Sales Tax Summary

Independent Sales Surtax Oversight Committee
May 20, 2022
Sales Tax Summary

- Receipts through April 2022
  - $767.4 million vs projection of $648.3 million
  - 118.4% of projection for this timeframe
  - 57% of total projected receipts for the 10-year sales tax
- Expenditures and Interest Earnings through March 31, 2022
  - Sales Tax Expenditures: $490,146,835
  - Open Purchase Orders: $108,886,828
  - Interest Earnings: $9,273,430
  - Interest and Fees on Revolving Line of Credit: $356,901
## Referendum Summary as of March 31, 2022

<table>
<thead>
<tr>
<th>Category</th>
<th>%</th>
<th>Original Project Budget</th>
<th>Current Project Budget</th>
<th>Change since last meeting</th>
<th>Cumulative Change</th>
<th>Funded to Date</th>
<th>Expenditures through 03/31/2022</th>
<th>Open Purchase Orders 03/31/2022</th>
<th>Total Committed to Date</th>
<th>% Referendum Committed to Date</th>
<th>% of Funds Available Committed to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Renewal &amp; Security</td>
<td>46.22%</td>
<td>957,563,433</td>
<td>833,847,689</td>
<td>(93,715,545)</td>
<td>632,310,905</td>
<td>364,796,910</td>
<td>95,975,952</td>
<td>460,775,762</td>
<td>49.34%</td>
<td>72.67%</td>
<td></td>
</tr>
<tr>
<td>Technology Infrastructure</td>
<td>6.63%</td>
<td>133,080,000</td>
<td>133,380,000</td>
<td>-</td>
<td>34,201,530</td>
<td>68,357,742</td>
<td>1,927,512</td>
<td>70,286,254</td>
<td>52.50%</td>
<td>33.36%</td>
<td></td>
</tr>
<tr>
<td>School Buses and Vehicles</td>
<td>5.10%</td>
<td>102,976,000</td>
<td>102,976,000</td>
<td>-</td>
<td>81,786,000</td>
<td>49,479,782</td>
<td>8,732,174</td>
<td>58,229,936</td>
<td>56.55%</td>
<td>94.25%</td>
<td></td>
</tr>
<tr>
<td>Sales Tax Funded Construction</td>
<td>2.48%</td>
<td>60,000,000</td>
<td>50,078,158</td>
<td>(9,921,842)</td>
<td>12,788,938</td>
<td>6,489,612</td>
<td>2,519,596</td>
<td>9,009,208</td>
<td>17.99%</td>
<td>70.45%</td>
<td></td>
</tr>
<tr>
<td>Sales Tax Reserves</td>
<td>3.97%</td>
<td>51,323,663</td>
<td>65,113,811</td>
<td>69,234,691</td>
<td>84,950,723</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Sales Tax Interest &amp; DS</td>
<td>0.43%</td>
<td>0.712,220</td>
<td>8,712,220</td>
<td>8,712,220</td>
<td>356,901</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>356,901</td>
<td>4.10%</td>
<td></td>
</tr>
<tr>
<td>Sales Tax Total</td>
<td>66.32%</td>
<td>$1,345,713,096</td>
<td>$1,350,852,627</td>
<td>($4,169,404)</td>
<td>$834,861,022</td>
<td>$489,498,926</td>
<td>$109,158,135</td>
<td>$598,657,661</td>
<td>44.34%</td>
<td>87.66%</td>
<td></td>
</tr>
<tr>
<td>Projects Funded with other sources</td>
<td>33.18%</td>
<td>394,074,180</td>
<td>673,245,574</td>
<td>92,810,217</td>
<td>276,171,394</td>
<td>245,446,049</td>
<td>165,242,156</td>
<td>286,939,933</td>
<td>39.98%</td>
<td>59.48%</td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
<td>$1,739,817,276</td>
<td>$2,020,108,202</td>
<td>$280,290,925</td>
<td>$1,335,307,972</td>
<td>$654,741,092</td>
<td>$211,555,903</td>
<td>$866,596,595</td>
<td>42.89%</td>
<td>94.90%</td>
<td></td>
</tr>
</tbody>
</table>
Sales Tax Budget Strategy

- Construction costs have been increasing along with the cost of materials.
- Developed strategies to make funds available to offset increased costs.

