

Financial Services
 Richard H. Hinds, Chief Financial Officer

**SUBJECT: RESOLUTION NO. 1 2009-10 CAPITAL OUTLAY FUNDS
 MID-YEAR BUDGET REVIEW**

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

**LINK TO STRATEGIC
 FRAMEWORK : FINANCIAL EFFICIENCY/STABILITY**

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. State Revenues – Capital Outlay & Debt Service \$ 94,065

Increase collections per recent state projections.

B. Local Revenues – Impact Fees 1,000,000

Decrease impact fees to reflect revised projections.

Benefit District	Adopted Amount	Revised Amount	Change Amount
East	\$ 1,478,000	\$2,769,000	\$ 1,291,000
Northwest	358,000	123,000	(235,000)
Southwest	138,000	66,000	(72,000)
Administrative Fund	26,000	42,000	16,000
	<u>\$ 2,000,000</u>	<u>\$3,000,000</u>	<u>\$ 1,000,000</u>

C. Local Revenues – Miscellaneous Receipts 314,639

Recognize receipts as follows:

Loss recoveries	\$ 39,126
Concurrency	14,495
Legal Settlement – Palm Springs Middle	200,000
PTA Donation – Winston Park K-8	30,000
Miscellaneous deposits	31,018
Total	<u>\$ 314,639</u>

REVENUES AND OTHER SOURCES (continued)

**Increase
(Decrease)**
\$ 976,707

**D. Interfund Transfer – 2009B Certificates of Participation (COPs)
Reimbursement**

Increase the interfund transfer in order to reimburse the 2009B COP for a portion of the bond insurance payment that was over the 2% Treasury limit on cost of issuance, underwriter's discount and bond insurance. The limit was exceeded because of the deep discount experienced on the sale due to market conditions.

**E. Interfund Transfer – 2009 Revenue Anticipation Notes (RANs)
Interest Payment** 451,213

Increase the interfund transfer to reflect the accounting treatment of the 2009 RANs interest payment.

F. Fund Balance From Prior Year 13,195,762

Recognize the FY 2008-09 year-end adjustments from the District's Comprehensive Annual Financial Report related to arbitrage rebate liability, as determined by Ernst & Young LLC (E&Y), and the recognition of expense for the land purchase of S/S T1 – 9th Grade Center in Doral from FY 2008-09 to FY 2009-10.

G. Non-Revenue Source – State Board of Education Bonds 24,660

Increase proceeds to reflect actual sale.

H. Non-Revenue Source – Qualified School Construction Bonds (855,000)

Decrease proceeds to reflect actual sale.

TOTAL INCREASE IN REVENUES AND OTHER SOURCES \$ 15,202,046

II. APPROPRIATIONS

Increase
(Decrease)

A. Adjust year end rebudgets related to the recognition of expense for the land purchase of S/S T1 – Secondary Learning Center Off-Site (Doral Senior High School) from FY 2008-09 to FY 2009-10. \$ 12,495,000

B. Adjust appropriations to reflect Qualified School Construction Bonds COPs sale as follows: (855,000)

	PROJECTED AMOUNT	ACTUAL AMOUNT	CHANGE AMOUNT
New K-8 Center AA2 (Bob Graham K-8 relief)	\$ 39,080,451	\$ 0	\$(39,080,451) *
Miami Central Senior	0	29,000,000	29,000,000
Southwest Miami Sr Repl., Initial Phase	10,000,000	10,000,000	0
North Dade Middle Partial Replacement	10,000,000	10,000,000	0
Comprehensive Needs	45,774,549	25,110,815	(20,663,734)
Cost of Issuance	0	280,000	280,000
Insurance Premium	0	1,543,776	1,543,776
Underwriter's Discount	0	685,329	685,329
Net Original Issue Discount	0	27,380,080	27,380,080
Total	\$104,855,000	\$104,000,000	\$ (855,000)

* This project is planned for the 2nd QSCB sale in FY 2009-10.

C. Decrease Program 0927 - RAN repayment to reflect updated financing fees and projected payments. (2,587,782)

D. Reclass technology upgrades related to COGNOS software development needed for budgeting and reporting requirements as follows: 0

Program 1571 - Construction Management	(300,000)
Program 0703 - Capital and Technology Upgrades	300,000

E. Increase appropriations for construction management related to concurrency review and increases impact fee collections. 30,495

F. Decrease Impact Fee Reserves to reflect decreased impact fee collections in the North and Southwest Benefit Districts. (278,227)

G. Increase the interfund transfer in order to reimburse the 2009B COP for a portion of the bond insurance payment that was over the 2% Treasury limit on the cost of issuance, underwriter's discount and bond insurance. 976,707

H. Increase Comprehensive Needs projects by the amount of the 2009B QSCB COP reimbursement needed to comply with the 2% Treasury limit on the Cost of Issuance. 976,707

I. Increase the interfund transfer to reflect the accounting treatment of the 2009 RANs interest payment. 451,213

J. Increase appropriations for project number A01092 for Winston Park K-8 as a result of a PTA donation for playground equipment. 30,000

K. Increase contingency to balance. 3,962,933

TOTAL INCREASE IN APPROPRIATIONS

\$ 15,202,046

III. CHANGES IN OBJECT CODES

- A. Transfers between objects within central accounts, reserves and site specific projects from September 9, 2009 to January 19, 2010 as a result of Technical Review Committee meetings, appropriation reclassifications, and prior Board approved project budget adjustments.
- B. Appropriations for approval at this Board Meeting.
- C. Net effect of total changes to Appropriations.

