



TO: Sarasota County School Board  
Todd Bowden, PhD, Superintendent

THROUGH: Scott Lempe, Chief Operating Officer

FROM: Kathie Ebaugh, AICP, Planning Director

DATE: May 15, 2017

RE: Draft 2017/18 Five-year Capital Improvement Plan:

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Last Friday, May 12, 2017, staff submitted a draft of the 2017/18 Five-year Capital Improvement Plan. As mentioned in that packet, this month, the Florida State Legislature passed HB 7069 which includes a new requirement whereby local school districts must share capital dollars with charter schools. Currently, we are only one of three districts in the state to voluntarily share our capital funds with charter schools. The result of that bill, should it become law, is that the CIP submitted for your review is not structurally sound as it would create a capital budget deficit for all five years of the plan. Staff explained that we would provide you a set of alternatives for the purpose of discussing how the Board would prefer to address this deficit. Attached are two scenarios for you to review and discuss at tomorrow's workshop.

**Tab 1: CIP five-year budget.**

This budget includes the additional charter school payments as required by the Florida legislature and is the same budget that was included in Tab 2 of Friday's Board workshop packet.

**Tab 2: Scenario 1—Borrow/Move Property Purchase.**

In scenario one, the ability to provide for a structurally sound capital budget is accomplished by:

- Proposed changes are as follows:
  - *Moving* \$10,000,000 from year one (2017/18) to year two (2018/19) to purchase an east-central high school site.
  - *Borrowing* \$30,000,000 in year two (2018/19) for the construction of Elementary J.
- Pros of this scenario:
  - The purchase of the high school property is likely not to occur until year two as 1) a site has yet to be identified and 2) additional time will be needed to complete property review, due diligence, and contract negotiations. The 2017/18 Five-year CIP budget is able to be executed as designed with the exception of the moving the purchase of the east-central high school site.
  - Project priorities remain in place in years that have been determined to be most beneficial for both school program demands and District fiscal needs. Many year-one contracts are already under contract for execution this summer.
  - School communities will not be impacted by undue facility growth, maintenance, or capacity demands that may impact their ability to provide educational programs.

- The School Board has significant borrowing capacity. Materials regarding debt service are included as part of the Tab 2 that provide further details.
- Cons of this scenario:
  - The School Board will be incurring \$30,000,000 worth of debt for the construction of an elementary school and will have to incur approximately \$100,000,000 worth of the debt for the next high school, which is projected for some time in the next 8-12 years.

**Tab 3—Scenario 2: Reorganize Capital Priorities.**

In scenario two, the ability to provide for a structurally sound capital budget is accomplished by reorganizing capital priorities across the next six years. This could be accomplished in a variety of ways, one example is presented here. The budget indicates how these changes were made by highlighting original funding years in light orange and alternative funding years in bright orange.

- Proposed changes are as follows:
  - Moving the allocation of funding for the Elementary J project from \$15,000,000 for each of two years to \$14,000,000 in year one (2018/19) and \$16,000,000 (2019/20) in year two.
  - Moving the funding for the Pine View classroom building from years two and three (2018/19 and 2019/20) to years five and six (2021/22 and 2022/23).
  - Moving \$10,000,000 from year one (2017/18) to year two (2018/19) for purchase of the east-central high school site.
  - Move the funding for the Emma Booker Campus: Master Plan and Upgrade from years one-three (2017/18, 2018/19, and 2019/20) to years three through five (2019/20, 2020/21, and 2021/22).
  - Moving the high school rubber track funding currently scheduled in years two and three (two and three (2018/19 and 2019/20) to years three and four (2019/20 and 2020/21).
  - Expanding the funding for the North Port High School science wing renovations from a two year project scheduled for years four and five (2020/21, and 2021/22) to a three year project scheduled for years four, five, and six (2020/21, 2021/22 and 2022/23).
- Pros of this scenario:
  - The purchase of the high school property is likely not to occur until year two as 1) a site has yet to be identified and 2) additional time will be needed to complete property review, due diligence, and contract negotiations.
  - No borrowing will be needed to complete the development of Elementary J.
- Cons of this scenario:
  - Staff has already begun working with the Pine View school community (e.g.: school administrators, teachers, and parents) on the planning of the new classroom wing which is designed to provide permanent classroom space to student currently housed in thirty-six portables. Since this project has been on the five-year capital plan for sometime—having moved up and back—, the school community is very eager to proceed and will be frustrated with another delay in the project.
  - Staff has begun working with the Emma E Booker school community (school administrators and teachers) on the master planning of their campus. This project is needed to address a need for increased non classroom instructional spaces for research labs and speech language education. Delays to the project will mean such

educational programs will continue to be provided in portables away from classrooms.