### Revenues

<table>
<thead>
<tr>
<th>Available Funds</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Tax Reserves</td>
<td>55,444,543</td>
</tr>
<tr>
<td>Interest Earnings</td>
<td>8,415,380</td>
</tr>
<tr>
<td>Additional Revenue with no growth YOY</td>
<td>122,108,557</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>185,968,480</strong></td>
</tr>
</tbody>
</table>

### Change funding for select projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility Renewal - Lake Worth HS</td>
<td>19,218,692</td>
</tr>
<tr>
<td>Facility Renewal - Olympic Heights HS</td>
<td>18,739,368</td>
</tr>
<tr>
<td>Facility Renewal - Santaluces HS</td>
<td>17,705,138</td>
</tr>
<tr>
<td>Facility Renewal - W T Dwyer HS</td>
<td>20,013,293</td>
</tr>
<tr>
<td>Facility Riviera Beach Prep - Scope Change</td>
<td>13,564,829</td>
</tr>
<tr>
<td><strong>Total of Possibilities</strong></td>
<td><strong>89,241,320</strong></td>
</tr>
</tbody>
</table>

### Total Possible Revenue Options

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Possible Revenue Options</strong></td>
<td><strong>275,209,800</strong></td>
</tr>
</tbody>
</table>

### Expense

<table>
<thead>
<tr>
<th>Estimated Budget Increases</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>AECOM Estimate for Facility Renewal Projects</td>
<td>190,000,000</td>
</tr>
<tr>
<td>Estimate Construction Projects</td>
<td>32,000,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>222,000,000</strong></td>
</tr>
</tbody>
</table>
Proposed Plan Modifications
Proposed Plan Modifications

- PPM 122 – Grove Park ES Modernization
  - Grove Park Modernization increased by $12,634,553
    - Increase due to material cost escalation and contractor market labor rate increases
    - Funding by an increase in the upcoming borrowing
  - Grove Park Holding School decreased by $6,285,690
    - Rather than constructing a temporary school, students will utilize the second floor of Lincoln ES. The school was previously used as a temporary campus for Washington ES. Some work will be needed to accommodate the larger student population of Grove Park, but the cost is significantly less than expected.
    - Funded with local funds (not sales tax) and will be returned to Capital Contingency.
  - The project budget is expected to exceed the maximum cost per student station by $2,051,511. The only way to accommodate the budget is to borrow for the project (as planned) and the debt service (principal and interest) associated with the overage must be funded from sales tax. $2,051,511 will be transferred from the sales tax reserve to a new project called COP Debt Service. This amount will be adjusted to include interest once the financing has been completed.
  - The project budget may be revised further to increase the size of one building and eliminate the need to keep existing modular. This would increase the cost per student station and the amount of sales tax revenues needed for the project.
Proposed Plan Modifications

• PPM 123 – Melaleuca ES Modernization
  ● Melaleuca Modernization increased by $7,014,463
    ○ Increase due to material cost escalation and contractor market labor rate increases
    ○ Funding by an increase in the upcoming borrowing
  ● Melaleuca Holding School increased by $3,245,000
    ○ A temporary school, at Crestwood MS, will be used to house students from Melaleuca ES in FY 2023 and students from Wynnebrook ES in FY 2024. The school will be comprised of available space at Crestwood and leased portable classrooms which will be returned after FY 2024. This is similar to the temporary campus used by Verde ES and Addison Mizner ES in FY2020 and FY 2021. The cost of the holding school will be split between the two construction projects.
    ○ Funded with local funds (not sales tax or borrowing).
  ● The project budget is expected to exceed the maximum cost per student station by $2,351,183. The only way to accommodate the budget is to borrow for the project (as planned) and the debt service (principal and interest) associated with the overage must be funded from sales tax. $2,351,183 will be transferred from the sales tax reserve to a new project called COP Debt Service. This amount will be adjusted to include interest once the financing has been completed.
Proposed Plan Modifications

