Status: ORIGINAL

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

| | |
|---|---|
| 2024-09-10 | Regular School Board Meeting |
| **CATEGORY:** | F. Financial Management |
| **DEPARTMENT:** | Capital Budget |

| | |
|---|---|
| Agenda Item Number: | F-8. |
| Consent or Open Item: | Open |
| Special Order: | NO |
| Time for Special Order: | |

**TITLE:**

**Final Capital Fund Amendment #4 as of June 30, 2024.**

**REQUESTED ACTION:**

**Approve Final Capital Fund Amendment #4 changes in revenue and appropriations. District-wide.**

**RATIONALE:**

For the Requested Actions, Background/History, Alignment to the 2027 Goals and Guardrails, Measurable Outcome(s)/Return on Investment, Financial Impact, and Rationale, please see the Executive Summary.

**EXHIBITS:**

| |
|---|
| Executive Summary |
| Final Capital Fund Amendmen… |
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| |

**FINANCIAL IMPACT:**

There is a positive $33.1 million financial impact to the unallocated capital reserve as a result of $21.2 million of revenue recognition and $11.9 million of appropriation adjustments.

**STRATEGIC PLAN ALIGNMENT:**

**Student Focus Outcomes**

N/A **OR** **Business Operations**

**BOARD ACTION:**

(For Official School Board Records Only)

APPROVED

**SOURCE OF ADDITIONAL INFORMATION**

| | | | |
|---|---|---|---|
| Name: | Rafiki Brown | Phone: | 754-321-2080 |
| Name: | Omar Shim | Phone: | 754-321-1990 |

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

Senior Leader & Title

Omar Shim, Task Assigned, Chief Financial Officer

Signature

Omar Shim, Task Assigned, Chief Financial Officer

Electronic Signature

Form $4189 Revised 7/24

HH/JJS

Approved in Open Board Meeting On: September 10, 2024

By: Lori Alhadeff

School Board Chair

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**
**2023-24 Capital Fund Amendment #4 - Final**
**As of June 30, 2024**

| ESTIMATED REVENUES | PREVIOUS BUDGET | INCREASE/ (DECREASE) | REVISED BUDGET | |
|---|---|---|---|---|
| **LOCAL SOURCES** | | | | |
| District Local Capital Improvement Tax (Capital Millage) | $ 435,396,135 | $ (734,551) | $ 434,661,584 | (A) |
| Impact Fees / Mitigation Fees | 10,000,000 | 3,279,972 | 13,279,972 | (B) |
| Miscellaneous Sources | 20,371,622 | 15,663,164 | 36,034,786 | (C) |
| Insurance Loss Recoveries | 5,099,160 | 865,067 | 5,964,227 | (D) |
| Equipment Lease Financing (Buses & White Fleet Vehicles) | 49,812,564 | (49,812,564) | - | (E) |
| **Total Local Sources** | **$ 520,679,481** | **$ (30,738,912)** | **$ 489,940,569** | |
| **STATE SOURCES** | | | | |
| CO&DS (Capital Outlay and Debt Service / Motor Vehicle License Revenue) | $ 9,000,000 | $ 1,916,054 | $ 10,916,054 | (F) |
| Charter School Capital Outlay (PECO flow-thru) | 29,502,580 | 47,859 | 29,550,439 | |
| Miscelaneous State (FEMA) | - | 35,034 | 35,034 | |
| FY24 Security Grant (School Hardening) | 3,633,000 | (3,633,000) | - | (G) |
| Previous Years Security Grants (School Hardening) | 5,063,071 | (3,979,511) | 1,083,560 | (G) |
| FY18 Senate Bill 7026 (MSD Funding) | 2,312,714 | (2,312,714) | - | (H) |
| **Total State Sources** | **$ 49,511,365** | **$ (7,926,278)** | **$ 41,585,087** | |
| **FEDERAL SOURCES** | | | | |
| Federal, State, & Local Hurricane Reimbursements | $ - | $ 234,765 | $ 234,765 | (I) |
| **Total Federal Sources** | **$ -** | **$ 234,765** | **$ 234,765** | |
| **OTHER FINANCING SOURCES** | | | | |
| Transfer from General Fund | $ - | $ 321,628 | $ 321,628 | (J) |
| **Total Other Financing Sources** | **$ -** | **$ 321,628** | **$ 321,628** | |
| **ESTIMATED REVENUES & OTHER FINANCING SOURCES** | **$ 570,190,846** | **$ (38,108,797)** | **$ 532,082,049** | |
| **BEGINNING FUND BALANCE** | **870,953,324** | - | **870,953,324** | |
| **TOTAL ESTIMATED REVENUES, OTHER FINANCING SOURCES, & BEGINNING FUND BALANCE** | **$ 1,441,144,170** | **$ (38,108,797)** | **$ 1,403,035,373** | |
| **DEFERRED REVENUE SOURCES** | | | | |
| Deferred State - MSD | $ - | $ 1,312,714 | $ 1,312,714 | (K) |
| Deferred State - Ed Security Grant | - | 7,612,511 | 7,612,511 | (K) |
| Deferred Equipment Lease Financing (IT, Buses & White Fleet Vehicles) | - | 49,812,564 | 49,812,564 | (K) |
| **Total Deferred Revenue Sources** | **$ -** | **$ 58,737,789** | **$ 58,737,789** | |
| **TOTAL ESTIMATED REVENUES, OTHER FINANCING SOURCES, BEGINNING FUND BALANCE AND DEFERRED REVENUE** | **$ 1,441,144,170** | **$ 20,628,992** | **$ 1,461,773,162** | |

