

Business Operations  
Ofelia San Pedro, Deputy Superintendent

**SUBJECT: RESOLUTION NO. 2, 2006-07 CAPITAL OUTLAY FUNDS  
FINAL BUDGET REVIEW**

**COMMITTEE: INNOVATION, EFFICIENCY & 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 February 15, 2006.

<b>I. REVENUES AND OTHER SOURCES</b>	<b>Increase (Decrease)</b>
<b>A. State Revenues – Deferred Hurricane Shelter Retrofit Grant</b>	<b>\$ (825,693)</b>
Decrease deferred revenue to reflect actual results as follows:	
Myers Telecom Center	\$ (171,094)
Jefferson Building	<u>(654,599)</u>
	<b>\$ (825,693)</b>
<b>B. State Revenues – Capital Outlay &amp; Debt Service (CO &amp; DS)</b>	<b>1,113,740</b>
Increase revenue from CO & DS to reflect actual receipts and interest earnings.	
<b>C. Local Revenues – Property Taxes</b>	<b>(4,087,423)</b>
Decrease local property taxes to reflect actual collections.	
<b>D. Local Revenues – Interest</b>	<b>(7,673,057)</b>
Decrease interest earnings on investments to reflect actual results primarily due to arbitrage liability reclassification.	

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**REVENUES AND OTHER SOURCES** *(continued)***Increase  
(Decrease)**

- E. Local Revenue – Net Increase (Decrease) in Fair Market Value of Investments** \$ 1,982,095

Increase revenues to reflect actual results.

- F. Local Revenues – Developer Donation** 669,190

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

- G. Local Revenues – Impact Fees** 1,740,191

Increase impact fees to reflect actual year-end collections.

<u>Benefit District</u>	<u>Amended Amount</u>	<u>Final Amount</u>	<u>Final Change</u>
East	\$12,233,806	\$13,886,059	\$1,652,253
Northwest	2,609,256	3,186,805	577,549
Southwest	3,131,448	2,644,385	(487,063)
Administrative Fund	<u>211,365</u>	<u>208,817</u>	<u>(2,548)</u>
Total:	\$18,185,875	\$19,926,066	\$1,740,191

- H. Local Revenues – Impact Fees** 5,230,899

Increase impact fee revenue for the East benefit district to reflect the portion of the Homestead Educational Facilities Benefit District, which had originally been re-classed to a liability.

- I. Interfund Transfer (Capital Projects Only)** (23,379,000)

Eliminate the Interfund transfer no longer needed due to Certificates of Participation (COPs) interest earnings.

- J. Interfund Transfer** 507,345

Increase Interfund transfer to reflect actual results related to the repayment of Revenue Anticipation Notes for the interim financing of capital projects.

- K. Interfund Transfer** (1,213,396)

Decrease the interfund transfer to reflect actual results. This interfund will be re-established for the 2007-08 year for hurricane shelter retrofit projects.

<b>REVENUES AND OTHER SOURCES</b> <i>(continued)</i>	<b>Increase (Decrease)</b>
<b>L. Non-Revenue Source—Remarketing of General Obligation Bonds</b>	\$ (1)
Decrease premium on remarketing of General Obligation Bonds to reflect actual results.	
<b>M. Non-Revenue Source—Line of Credit</b>	(220,000,000)
Reclassify the Line of Credit to a short-term liability as required by Generally Accepted Accounting Principles.	
<b>N. Non-Revenue Source – Master Equipment Lease Agreement</b>	(32,000,000)
Decrease revenues to reflect actual lease schedules issued.	
<b>O. Non-Revenue Source – Master Technology Lease Agreement</b>	(31,751,375)
Decrease revenues to reflect actual lease schedules issued.	
<b>P. Non Revenue Source – Certificates of Participation (COPs) repaid from Local Optional Millage Levy (LOML)</b>	8,605,000
Increase proceeds from Certificates of Participation (COPs) to reflect actual proceeds.	
<b>Q. Non-Revenue Source – Premium on Certificates of Participation (COPs)</b>	24,496,994
Increase premium on COPs to reflect actual results as follows:	
2007A Premium	\$ 18,820,194
2007B Premium	<u>5,676,800</u>
	\$ 24,496,994
<b>R. Non-Revenue Source - Qualified Zone Academy Bonds (QZABs)</b>	(608)
Decrease revenue from QZABs to reflect actual sale.	
<b>TOTAL DECREASE IN REVENUES AND OTHER SOURCES</b>	<b><u>\$ (276,585,099)</u></b>