- The District is in great need for portables to meet the demands of growth. As discussed in the CIP, the current available portable inventory is zero and, as such, the District will have to consider purchasing or leasing portables to meet the demands of additional growth. Delaying projects at Pine View and Emma E Booker will extend the length of period we are without portables.
- As discussed in the draft CIP, the utilization at Emma E Booker is currently well below the LOS of 85% due to a number of classrooms being used for non classroom instruction space. The master planning of this campus will reduce the number of student stations being used for non classroom instruction space at Emma E Booker and across the District at the elementary level.

#### **Five-Year CIP Discussion and Adoption**

At tomorrow's May 16, 2017 Board Work Session, staff will review the Five-year CIP plan, revised CIP budget, and CIP plan changes memo with the Board. Changes will then be made to reflect any Board needs and direction given to staff at the meeting. Final adoption of the 2016/17 Five-year CIP is schedule for Board meeting on June 6, 2017. However, if further discussion is required to consider how to amend the 2017/18 Five-year CIP, it can be moved to June 20, 2017.

# Tab 1

2017/18 Capital Plan: Increased Charter School Payments					
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
<b>Revenues</b>					
Begin Fund Balance	13,301,393	6,597,892	(3,928,002)	(9,958,716)	(7,305,189)
Estimated Revenues	108,336,777	114,158,116	117,894,469	124,274,636	126,760,129
Impact Fees	3,500,000	3,600,000	3,500,000	4,000,000	4,500,000
New Debt					
Total Revenues & Begin Fund Balance	125,138,170	124,356,008	117,466,467	118,315,920	123,954,940
<b>Recurring Appropriations</b>					
Transfers & Debt Srv	47,478,361	48,043,676	48,254,211	48,765,307	49,200,003
Recurring Expenses	32,781,791	32,549,769	32,864,632	35,855,740	35,298,099
Charter Schools Pymts	9,294,126	10,234,565	11,250,340	12,104,062	13,033,780
Total Recurring Appropriations	89,554,278	90,828,010	92,369,183	96,725,109	97,531,882
<b>Previously Approved Projects</b>					
Bay Haven Building 4	250,000				
Brentwood Cafeteria, Renovation, Stormwater	6,800,000				
Career Technical Ed.	96,000	96,000	96,000	96,000	96,000
Classroom of Tomorrow	250,000	250,000	250,000	250,000	250,000
Covered Walkways		250,000	250,000	250,000	250,000
Elementary J		15,000,000	15,000,000		
Englewood Building 6		4,200,000			
Pine View Classroom Wing		10,000,000	10,000,000		
Pine View School Core				7,000,000	
School Site Purchases	10,000,000		3,000,000		
TEL Studio	100,000	100,000	100,000	100,000	100,000
Venice High Classroom Wing				5,000,000	5,000,000
Venice Middle Campus Refresh	500,000				
Venice Middle Field Facilities		1,000,000			
Total Funded Projects	17,996,000	30,896,000	28,696,000	12,696,000	5,696,000
Total Recurring Exp. & Funded Projects	107,550,278	121,724,010	121,065,183	109,421,109	103,227,882
Ending Fund Balance	17,587,892	2,631,998	(3,598,716)	8,894,811	20,727,058
Less Sale of Property	-	-	-	-	-
(Restrctd Fnd Balnce)	-	-	-	-	-
For New Projects	17,587,892	2,631,998	(3,598,716)	8,894,811	20,727,058