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**
**2023-24 Capital Fund Amendment #4 - Final**
**As of June 30, 2024**
**Explanation Summary**

| **CHANGES IN ESTIMATED REVENUES** | | **INCREASE/ (DECREASE)** |
|---|---|---|
| **(A) District Local Capital Improvement Tax (Capital Millage)** | | **$ (734,551)** |
| District Local Capital Tax collection was lower than the budgeted 96% collection rate. | $ (734,551) | |
| **(B) Impact Fees / Mitigation Fees** | | **3,279,972** |
| Impact Fee collections exceeded the original estimate by $3.3 million. | 3,279,972 | |
| **(C) Miscellaneous Sources** | | **15,663,164** |
| Interest earned and gain on investments primarily on District cash balances in capital millage and Certificates of Participation (COPs). Interest earned on Capital Millage is $7.2 million and interest earned on COPs funds is $4.7 million. The District also received $2.5 million in federal tax subsidy for the 2010 Qualified School Construction Bonds (QSCBs). The remaining interest was earned across several of the District's other Capital fund groups such as land sales and General | 15,663,164 | |
| **(D) Insurance Loss Recoveries** | | **865,067** |
| Insurance loss recovery for April 2023 flood. | 865,067 | |
| **(E) Equipment Lease Financing (Buses and White Fleet Vehicles)** | | **(49,812,564)** |
| The planned equipment leases for FY23 and FY24 include funding for the replacement of student buses and District white fleet vehicles. Due to global supply chain shortages, several vehicles are back-ordered. Deferring the execution of the leases to fiscal year 2025 to better align the lease revenue with the planned expenditures. --SEE ITEM "K" Deferred Revenue | (49,812,564) | |
| **(F) CO&DS (Capital Outlay and Debt Service / Motor Vehicle License Revenue)** | | **1,916,054** |
| Revenue received from the State for CO&DS and Motor Vehicle License revenue was $1.9 million more than projected. | 1,916,054 | |
| **(G) Educational Facilities Security Grant (School Hardening)** | | **(7,612,511)** |
| The State appropriated $4 million in FY22, $1.8 million in FY23 and $3.6 million in FY24 for the State Educational Facilities Security Grant ("School Hardening"). The State only transmits the funds to reimburse expenditures. The unspent amount of $5.1 million is deferred. This is an accounting treatment to move these funds from FY24 into FY25 carryover and doesn't impact the projected budgets. -- SEE ITEM "K" Deferred Revenue | (7,612,511) | |

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**
**2023-24 Capital Fund Amendment #4 - Final**
**As of June 30, 2024**
**Explanation Summary**
**(Continued)**

| **CHANGES IN ESTIMATED REVENUES** | **INCREASE/ (DECREASE)** | |
|---|---|---|
| **(H) FY18 Senate Bill 7026 (Marjory Stoneman Douglas(MSD) Funding)**<br>1200 building and $1 million to construct a memorial. However, in FY24 the State transferred the $1 million to construct a memorial from the District to the Parkland 17 Memorial Foundation. Therefore, the District will unappropriate the $1 million to match anticipated State revenues. The State only transmits the funds to reimburse expenditures. The unspent amount of $1.3 million for the 1200 building is deferred. This is an accounting treatment to move the $1.3 million for the 1200 building from FY24 into FY25 carryover and doesn't impact the budget for the project.<br>-- SEE ITEM "K" Deferred Revenue | (2,312,714) | **(2,312,714)** |
| **(I) Federal, State, & Local Hurricane Reimbursements**<br>FEMA reimbursement for hurricane Dorian expenses. | 234,765 | **234,765** |
| **(J) Transfer from General Fund**<br>Transfer from General Fund Workforce Education funding for Atlantic Technical College restroom remodeling. | 321,628 | **321,628** |
| **(K) Deferred Revenues**<br>Offset for the accounting treatment to move deferred revenues from FY24 into FY25 carryover for State MSD funding, State Educational Security Grant Funding, and the Equipment leases. | 58,737,789 | **58,737,789** |