	A	B	C
Library Books	\$ 51,946	\$ -	\$ 51,946
A/V Materials	(53,077)	-	(53,077)
Building & Additions	44,224,778	(10,628,183)	33,596,595
Equipment	(1,521,798)	30,000	(1,491,798)
Motor Vehicles and Buses	(79,185)	-	(79,185)
Sites	(6,812,494)	11,495,000	4,682,506
Site Improvements	1,632,308	-	1,632,308
Remodeling and Renovations	(38,482,731)	(19,687,027)	(58,169,758)
Software	1,040,253	300,000	1,340,253
Interest Expense	-	(1,587,782)	(1,587,782)
Net Original Issue Discount	-	27,380,080	27,380,080
Dues and Fees	-	2,509,105	2,509,105
Misc. Expenses	-	-	-
Transfer to General Fund	-	-	-
Transfer to Debt Service	-	-	-
Interfund Transfer (Capital Projects Only)	-	1,427,920	1,427,920
Undistributed Contingency/Reserves	-	3,962,933	3,962,933
NET CHANGE	\$ -	\$ 15,202,046	\$ 15,202,046

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

1. adopt Resolution No. 1, 2009-10 Capital Outlay Budget Funds Mid-Year Budget Review, increasing revenues, appropriations, and reserves by \$15,202,046, and documenting estimated 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, 2009-10 Capital Outlay Funds Mid-Year Budget Review.

**2009-10 CAPITAL OUTLAY FUNDS BUDGET
BUDGET RESOLUTION NO. 1**

	ADOPTED BUDGET 09/09/09	RESOLUTION No. 1 INCREASE (DECREASE)	AMENDED BUDGET 02/10/10
REVENUES			
STATE			
Public Education Capital Outlay (PECO)	\$ 5,177,985	\$ -	\$ 5,177,985
CO & DS Distribution	1,300,000	94,065	1,394,065
Charter School Capital Outlay	13,806,300	-	13,806,300
Total State	\$ 20,284,285	\$ 94,065	\$ 20,378,350
LOCAL			
Optional Millage Levy	\$ 379,391,947	\$ -	\$ 379,391,947
Interest on Investments	3,098,000	-	3,098,000
Donations/Rebates/Settlements/Concurrency	-	275,513	275,513
Impact Fees	2,000,000	1,000,000	3,000,000
Total Local	\$ 384,489,947	\$ 1,275,513	\$ 385,765,460
TOTAL REVENUES	\$ 404,774,232	\$ 1,369,578	\$ 406,143,810
INTERFUND (CAPITAL PROJECTS ONLY)	133,929,000	1,427,920	135,356,920
FUND BALANCES FROM PRIOR YEAR	562,225,534	13,195,762	575,421,296
NON-REVENUE SOURCES			
State Board of Education Bonds	1,355,000	24,660	1,379,660
Master Lease COPs (Qualified School Construction Bonds)	209,710,000	(855,000)	208,855,000
Insurance Loss Recoveries	-	39,126	39,126
TOTAL REVENUES & OTHER SOURCES	\$ 1,311,993,766	\$ 15,202,046	\$ 1,327,195,812
APPROPRIATIONS			
Library Books	\$ 4,885,184	\$ 51,946	\$ 4,937,130
A/V Materials	2,647,633	(53,077)	2,594,556
Building and Additions	367,030,104	33,596,595	400,626,699
Equipment	60,198,198	(1,491,798)	58,706,400
Motor Vehicles and Buses	906,887	(79,185)	827,702
Site Purchase	19,104,386	4,682,506	23,786,892
Site Improvements	21,539,789	1,632,308	23,172,097
Remodeling and Renovations	228,350,179	(58,169,758)	170,180,421
Computer Software	9,002,600	1,340,253	10,342,853
Interest Expense	2,038,995	(1,587,782)	451,213
Net Original Issue Discount	-	27,380,080	27,380,080
Dues & Fees	157,164	2,509,105	2,666,269
Reserves/Contingencies	58,453,722	3,962,933	62,416,655
TOTAL APPROPRIATIONS	\$ 774,314,841	\$ 13,774,126	\$ 788,088,967
TRANSFERS/FUND BALANCE			
Transfer to General Fund	\$ 176,506,832	\$ -	\$ 176,506,832
Transfer to Debt Service	227,243,093	-	227,243,093
Interfund (Capital Projects Only)	133,929,000	1,427,920	135,356,920
TOTAL APPROPRIATIONS & TRANSFERS	\$ 1,311,993,766	\$ 15,202,046	\$ 1,327,195,812