New Projects					
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Available for Competing Projects	17,587,892	2,631,998	(3,598,716)	8,894,811	20,727,058
Booker High VPA Theater	1,500,000				
Capital Master Planng	150,000	50,000	50,000	50,000	50,000
Data Transmission Alternatives				5,000,000	5,000,000
Elementary PE Restroom	200,000	200,000	200,000	200,000	200,000
Emma Booker Campus: Master Plan and Upgrade	65,000	2,000,000	2,000,000		
Flexible IT Space &	450,000	450,000	450,000	450,000	450,000
High School Rubber Track	550,000	360,000	160,000		150,000
North Port High Science Wing Renovations				9,000,000	9,000,000
Oak Park Front Office	125,000				
Parking & Pick-Up/ Drop-Off Loops	750,000				
Pine View Science Lab Renovations	3,000,000				
Security: Access Control	500,000	500,000	500,000	500,000	500,000
Security: Fencing	2,000,000	1,500,000	1,500,000	500,000	500,000
Security: Single Point of Entry	1,700,000	1,500,000	1,500,000	500,000	500,000
<b>Total New Projects</b>	<b>10,990,000</b>	<b>6,560,000</b>	<b>6,360,000</b>	<b>16,200,000</b>	<b>16,350,000</b>
<b>Balance</b>	<b>6,597,892</b>	<b>(3,928,002)</b>	<b>(9,958,716)</b>	<b>(7,305,189)</b>	<b>4,377,058</b>
<b>Required Capital Fund Reserve</b>	<b>(7,880,698)</b>	<b>(8,309,011)</b>	<b>(8,761,777)</b>	<b>(9,240,241)</b>	<b>(9,745,994)</b>
<b>Final Balance (Less Reserve)</b>	<b>(1,282,806)</b>	<b>(12,237,013)</b>	<b>(18,720,493)</b>	<b>(16,545,430)</b>	<b>(5,368,936)</b>

# Tab 2

2017/18 Capital Plan Scenario 1: Borrow/Move Property Purchase					
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
<b>Revenues</b>					
Begin Fund Balance	13,301,393	16,597,892	26,071,998	20,041,284	22,694,811
Estimated Revenues	108,336,777	114,158,116	117,894,469	124,274,636	126,760,129
Impact Fees	3,500,000	3,600,000	3,500,000	4,000,000	4,500,000
New Debt		30,000,000			
Total Revenues & Begin Fund Balance	125,138,170	164,356,008	147,466,467	148,315,920	153,954,940
<b>Recurring Appropriations</b>					
Transfers & Debt Srv	47,478,361	48,043,676	48,254,211	48,765,307	49,200,003
Recurring Expenses	32,781,791	32,549,769	32,864,632	35,855,740	35,298,099
Charter Schools Pymts	9,294,126	10,234,565	11,250,340	12,104,062	13,033,780
Total Recurring Appropriations	89,554,278	90,828,010	92,369,183	96,725,109	97,531,882
<b>Previously Approved Projects</b>					
Bay Haven Building 4	250,000				
Brentwood Cafeteria, Renovation, Stormwater	6,800,000				
Career Technical Ed.	96,000	96,000	96,000	96,000	96,000
Classroom of Tomorrow	250,000	250,000	250,000	250,000	250,000
Covered Walkways		250,000	250,000	250,000	250,000
Elementary J		15,000,000	15,000,000		
Englewood Building 6		4,200,000			
Pine View Classroom Wing		10,000,000	10,000,000		
Pine View School Core				7,000,000	
School Site Purchases		10,000,000	3,000,000		
TEL Studio	100,000	100,000	100,000	100,000	100,000
Venice High Classroom Wing				5,000,000	5,000,000
Venice Middle Campus Refresh	500,000				
Venice Middle Field Facilities		1,000,000			
Total Funded Projects	7,996,000	40,896,000	28,696,000	12,696,000	5,696,000
Total Recurring Exp. & Funded Projects	97,550,278	131,724,010	121,065,183	109,421,109	103,227,882
Ending Fund Balance	27,587,892	32,631,998	26,401,284	38,894,811	50,727,058
Less Sale of Property	-	-	-	-	-
(Restrctd Fnd Balnce)	-	-	-	-	-
For New Projects	27,587,892	32,631,998	26,401,284	38,894,811	50,727,058



