

District Educational Facilities Plan FY21 to FY25

This District Educational Facilities Plan (DEFP-FY21) covers the five-year period beginning July 1, 2020 and ending June 30, 2025. This plan sustains funding for the SMART Program and other projects that were approved in the DEFP adopted on September 4, 2019.

COVID-19 Impact

At this point the District does not anticipate a significant financial impact from the COVID-19 crisis on capital outlay funding. The primary source of capital revenues is derived from property taxes that is based on the taxable portion of the assessed property values; and the impacts of the COVID-19 crisis on those values are minimal. The District does, however, expect that operating funds will be impacted as a result of the economic impacts to sales tax revenues, which is a primary source of funding to the operating budget.

It is also important to point out that the capital investments that were made in the SMART Program to improve technology infrastructure and lower the student-to-device ratio played a critical role in the District's capability to provide educational services virtually to students during this crisis.

School Safety Funding

Since the Marjory Stoneman Douglas (MSD) High School tragedy, District and school leadership remain focused on meeting the needs of students, employees, and the entire school community during our emotional and difficult recovery process. In FY19, SB 7026 provided funding for MSD to meet the facility needs necessary to recover from this tragedy. In total, the 2018 Florida Legislature approved \$26.3 million for the District to:

- Provide portables
- Build a new permanent building
- Demolish the 1200 Building (State F.I.S.H. Building 12)
- Construct a monument

In the 2018-19 State budget the District received funding from a State security grant that the District used to fund \$6.2 million for security cameras and \$1.8 million on public announcement (PA) systems at schools. The District also entered into a \$19.8 million capital lease to implement additional PA systems and upgrade the District's radio communications system. In the 2019-20 State budget there is an additional \$4 million in State security grant funding that is included in this DEFP-FY20 update that will be used to implement additional school security upgrades. In DEFP-2021 the District is expected to get an additional \$3.3 million in funding for security items from the funds allocated in the State grant. In addition, the District is using Federal funding in the E-rate program to further improve its infrastructure to support security cameras.



Funding for Capital Outlay Needs

The DEFP FY21 presented sustains funding for district-wide maintenance, student and staff computers, school buses and white fleet vehicles. The plan also funds the District’s debt service for past and current financings as well as funding for building leases, capital outlay staff and charter school’s capital outlay.

New allocations in this plan include funding to support student information system, technology infrastructure and VOIP upgrade, as well as covered walkways and upgrades to BECON’s infrastructure.

SMART Program

The SMART Program is currently \$1,260.1 million and is supported with funding from the \$800 million General Obligation Bond (GOB) and other capital outlay funding. The scope of the SMART Program is mostly unchanged from the DEFP FY20. When the School Board approves budget amendments to projects as the construction contracts were awarded those amendments are incorporated into the individual school-by-school pages that outline the funding plan for each school.

More information about the SMART Program is available on a quarterly basis when the District prepares the quarterly Bond Oversight Committee reports. The website where this information can be found is:

<http://www.broward.k12.fl.us/boc/index.html>

Each quarter after the Bond Oversight Committee meets, a representative from the Committee presents an update to the School Board at a workshop.

Reserves

The District sustains reserves to stabilize the SMART Program and other projects in the DEFP. These reserves protect ongoing projects over the duration of the SMART Program so that changes in the economic environment and other risks are mitigated. There are SMART reserve funds the Board previously identified to be set aside for the SMART Program and additional funds are added in FY 2021. These reserves are shown on the Appropriations page, and details of the approved transactions that impact the reserve funds are shown in the Appendix.

Total SMART Reserve

\$225 million SMART Reserve established FY 2018

\$211 million COPs Series 2020A

\$436 million

At the July 21, 2020 School Board meeting, a new Project Management Owner’s Representative (PMOR) contract was approved for an additional three (3) years with a financial impact of \$64.9 million. The agenda item approved \$17.7 million from the existing SMART project budgets and \$47.2 million from the capital budget unallocated reserve. The unallocated reserve is also available for future SMART Program budget impacts. Additional allocations into the SMART Program require the Board’s approval,

SUMMARY AND BACKGROUND

and all future amounts are subject to change based on economic conditions and the results of annual legislative action.

COPs 2020

At the March 31, 2020, School Board of Broward County Emergency Meeting, the District authorized the issuance of Certificates of Participation (COPs), Series 2020A in an aggregate principal amount not to exceed \$250 million. The 2020A COPs issuance provides the supplemental funding for the additional costs for the SMART Program associated with the August 2019 updated SMART Program Risk Assessment/Market Conditions report from Atkins North America, Inc. (Atkins). Two hundred eleven million dollars of the \$250 million was added to the SMART reserve.

Completed Projects

A list of completed projects are shown in the school-by-school listing. Completed projects are projects that have had financial activity and the scope of the projects is done. There may be some additional financial activity on these projects as the final payments are made and all the purchase orders are closed out. Any remaining balances for SMART Program projects will be returned to the SMART Program reserve so that when the Board awards projects these funds will be used to supplement the program. Remaining balances for completed projects that are not in the SMART Program will be returned to the unallocated reserve until the Board takes action to re-prioritize the funds for other District needs.