**APPROPRIATIONS**

	<b>Increase (Decrease)</b>
A. Decrease Program 2813, Hurricane Shelter Retrofit to reflect the elimination of deferred revenue.	\$ (825,693)
B. Increase Program 8100, Debt Service to reflect actual results per the state for CO & DS Dues and Fees.	8,063
C. Increase appropriations to recognize actual DIC contributions received (See Attachment A).	669,190
D. Decrease various appropriations funded with the Line of Credit for fiscal year ended 2006-07. These appropriations will be re-established for fiscal year 2007-08. This is necessary to reflect the appropriate internal accounting treatment and will not delay any capital project.	(220,000,000)
E. Decrease Program 0863, ERP to reflect the actual Master Equipment Lease schedule for fiscal year 2006-07. This program will be re-established in fiscal year 2007-08.	(32,000,000)
F. Decrease Program 0996, Technology Educational Labs to reflect the actual Master Technology Lease schedule for fiscal year 2006-07. This program will be re-established in fiscal year 2007-08.	(31,751,375)
G. Increase Program 8100, Debt Service to reflect actual results for dues and fees associated with various COPs (repaid from LOML) series (See attachment B).	4,585,446
H. Increase appropriations to reflect the actual results for the COPs sale for fiscal year 2006-07 (See attachment C).	28,516,548
I. Increase appropriations to reflect actual results for interest expense primarily due to accrual of the City of North Miami Construction Note.	3,736,783
J. Increase appropriations to reflect actual results for dues and fees.	7,500
K. Increase Program 1572, Prepaid Property Insurance to reflect the District's reserve for this purpose.	26,598,121
L. Defer projects as reflected on page 11 in order to fund the District's Prepaid Property Insurance. The deferment will not delay any capital project and they will be re-established in fiscal year 2007-08 (See Attachment D).	(26,598,121)
M. Eliminate the Interfund transfer to reflect actual results due to COPs interest earnings.	(23,379,000)

<b>APPROPRIATIONS</b> <i>(continued)</i>	<b>Increase (Decrease)</b>
N. Increase the interfund transfer to reflect actual results related to the repayment of Revenue Anticipation Notes for the interim financing of capital projects.	\$ 507,345
O. Decrease the interfund transfer to reflect actual results. This interfund will be re-established for the 2007-08 year for hurricane shelter retrofit projects.	(1,213,396)
P. Decrease appropriations to reflect the actual QZAB sale.	(608)
Q. Increase the transfer to the General Fund to reflect actual results.	4,951,664
R. Decrease the transfer to Debt Service to reflect actual results.	(4,651,387)
S. Decrease Uncommitted Fund Balance.	<u>(5,746,179)</u>
<b>TOTAL DECREASE IN APPROPRIATIONS</b>	<b><u>\$(276,585,099)</u></b>

### III. DOCUMENTED CHANGES IN OBJECT CODES

- A. Transfers between objects within central accounts, reserves and site specific projects from January 13, 2007 as a result of the Technical Review Committee meetings, School Board Meetings and object changes within programs.
- B. Appropriations for approval this Board Meeting.
- C. Net effect of total changes to Appropriations.

OBJECT OF EXPENDITURE	A	B	C
Library Books	\$ (508,779)	\$ 0	\$ (508,779)
A/V Materials	587,282	0	587,282
Building and Additions	15,498,536	1,918,427	17,416,963
Equipment	10,090,231	(63,751,983)	(53,661,752)
Line of Credit Projects	0	(220,000,000)	(220,000,000)
Motor Vehicles and Buses	(4,018,379)	0	(4,018,379)
Sites	(7,119,780)	669,190	(6,450,590)
Site Improvements	2,451,216	0	2,451,216
Remodeling and Renovations	(14,515,690)	(825,693)	(15,341,383)
Software	4,828,270	0	4,828,270
Redemption of Principal	0	0	0
Interest Expense	0	3,736,783	3,736,783
Dues and Fees	128,750	4,601,009	4,729,759
Miscellaneous Expenses (Prepaid Property Ins)	0	26,598,121	26,598,121
Transfer to General Fund	0	4,951,664	4,951,664
Transfer to Debt Service	0	(4,651,387)	(4,651,387)
Interfund Transfer (Capital Projects only)	0	(24,085,051)	(24,085,051)
Undistributed Contingency/Reserves	<u>(7,421,657)</u>	<u>(5,746,179)</u>	<u>(13,167,836)</u>
NET CHANGE	\$ 0	\$(276,585,099)	\$(276,585,099)