- PPM 124 – 129 Facility Renewal Projects- budget increases totaling $6,159,986. This will ensure all items on the referendum list are completed. The funds will be transferred from the Sales Tax Reserve.
  - PPM 124 – A W Dreyfoos School of the Arts - budget increase of $2,620,417. Increased budget for ADA Route, roofing, mechanical room ductwork, scoreboard, intercom speakers, and LED light fixtures due to unforeseen construction material and labor price escalation.
  - PPM 125 - Banyan Creek ES - budget increase of $338,000. Increased budget for parking lot paving/striping and interior painting due to unforeseen construction material and labor price escalation.
  - PPM 126 - Christa McAuliffe MS - budget increase of $1,141,569. Increased budget for HVAC, roof replacement and fire alarm due to unforeseen construction material and labor price escalation.
  - PPM 127 - Jupiter MS - budget increase of $498,000. Increased budget for interior painting, running track, scoreboards and lockers due to unforeseen construction material and labor price escalation.
  - PPM 128 - Lake Park ES - budget increase of $1,070,000. Increased budget for flooring, casework, interior painting and covered walkways due to unforeseen construction material and labor price escalation.
  - PPM 129 - Lake Worth HS - budget increase of $492,000. Increased budget for fire pump replacement, pool heater replacement, interior painting and sound system upgrades due to unforeseen construction material and labor price escalation.
Proposed Plan Modifications

• **PPM 130** – Discussed on slide four. A significant portion of the facility renewal work at four high schools will be funded by borrowing. This will increase the borrowing by $75,676,492 and will increase the balance in the sales tax reserve by the same amount. These funds will be used to offset increased construction costs for future projects.

• **PPM 131** - A portion of thirty-one facility renewal projects accelerated to FY 22 to allow Maintenance to begin work at the schools. Funds will be transferred from the sales tax reserve in FY 22 and returned to the reserve account in FY 24, 25 and 26. There is no net change to the school budgets or sales tax reserve.
  - $5,664,666 of Building Envelope projects will be accelerated at 31 schools.
  - $15,000 of Interior Finishing projects will be accelerated at one of the schools.
Project Updates - Your Penny @ Work!
Ongoing Facility Renewals

Reception area repaired at Morikami Park ES

AHU work at Morikami Park ES

Lighting work at Liberty Park ES

Lighting work at Eagles Landing

High-performing A-rated District
Ongoing Facility Renewals

Roofing work completed at Limestone Creek ES

Bathroom work completed at Limestone Creek ES

Roofing work at Jupiter ES

Stucco repair at Jupiter ES
Ongoing Facility Renewals

New doors installed Spanish River HS

New windows installed Spanish River HS

New floor Eagles Landings MS

Parapet wall stucco replacement Jupiter ES
Ongoing Facility Renewals

Plumbing Work Limestone Creek ES

Roofing Work Limestone Creek ES

Striping Drop-Off Area Liberty Park ES

Roofing work at Morikami ES
Greater WPB/ Lake Worth Area HS (03-OOO)
Blue Lake ES (05-C)
New West Boynton Beach MS (17-PP)

This project is not on the referendum project list but may be of interest to committee members.
Project Updates - Your Penny @ Work!

New Elementary School: Blue Lake ES (05-C):  https://youtu.be/xHzOSxPM-ag

Discussion and Questions
Next Meeting

The next meeting is scheduled for August 8, 2022 at 9:30am