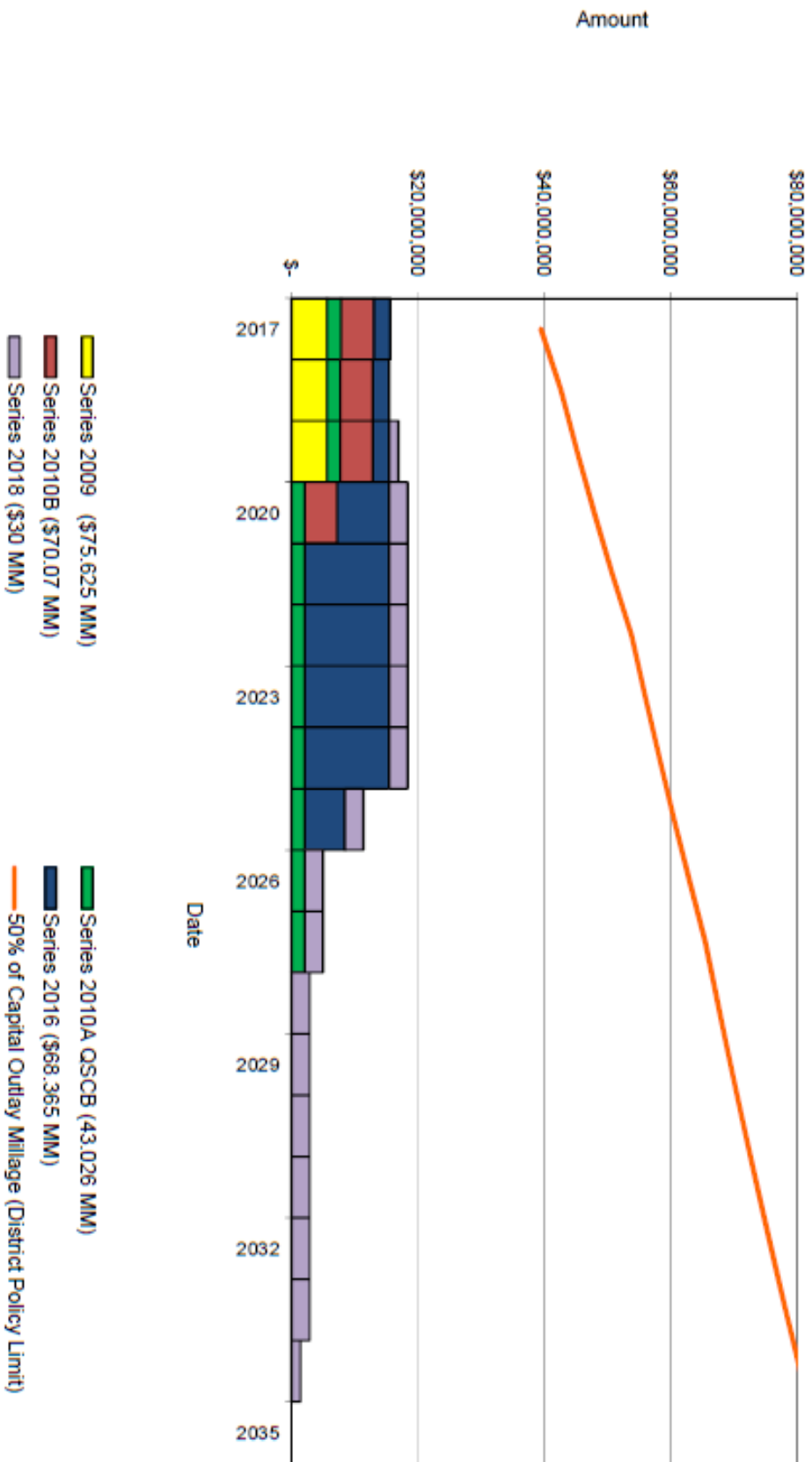
New Projects					
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Available for Competing Projects	27,587,892	32,631,998	26,401,284	38,894,811	50,727,058
Booker High VPA Theater	1,500,000				
Capital Master Planng	150,000	50,000	50,000	50,000	50,000
Data Transmission Alternatives				5,000,000	5,000,000
Elementary PE Restroom	200,000	200,000	200,000	200,000	200,000
Emma Booker Campus: Master Plan and Upgrade	65,000	2,000,000	2,000,000		
Flexible IT Space &	450,000	450,000	450,000	450,000	450,000
High School Rubber Track	550,000	360,000	160,000		150,000
North Port High Science Wing Renovations				9,000,000	9,000,000
Oak Park Front Office	125,000				
Parking & Pick-Up/ Drop-Off Loops	750,000				
Pine View Science Lab Renovations	3,000,000				
Security: Access Control	500,000	500,000	500,000	500,000	500,000
Security: Fencing	2,000,000	1,500,000	1,500,000	500,000	500,000
Security: Single Point of Entry	1,700,000	1,500,000	1,500,000	500,000	500,000
Total New Projects	10,990,000	6,560,000	6,360,000	16,200,000	16,350,000
Balance	16,597,892	26,071,998	20,041,284	22,694,811	34,377,058
Required Capital Fund Reserve	(7,880,698)	(8,309,011)	(8,761,777)	(9,240,241)	(9,745,994)
Final Balance (Less Reserve)	8,717,194	17,762,987	11,279,507	13,454,570	24,631,064