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

1. Approve Resolution No. 2, 2006-07 Capital Outlay Budget Final 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 7.
2. Authorize changes to the Five-Year Facilities Work Program, which result from Resolution No. 2, 2006-07 Capital Outlay Funds Budget Final Review.

**2006-07 CAPITAL OUTLAY FUNDS BUDGET  
RESOLUTION NO. 2**

	<u>AMENDED BUDGET 02/14/07</u>	<u>RESOLUTION No. 2 INCREASE (DECREASE)</u>	<u>AMENDED BUDGET 09/05/07</u>
<b>REVENUES</b>			
<b>STATE</b>			
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	(171,094)	0
Deferred - Hurricane Retrofit Grant - Jefferson Bldg.	654,599	(654,599)	0
CO & DS Distribution	1,500,000	1,113,740	2,613,740
<b>Total State</b>	<u>\$ 101,805,027</u>	<u>\$ 288,047</u>	<u>\$ 102,093,074</u>
<b>LOCAL</b>			
Optional Millage Levy	\$ 406,268,192	\$ (4,087,423)	\$ 402,180,769
Interest on Investments	50,140,000	(7,673,057)	42,466,943
Net Increase (Decrease) in Fair Mkt Value of Investments	0	1,982,095	1,982,095
Gifts/Contributions/Settlements	486,880	669,190	1,156,070
Impact Fees	18,185,875	6,971,090	25,156,965
Auditorium Grant - Hialeah Senior High	345,675	0	345,675
<b>Total Local</b>	<u>\$ 475,426,622</u>	<u>\$ (2,138,105)</u>	<u>\$ 473,288,517</u>
<b>TOTAL REVENUES</b>	<u>\$ 577,231,649</u>	<u>\$ (1,850,058)</u>	<u>\$ 575,381,591</u>
INTERFUND (CAPITAL PROJECTS ONLY)	124,988,396	(24,085,051)	100,903,345
FUND BALANCES FROM PRIOR YEAR	963,568,764	0	963,568,764
<b>NON-REVENUE SOURCES</b>			
Remarketing of GO Bonds	166,435,000	0	166,435,000
Premium from Remarketing of GO Bonds	8,344,878	(1)	8,344,877
Line of Credit	220,000,000	(220,000,000)	0
Equipment Master Lease Agreement	107,278,699	(63,751,375)	43,527,324
N. Miami Fla. Educat'l Facilities Construction Note	124,000,000	0	124,000,000
Certificates of Participation (LOML)	500,000,000	8,605,000	508,605,000
Premium on Certificates of Participation	0	24,496,994	24,496,994
Qualified Zone Academy Bonds	2,600,000	(608)	2,599,392
<b>TOTAL REVENUES &amp; OTHER SOURCES</b>	<u>\$ 2,794,447,386</u>	<u>\$ (276,585,099)</u>	<u>\$ 2,517,862,287</u>
<b>APPROPRIATIONS</b>			
Library Books	\$ 13,390,514	\$ (508,779)	\$ 12,881,735
A/V Materials	4,496,952	587,282	5,084,234
Building and Additions	1,230,291,753	17,416,963	1,247,708,716
Line of Credit Projects	0	(220,000,000)	(220,000,000)
Equipment	188,933,904	(53,661,752)	135,272,152
Motor Vehicles and Buses	30,478,188	(4,018,379)	26,459,809
Site Purchase	98,880,166	(6,450,590)	92,429,576
Site Improvements	86,802,138	2,451,216	89,253,354
Remodeling and Renovations	533,141,128	(15,341,383)	517,799,745
Computer Software	14,622,454	4,828,270	19,450,724
Interest Expense on Line of Credit	527,614	3,736,783	4,264,397
Dues and Fees on Line of Credit/RANs/GOBs	1,560,532	4,729,759	6,290,291
Miscellaneous Expense (Prepaid Property Insurance)	0	26,598,121	26,598,121
Reserves/Contingencies	17,815,146	(13,167,836)	4,647,310
<b>TOTAL APPROPRIATIONS</b>	<u>\$ 2,220,940,489</u>	<u>\$ (252,800,325)</u>	<u>\$ 1,968,140,164</u>
<b>TRANSFERS</b>			
Transfer to General Fund	\$ 148,905,643	\$ 4,951,664	\$ 153,857,307
Transfer to Debt Service	299,612,858	(4,651,387)	294,961,471
Interfund (Capital Projects Only)	124,988,396	(24,085,051)	100,903,345
<b>TOTAL APPROPRIATIONS &amp; TRANSFERS</b>	<u>\$ 2,794,447,386</u>	<u>\$ (276,585,099)</u>	<u>\$ 2,517,862,287</u>

