

EXECUTIVE SUMMARY

2018-19 Capital Fund Budget Amendment #3

As of June 30, 2019

This item amending the capital fund includes changes related to year-end closing activities. Increases in revenue and decreases in appropriation for transfers results in approximately \$21.2 million added to the capital unallocated reserve.

Capital Unallocated Reserve

The capital fund amendment includes the addition of \$4.9 million in impact fee revenues that exceeded original revenue projections and the addition of \$6.2 million in local miscellaneous revenues recognized primarily for interest and investment activities. The capital fund also reduced appropriations to debt service by \$12.1 million because of refinancing savings. The transfer to the general fund was increased by \$2.0 million to account for capital equipment expenditures in the general fund.

Adjustment Type		Amt	
Revenue	Impact Fee	(+) \$	4.9
Revenue	Local Miscellaneous	(+)	6.2
Appropriation	Debt Service Transfer	(+)	12.1
Appropriation	General Fund Transfer	(-)	2.0
		\$	21.2

Deferred Revenue

In addition, this amendment shows the deferral \$24.6 million of State revenues for Senate Bill 7026 (Marjorie Stoneman Douglas Funding) and the Educational Facilities Security grant. The deferral is an accounting treatment that simply moves the anticipated revenues from FY 2019 to FY 2020 to align with anticipated expenditures and the State's revenue reporting procedures. **The deferral of revenue does not change the appropriations for Senate bill 7026 or the Security Grant projects in any way.**

Moreover, \$106 million in anticipated GOB revenues is deferred from FY 2019 to FY 2020. Similarly, to the State funding; the deferral of GOB revenues is to align revenues and cash flows with anticipated project expenditures and does not impact the budget or schedule of the SMART Program projects.

Other Changes

Other revenue changes include the District's capital millage is \$1.5 million lower than anticipated based on property tax receipts from the County and additional revenue of \$1.4 million that was received from the sale of land (Northside property).

Reserve Activity

The Reserve Exhibit C includes the impact of Board approved budget increases for SMART Program construction projects through June 2019. **Additional allocations into the SMART Program require the Board's approval.** When considering potential uses of the capital reserves, it is important to note there are other capital outlay needs (such as funding needs for deferred maintenance) to consider when deciding how to allocate these other dollars.

Detail on other changes included in this amendment are in the Revenue Exhibit A and Appropriation Exhibit B.