School District of Sarasota County  
Certificates of Participation

ADDITIONAL DEBT ISSUANCE (\$30 Million)

Period Ending	Series 2009 (\$75.625 MM)	Series 2010A QSCB (43.026 MM)	Series 2010B (\$70.07 MM)	Series 2016 (\$68.365 MM)	Series 2018 (\$30 MM)	Aggregate Debt Service	50% of Capital Outlay Millage (District Policy Limit)	Remaining Available Annual Capacity	% of Capital Outlay Millage Levy Used for Lease Payments	Millage Rate applicable to Debt Service
6/30/2017	\$ 5,642,888	\$ 2,266,431	\$ 5,160,900	\$ 2,564,551		\$ 15,634,770	\$ 39,483,951	\$ 23,849,181	19.80%	0.30 mls
6/30/2018	\$ 5,645,887	\$ 2,124,531	\$ 5,161,100	\$ 2,565,626		\$ 15,497,144	\$ 42,642,667	\$ 27,145,523	18.17%	0.27 mls
6/30/2019	\$ 5,642,663	\$ 2,124,531	\$ 5,158,850	\$ 2,566,266	\$ 1,445,134	\$ 16,937,444	\$ 45,201,227	\$ 28,263,783	18.74%	0.28 mls
6/30/2020		\$ 2,124,530	\$ 5,160,750	\$ 8,206,471	\$ 2,890,269	\$ 18,382,020	\$ 47,913,301	\$ 29,531,281	19.18%	0.29 mls
6/30/2021		\$ 2,124,531		\$ 13,368,105	\$ 2,890,269	\$ 18,382,905	\$ 50,788,099	\$ 32,405,194	18.10%	0.27 mls
6/30/2022		\$ 2,124,531		\$ 13,372,780	\$ 2,890,268	\$ 18,387,579	\$ 53,835,385	\$ 35,447,806	17.08%	0.26 mls
6/30/2023		\$ 2,124,530		\$ 13,373,627	\$ 2,890,269	\$ 18,388,426	\$ 55,988,801	\$ 37,600,375	16.42%	0.25 mls
6/30/2024		\$ 2,124,531		\$ 13,370,646	\$ 2,890,269	\$ 18,385,446	\$ 58,228,353	\$ 39,842,907	15.79%	0.24 mls
6/30/2025		\$ 2,124,531		\$ 6,363,837	\$ 2,890,268	\$ 11,378,636	\$ 60,557,487	\$ 49,178,851	9.39%	0.14 mls
6/30/2026		\$ 2,124,530			\$ 2,890,269	\$ 5,014,799	\$ 62,979,786	\$ 57,964,987	3.98%	0.06 mls
6/30/2027		\$ 2,124,531			\$ 2,890,269	\$ 5,014,800	\$ 65,498,978	\$ 60,484,178	3.83%	0.06 mls
6/30/2028					\$ 2,890,268	\$ 2,890,268	\$ 67,463,947	\$ 64,573,679	2.14%	0.03 mls
6/30/2029					\$ 2,890,269	\$ 2,890,269	\$ 69,487,865	\$ 66,597,596	2.08%	0.03 mls
6/30/2030					\$ 2,890,269	\$ 2,890,269	\$ 71,572,501	\$ 68,682,232	2.02%	0.03 mls
6/30/2031					\$ 2,890,268	\$ 2,890,268	\$ 73,719,676	\$ 70,829,408	1.96%	0.03 mls
6/30/2032					\$ 2,890,269	\$ 2,890,269	\$ 75,931,267	\$ 73,040,998	1.90%	0.03 mls
6/30/2033					\$ 2,890,269	\$ 2,890,269	\$ 78,209,205	\$ 75,318,936	1.85%	0.03 mls
6/30/2034					\$ 1,445,134	\$ 1,445,134	\$ 80,555,481	\$ 79,110,347	0.90%	0.01 mls
	\$ 16,931,438	\$ 23,511,738	\$ 20,641,600	\$ 75,751,909	\$ 43,354,030	\$ 180,190,715				