**DETAIL OF DEVELOPMENTAL IMPACT CONTRIBUTIONS (DIC'S)**

The following appropriations have been increased to reflect voluntary developmental contributions in addition to impact fees:

<u>Project Description</u>	<u>Amount</u>	<u>Memo Date</u>	<u>Memo #</u>
Region Center VI	\$ 21,000	Sept. 12, 2006	M-125
Region Center VI	48,000	Sept. 12, 2006	M-126
Region Center VI	28,800	Sept. 12, 2006	M-127
Region Center VI	8,000	Sept. 12, 2006	M-128
Region Center VI	26,400	Sept. 12, 2006	M-129
Region Center VI	32,000	Dec. 22, 2006	M-306
Region Center VI	105,147	Dec. 22, 2006	M-307
Region Center VI	148,069	Feb. 1, 2007	M-360
Region Center V	23,918	May 1, 2007	M-497
Region Center V	23,918	May 1, 2007	M-498
Region Center V	23,900	May 1, 2007	M-499
Region Center V	10,000	June 6, 2007	M-505
Region Center VI	9,578	June 6, 2007	M-541
Region Center V	6,072	June 6, 2007	M-596
Region Center V	154,388	June 29, 2007	M-648
Total	<u>\$ 669,190</u>		



**LOML COPs DUES AND FEES****2007A Sale**

Cost of Issuance	\$ 325,249
Insurance Premium	817,349
Underwriters Discount	<u>1,620,924</u>
	\$2,763,522

**2007BC Sale**

Cost of Issuance	\$ 369,857
Insurance Premium	547,635
Underwriters Discount	<u>904,432</u>
	\$1,821,924

**DETAIL OF INCREASES TO COPs 2007A & 2007B**

The following appropriations have been increased to reflect actual results for fiscal year 2006-07:

Program #	Program Description	2006-07 Final Amended Amount	2006-07 Adopted/Amended Amount	Budget Increase
2778	S/S "UU-1"	\$ 39,985,285	\$ 39,500,000	\$ 485,285
2772	S/S "PP-1"	36,975,037	29,615,177	7,359,860
2814	S/S "CC-1"	36,328,288	15,656,885	20,671,403

**DETAIL OF DEFERRED PROJECTS TO 2007-08**

The following are appropriations that will be deferred fiscal year 2006-07 and will be re-established in fiscal year 2007-08.

<b>PROJECT/PROGRAM DESCRIPTION</b>	<b>PROJECT NUMBER</b>	<b>AMOUNT DEFERRED</b>
GENERAL ANCILLARY	00344900	1,228,460
NORTH MIAMI SR HS ( "BBB1")	A01015	2,186,680
SOUTH DADE MIDDLE (SS1)	A01029	1,883,599
ROBERT MORGAN SR HS ("HHH")	A01083	3,353,206
MIAMI SPRINGS SR	A01085	1,474,760
MIAMI NORTHWESTERN S COMPREHENSIVE NEEDS- NORLAND EL	A01096	2,480,118
MIAMI BEACH SR	A01098	4,979,000
WESTLAND HIALEAH SENIOR S/S ("WWW")-	A0795	7,373,195
	A0811	<u>1,639,103</u>
	<b>Total</b>	<b><u><u>26,598,121</u></u></b>

