (Krop/North Miami Beach Senior High Relief)	(140,000)
Increase Program 8100, Debt Service	<u>500,000</u>
	\$ 0
G. Decrease Program 0927, Line of Credit Debt Service to reflect actual interest payment.	(472,386)
H. Decrease Program 2801, Impact Fee Reserves for the shortfall in the administrative fund.	(263,287)
I. Increase Program 8100, Debt Service to reflect the remarketing of the General Obligation Bonds as follows:	169,159,882
Increase Transfer to Debt Service	\$ 168,099,350
Recognize Cost of Issuance	<u>1,060,532</u>
	\$ 169,159,882
J. Increase Program 0001, Undistributed Capital Contingency.	5,402,952
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TOTAL INCREASE IN APPROPRIATIONS	<u>\$ 172,575,353</u>

III. DOCUMENTED CHANGES IN OBJECT CODES

- A. Transfers between objects within central accounts, reserves and site specific projects from September 13, 2006 to January 12, 2007 as a result of the Technical Review Committee meetings and prior Board approved project budget adjustments. This also includes the \$5,000,000 decrease to program 0942, Debt Service Reserves reported in this resolution in section II. Appropriations, line item E.
- B. Appropriations for approval this Board Meeting.
- C. Net effect of total changes to Appropriations.

OBJECT OF EXPENDITURE	A	B	C
Library Books	\$ 2,560,851	\$ 0	\$ 2,560,851
A/V Materials	594,661	0	594,661
Building and Additions	(24,977,091)	16,230,571	(8,746,520)
Equipment	16,816,507	1,110,716	17,927,223
Motor Vehicles and Buses	0	0	0
Sites	6,622,759	(19,356,382)	(12,733,623)
Site Improvements	10,577,618	0	10,577,618
Remodeling and Renovations	2,773,391	0	2,773,391
Software	2,369,593	0	2,369,593
Interest	0	(472,386)	(472,386)
Cost of Debt Issuance	0	1,560,532	1,560,532
Transfer to Debt Service	0	168,099,350	168,099,350
Interfund Transfer (Capital Projects only)	0	0	0
Undistributed Contingency/Reserves	<u>(17,338,289)</u>	<u>5,402,952</u>	<u>(11,935,337)</u>
NET CHANGE	\$ 0	\$ 172,575,353	\$ 172,575,353

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

1. Approve Resolution No. 1, 2006-07 Capital Outlay Budget Funds Mid-Year Budget Review, (a) recognizing new revenues and other sources, (b) amending appropriations, and (c) documenting changes in object codes, as described above and summarized on page 5.
2. Authorize changes to the Five-Year Facilities Work Program which result from Resolution No. 1, 2006-07 Capital Outlay Budget Funds Mid-Year Budget Review.

**2006-07 CAPITAL OUTLAY FUNDS BUDGET
RESOLUTION NO. 1**

	ADOPTED BUDGET 09/13/06	RESOLUTION No. 1 INCREASE (DECREASE)	AMENDED BUDGET 02/14/07
REVENUES			
STATE			
Public Education Capital Outlay (PECO)	\$ 43,482,734	\$ 0	\$ 43,482,734
Classrooms for Kids	53,499,162	0	53,499,162
Deferred - Effort Index Grants	2,497,438	0	2,497,438
Deferred - Hurricane Retrofit Grant - Myers Tele. Ctr.	171,094	0	171,094
Deferred - Hurricane Retrofit Grant - Jefferson Bldg.	654,599	0	654,599
CO & DS Distribution	1,500,000	0	1,500,000
Total State	\$ 101,805,027	\$ 0	\$ 101,805,027
LOCAL			
Optional Millage Levy	\$ 406,268,192	\$ 0	\$ 406,268,192
Interest on Investments	50,140,000	0	50,140,000
Gifts/Contributions/Settlements	0	486,880	486,880
Impact Fees	40,877,280	(22,691,405)	18,185,875
Deferred Revenue - Auditorium Grant for Hialeah Sr.	345,675	0	345,675
Total Local	\$ 497,631,147	\$ (22,204,525)	\$ 475,426,622
TOTAL REVENUES	\$ 599,436,174	\$ (22,204,525)	\$ 577,231,649
INTERFUND (CAPITAL PROJECTS ONLY)	124,988,396	0	124,988,396
FUND BALANCES FROM PRIOR YEAR	963,568,764	0	963,568,764
NON-REVENUE SOURCES			
Remarketing of GO Bonds	0	166,435,000	166,435,000
Premium from Remarketing of GO Bonds	0	8,344,878	8,344,878
Line of Credit	200,000,000	20,000,000	220,000,000
Equipment Master Lease Agreement	107,278,699	0	107,278,699
North Miami Florida Educational Facilities	124,000,000	0	124,000,000
Construction Note			
Certificates of Participation (LOML)	500,000,000	0	500,000,000
Qualified Zone Academy Bonds	2,600,000	0	2,600,000
TOTAL REVENUES & OTHER SOURCES	\$ 2,621,872,033	\$ 172,575,353	\$ 2,794,447,386
APPROPRIATIONS			
Library Books	\$ 10,829,663	\$ 2,560,851	\$ 13,390,514
A/V Materials	3,902,291	594,661	4,496,952
Building and Additions	1,239,038,273	(8,746,520)	1,230,291,753
Equipment	171,006,681	17,927,223	188,933,904
Motor Vehicles and Buses	30,478,188	0	30,478,188
Site Purchase	111,613,789	(12,733,623)	98,880,166
Site Improvements	76,224,520	10,577,618	86,802,138
Remodeling and Renovations	530,367,737	2,773,391	533,141,128
Computer Software	12,252,861	2,369,593	14,622,454
Interest Expense on Line of Credit	1,000,000	(472,386)	527,614
Dues and Fees on Line of Credit/RANs/GOBs	0	1,560,532	1,560,532
Reserves/Contingencies	29,750,483	(11,935,337)	17,815,146
TOTAL APPROPRIATIONS	\$ 2,216,464,486	\$ 4,476,003	\$ 2,220,940,489
TRANSFERS			
Transfer to General Fund	\$ 148,905,643	\$ 0	\$ 148,905,643
Transfer to Debt Service	131,513,508	168,099,350	299,612,858
Interfund (Capital Projects Only)	124,988,396	0	124,988,396
TOTAL APPROPRIATIONS & TRANSFERS	\$ 2,621,872,033	\$ 172,575,353	\$ 2,794,447,386

DETAILS OF DEVELOPMENTAL IMPACT CONTRIBUTIONS (DIC'S)

The following appropriations reflect voluntary developer contributions in addition to impact fees.

<u>Site Reserves</u>	<u>Amount</u>
Region I	\$ 78,000
Region VI	174,000
Region VI	56,395
Region VI	<u>178,485</u>
Total DIC's	\$ 486,880