## Proposed Debt Profile Includes Borrowing of \$30,000,000 - 15 Years



# Tab 3

2017/18 Capital Plan Scenario 2: Reorganize Capital Priorities						
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
<b>Revenues</b>						
Begin Fund Balance	13,301,393	16,662,892	9,496,998	14,201,284	17,694,811	
Estimated Revenues	108,336,777	114,158,116	117,894,469	124,274,636	126,760,129	
Impact Fees	3,500,000	3,600,000	3,500,000	4,000,000	4,500,000	
<b>Total Revenues &amp; Begin Fund Balance</b>	<b>125,138,170</b>	<b>134,421,008</b>	<b>130,891,467</b>	<b>142,475,920</b>	<b>148,954,940</b>	
<b>Recurring Appropriations</b>						
Transfers & Debt Srv	47,478,361	48,043,676	48,254,211	48,765,307	49,200,003	
New Debt						
Recurring Expenses	32,781,791	32,549,769	32,864,632	35,855,740	35,298,099	
Charter Schools Pymts	9,294,126	10,234,565	11,250,340	12,104,062	13,033,780	
<b>Total Recurring Appropriations</b>	<b>89,554,278</b>	<b>90,828,010</b>	<b>92,369,183</b>	<b>96,725,109</b>	<b>97,531,882</b>	
<b>Previously Approved Projects</b>						
Bay Haven Building 4	250,000					
Brentwood Cafeteria, Renovation, Stormwater	6,800,000					
Career Technical Ed.	96,000	96,000	96,000	96,000	96,000	
Classroom of Tomorrow	250,000	250,000	250,000	250,000	250,000	
Covered Walkways		250,000	250,000	250,000	250,000	
Elementary J		14,000,000	16,000,000			
Englewood Building 6		4,200,000				
Pine View Classroom Wing					10,000,000	10,000,000
Pine View School Core				7,000,000		
School Site Purchases		10,000,000	3,000,000			
TEL Studio	100,000	100,000	100,000	100,000	100,000	
Venice High Classroom Wing				5,000,000	5,000,000	
Venice Middle Campus Refresh	500,000					
Venice Middle Field Facilities		1,000,000				
<b>Total Funded Projects</b>	<b>7,996,000</b>	<b>29,896,000</b>	<b>19,696,000</b>	<b>12,696,000</b>	<b>15,696,000</b>	
<b>Total Recurring Exp. &amp; Funded Projects</b>	<b>97,550,278</b>	<b>120,724,010</b>	<b>112,065,183</b>	<b>109,421,109</b>	<b>113,227,882</b>	
Ending Fund Balance	27,587,892	13,696,998	18,826,284	33,054,811	35,727,058	
Less Sale of Property	-	-	-	-	-	
(Restrctd Fnd Balnce)	-	-	-	-	-	
<b>For New Projects</b>	<b>27,587,892</b>	<b>13,696,998</b>	<b>18,826,284</b>	<b>33,054,811</b>	<b>35,727,058</b>	

New Projects						
	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	
Available for Competing Projects	27,587,892	13,696,998	18,826,284	33,054,811	35,727,058	
Booker High VPA Theater	1,500,000					
Capital Master Planning	150,000	50,000	50,000	50,000	50,000	
Data Transmission Alternatives				5,000,000	5,000,000	
Elementary PE Restroom	200,000	200,000	200,000	200,000	200,000	
Emma Booker Campus: Master Plan and Upgrade			65,000	2,000,000	2,000,000	
Flexible IT Space &	450,000	450,000	450,000	450,000	450,000	
High School Rubber Track	550,000		360,000	160,000	150,000	
North Port High HVAC/ Science Wing Renovations				6,000,000	6,000,000	6,000,000
Oak Park Front Office	125,000					
Parking & Pick-Up/ Drop-Off Loops	750,000					
Pine View Science Lab Renovations	3,000,000					
Security: Access Control	500,000	500,000	500,000	500,000	500,000	
Security: Fencing	2,000,000	1,500,000	1,500,000	500,000	500,000	
Security: Single Point of Entry	1,700,000	1,500,000	1,500,000	500,000	500,000	
Total New Projects	10,925,000	4,200,000	4,625,000	15,360,000	15,350,000	
Balance	16,662,892	9,496,998	14,201,284	17,694,811	20,377,058	
Required Capital Fund Reserve	(7,880,698)	(8,309,011)	(8,761,777)	(9,240,241)	(9,745,994)	
Final Balance (Less Reserve)	8,782,194	1,187,987	5,439,507	8,454,570	10,631,064	