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**
**2023-24 Capital Fund Amendment #4 - Final**
**As of June 30, 2024**

| APPROPRIATIONS | PREVIOUS BUDGET | INCREASE/ (DECREASE) | REVISED BUDGET | |
|---|---|---|---|---|
| **CAPITAL OUTLAY** | | | | |
| Buildings & Fixed Equipment | $ 98,595,127 | $ - | $ 98,595,127 | |
| Furniture, Fixtures & Equip | 57,110,383 | - | 57,110,383 | |
| Motor Vehicles | 43,785,666 | - | 43,785,666 | |
| Improvements other than Bldgs | 10,498,189 | - | 10,498,189 | |
| Remodeling & Renovation | 855,307,035 | 30,263,878 | 885,570,913 | (1) |
| Software | 3,650,000 | - | 3,650,000 | |
| **Total Capital Outlay** | **$ 1,068,946,400** | **$ 30,263,878** | **$ 1,099,210,278** | |
| **CHARTER SCHOOL LOCAL CAPITAL IMPROVEMENT** | | | | |
| To Charter School | $ 5,895,872 | $ - | $ 5,895,872 | |
| **Total Charter School Local Capital Improvement** | **$ 5,895,872** | **$ -** | **$ 5,895,872** | |
| **OTHER FINANCING USES** | | | | |
| To General Fund | $ 167,266,819 | $ (947,368) | $ 166,319,451 | (2) |
| To Debt Service Fund | 199,035,079 | (8,687,518) | 190,347,561 | (3) |
| **Total Other Financing Uses** | **$ 366,301,898** | **$ (9,634,886)** | **$ 356,667,012** | |
| **TOTAL APPROPRIATIONS & OTHER FINANCING SOURCES** | **$ 1,441,144,170** | **$ 20,628,992** | **$ 1,461,773,162** | |

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**
**2023-24 Capital Fund Amendment #4-Final**
**As of June 30, 2024**
**Explanation Summary**

| **CHANGES IN APPROPRIATIONS** | **INCREASE/ (DECREASE)** | |
|---|---|---|
| **(1) Remodeling and Renovation** | | **30,263,878** |
| **Unallocated Reserves** | | |
| *Additional details on the unallocated reserve are included in* | | |
| • District Local Capital tax collection was lower than the budgeted 96% collection rate. | (734,551) | |
| • Impact Fee collections exceeded the original estimate by $3.3 million. | 3,279,972 | |
| • Interest earned and gain on investments primarily on District cash balances in capital millage and Certificates of Participation (COPs). Interest earned on Capital Millage is $7.2 million and interest earned on COPs funds is $4.7 million. The District also received $2.5 million in federal tax subsidy for the 2010 Qualified School Construction Bonds (QSCBs). The remaining interest was earned across several of the District's other Capital fund groups such as land sales and General Obligation Bonds (GOBs). | 15,663,164 | |
| • Insurance loss recovery for April 2023 flood. | 865,067 | |
| • Additional funds from the State for Capital Outlay and Debt Service (CO&DS) revenue | 1,916,054 | |
| • Reimbursement for Hurricane Dorian (Federal Funds) | 234,765 | |
| • Reimbursement for Hurricane Dorian (State Funds) | 35,034 | |
| • Student Information System Implementation Project Closeout | 2,200,000 | |
| • Net of transfer to General Fund and Debt Service Fund returned to unallocated reserves | 9,682,745 | |
| Subtotal Unallocated Reserves | 33,142,250 | |
| **Capital Projects** | | |
| *Additional details on the unallocated reserve are included in* | | |
| • Student Information System Implementation Project Closeout | (2,200,000) | |
| • Marjory Stoneman Douglas Memorial Project | (1,000,000) | |
| • Atlantic Technical College Restroom Project (Workforce Education Funding) | 321,628 | |
| Subtotal Capital Projects | (2,878,372) | |
| **(2) Transfer to General Fund** | | **(947,368)** |
| • Final Charter School Capital Outlay PECO from State | 47,859 | |
| • Revised transfer to the General Fund to align with year-end maintenance costs. | (995,227) | |
| Subtotal Transfer to General Fund | (947,368) | |
| **(3) Transfer to Debt Service Fund** | | **(8,687,518)** |
| The final debt service costs during FY24 were reduced through continued efforts to refinance at lower rates and because of the timing of the equipment leases that allowed lower principal payments in the current fiscal year. | (8,687,518) | |
| Subtotal Transfer to Debt Service Fund | (8,687,518) | |

**Capital Funds - Unallocated Reserve**

| Date | Item | Location | Description | Reserve Activity |
|---|---|---|---|---|
| 9/5/2023 | | | FY24 Beginning Balance (from Adopted DEFP 9/5/23 ) | $ 120,316,000 |
| 9/5/2023 | 1 | District wide | Amendment for Turf Fields | (2,500,000) |
| **7/1/2023** | | | **FY24 Beginning Balance** | **$ 117,816,000** |
| 9/12/2023 | JJ-18 | James S. Rickards Middle | Approve GMP Amendment 1 to the Construction Manager at Risk Agreement with CORE Construction Services of Florida, LLC., and approve additional funding in the amount of $22,185,372 - James S. Rickards MS, Oakland Park, Project No. P.002775, District 3. | (22,185,372) |
| 10/17/2023 | JJ-13 | McArthur High | Approve the Construction Agreement with James B. Pirtle Construction Company, Inc., in the amount of $30,556,227 for the construction of the SMART Program Renovations - P.001954, and New Classroom Addition - P.002892, at McArthur High School, RFP FY24-052, District 1. | (16,635,327) |
| 11/8/2023 | JJ-13 | Mary M. Bethune Elementary | Approve the Third Amendment to the Professional Services Agreement with RGD & Associates, Inc and approve the additional funding request of $1,466,000 for the planning and design of a new 8,500 sq. ft administration building and subsequent demolition of the existing administration building at Mary M. Bethune Elementary School, Project No. P.002984, District 1. | (1,466,000) |
| 1/23/2024 | FF-1 | Districtwide | Capital Budget Amendment #1 SMART Program Needs | (28,486,180) |
| 1/23/2024 | FF-1 | Districtwide | Capital Budget Amendment #1 ADA Projects | (2,341,731) |
| 1/23/2024 | FF-1 | Districtwide | Capital Budget Amendment #1 SMART Projects Closeouts | 2,248,230 |
| 1/23/2024 | FF-1 | Districtwide | Capital Budget Amendment #1 DEFP Project Closeouts | 3,610,489 |
| 1/23/2024 | FF-1 | Districtwide | Capital Budget Amendment #1 Insurance Recovery | 4,140,000 |
| *1/23/2024* | *JJ-7* | *Central Park Elementary* | *Approve Change Order #6 in the amount of $11,423 and no days added to the contract duration and approve additional funding in the amount of $4,539 for Central Park Elementary School, Project No. P.001757, District 6.* | *(4,539)* |
| 2/21/2024 | JJ-1 | Lauderhill Paul Turner Elementary | Approve deductive Change Order #1 in the amount of ($168,554.56) and no days added to the contract duration for Lauderhill Paul Turner Elementary School, Project No. P.002066, District 5. | 168,555 |
| 2/21/2024 | JJ-4 | Boyd H. Anderson High | Approve Change Order #3 and additional funding in the amount of $33,071 for Boyd H. Anderson High School, Project No. P.001846, District 5. | (33,071) |
| 2/21/2024 | JJ-5 | South Broward High | Approve Change Order #8 and additional funding request in the amount of $15,159 and no days added to the contract duration for South Broward High School, Project No. P.001838, District 1. | (15,159) |

| Date | Item | Location | Description | Reserve Activity |
|---|---|---|---|---|
| 2/21/2024 | JJ-7 | Coral Springs High | Approve Change Order #10 and additional funding request in the amount of $6,968 and no days added to the contract duration for Coral Springs High School, Project No. P.001765, District 4. | (6,968) |
| 2/21/2024 | JJ-10 | Plantation High | Approve the Construction Agreement with H.A. Contracting Corp., valued at $22,860,000 and requiring $734,280 of additional funding, for the construction of the SMART Program Renovations at Plantation High School, Project No. P.001916, RFP FY24-071, District 5. | (734,280) |
| 3/12/2024 | JJ-8 | Blanche Ely High | Approve additional funding in the amount of $3,650,000, and approve additional scope of work including bus loop renovation and new covered walkways. | (3,650,000) |
| 3/12/2024 | JJ-9 | Western High | Approve the additional funding request of $187,628 for Western High School Culinary Lab, Project No. P.001967. | (187,628) |
| 4/16/2024 | JJ-3 | Banyan Elementary | Approve this Change Order #3 and additional funding request in the amount of $69,869. | (69,869) |
| 4/16/2024 | JJ-5 | Boyd H. Anderson High | Approve this Change Order #4 and additional funding request in the amount of $5,191.96. | (5,192) |
| 4/16/2024 | JJ-14 | Northeast High | Approve the Third Amendment to the Professional Services Agreement with Zyscovich, LLC. | (34,658) |
| 4/16/2024 | JJ-15 | Collins Elementary | Approve the additional funding request of $42,013 for Collins Elementary School. | (42,013) |
| 4/16/2024 | JJ-9 | Eagle Point Elementary | Approve this Change Order #10 in the amount of $553,893.82, approve additional funding in the amount of $424,774 and 511 days added to the contract duration. | (424,774) |
| 4/16/2024 | JJ-16 | Sandpiper Elementary | Approve the additional funding request of $6,705 for Sandpiper Elementary School. | (6,705) |
| 4/16/2024 | JJ-8 | Westchester Elementary | Approve this Change Order #7 and additional funding request in the amount of $69,651. | (69,651) |
| 5/21/2024 | JJ-14 | Falcon Cove Middle | Approve the Fourth Amendment to the Professional Services Agreement with Zyscovich, LLC, and approve the additional funding request of $134,000. | (134,000) |
| 5/21/2024 | JJ-18 | Cypress Bay High | Approve the Sixth Amendment to the Professional Services Agreement with Zyscovich, LLC, and approve the additional funding request of $92,000. | (92,000) |
| 5/21/2024 | JJ-20 | Plantation Middle | Approve the additional funding request of $990,000 to complete the fire sprinkler scope of work at Plantation Middle School. | (990,000) |
| 5/21/2024 | JJ-21 | South Plantation High | Approve the additional funding request of $175,465.81 for South Plantation High School. | (175,466) |
| 5/21/2024 | JJ-22 | Westchester Elementary | Approve the additional funding request of $15,000 for Westchester Elementary School. | (15,000) |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>Revenue from interest and investment gains | 20,216,622 |

| Date | Item | Location | Description | Reserve Activity |
|---|---|---|---|---|
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>Revenue from Insurance Cost Recovery | 959,160 |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>Project Closeout | 742,898 |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>PPO Capital Projects transferred from ARP HVAC | (10,500,000) |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>School Furniture, Fixture and Equipment | (1,500,000) |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>Charter School Local Capital Improvement | (334,521) |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>General Fund Transfer for Physical Plant Operations (PPO) flood response | (3,000,000) |
| 5/21/2024 | FF-1 | Districtwide | Capital Budget Amendment #2<br>Weapon Detection System | (1,295,115) |
| 5/29/2024 | JJ-19 | Nova Blanche Forman Elementary | Approve the additional funding request of $160,000 for the Traffic Circulation Improvement Project at Nova Blanche Forman Elementary School. | (160,000) |
| 6/18/2024 | JJ-11 | Oakridge Elementary | Approve Additional Funding in the amount of $25,000, and approve the Fifth Amendment to the Professional Services Agreement between The School Board of Broward County, Florida and Nyarko Architectural Group, Inc | (25,000) |
| 6/18/2024 | JJ-12 | J.P. Taravella High | Approve the additional funding request of $12,300 for J.P. Taravella High School. | (12,300) |
| 6/18/2024 | FF-1 | Districtwide | Capital Budget Amendment #3<br>SAP ARIBA and SAP SuccessFactors | (3,650,000) |
| 6/30/2024 | FF | Districtwide | Net of transfer to General Fund and Debt Service Fund returned to unallocated reserves | 9,682,745 |
| 6/30/2024 | FF | Districtwide | Student Information System Implementation closeout | 2,200,000 |
| 6/30/2024 | FF | Districtwide | Year-End Revenue Recognition | 21,259,505 |
| | | | | |
| **6/30/2024** | | | **Sub-Total Unallocated Reserve Balance** | **$ 84,761,685** |

| | | | | |
|---|---|---|---|---|
| **6/30/2024** | | | **Grand Total Capital Funds Reserve Balance** | **$ 84,761,685** |