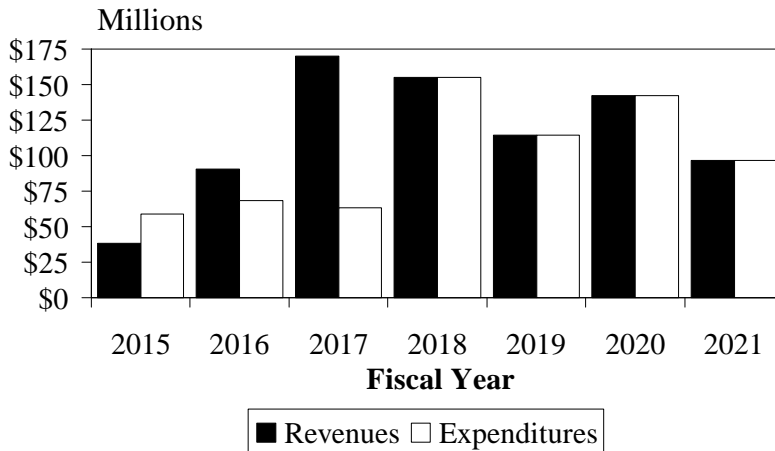


Three Year Forecast Revenues and Expenditures Capital Projects Fund



Fiscal Years 2018 through 2021 are estimated.

CAPITAL PROJECTS FUND

(Fund 21)

The Capital Projects Fund accounts for all general government and school system capital projects, which are financed through a combination of general obligation bonds and operating transfers from the General Fund and Special Revenue Fund.

The County of Henrico adopts both an operating and capital budget annually. These two separate budgets, when combined, represent the total appropriation made by the Board of Supervisors each year. This “fund” forecast encompasses the County’s Capital Projects Fund, which is representative of the County’s capital budget. A separate narrative, found elsewhere in this document, includes the operating impact of approved capital projects on the County’s operating budget. The County of Henrico will not approve funding for a capital project in the capital budget unless all operating cost increases are known, and have been incorporated into the operating budget.

Revenues

Assumptions

Use of Money & Property represents the interest earned on the balance remaining within the Capital Projects Fund from bond proceeds and other sources of funding.

Miscellaneous Revenues includes payments received from other localities or other entities for shared capital project costs.

Intergovernmental Revenues include various State grants, Federal grants, and VDOT Construction Aid Drawdown.

General Obligation Bonds - 2016 of \$419.8 million were approved by the voters in the November 2016 Bond Referendum for school and general government capital projects over a six-year period ending in FY2022-23. The six bond issues for FY2018 through FY2023 by year and category are:

(In millions)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total
Education	\$99.6	\$15.0	\$70.0	\$42.0	\$46.0	\$0.0	\$272.6
General Government	<u>\$15.0</u>	<u>\$38.0</u>	<u>\$22.2</u>	<u>\$14.0</u>	<u>\$31.7</u>	<u>\$26.3</u>	<u>\$147.2</u>
Total	\$114.6	\$53.0	\$92.2	\$56.0	\$77.7	\$26.3	\$419.8

Transfers:

(To) From General Fund is the transfer of non-bond resources from the General Fund. The FY2019 transfer of \$61,564,800 includes an allocation of \$10.0 million from the Designated General Fund balance. This allocation includes \$5.0 million for pay-as-you-go construction for General Government and \$2.5 million for Education to support various ongoing projects. The remaining \$2.5 million associated with the General Fund designated fund balance transfer will support the Countywide pedestrian improvements project. The forecast also includes a \$17,662,090 allocation from the Designated Capital Reserve balance which will provide funding for several General Government projects.

Education Meals Tax revenue of \$9.0 million will support various maintenance and rehabilitation projects identified by Schools. Dedicated Stormwater resources of \$2,348,000 are included for an ongoing stormwater project to meet the County's Chesapeake Bay Total Maximum Daily Load (TMDL) permit requirement. Motor Vehicle License Fee revenue of \$1,000,000 will provide funding for various Public Works' ongoing general road construction projects. A total of \$9,251,000 associated with the Tourism Reserve has been dedicated to the High School Field Renovations project. Public Works Reserve funding of \$3,678,910 will partially support the Woodman Road Extension project. The FY2019 transfer also includes General Fund revenues totaling \$7,624,800 which will fully fund the School Bus Replacement Program and the Police Vehicle Replacement Program, and partially support the Fire Apparatus Replacement Program. The remaining \$1.0 million in Undesignated General Fund balance will provide the remaining support needed for the Fire Apparatus Replacement Program.

The FY2020 forecasted transfer of \$50,172,800 includes a \$10.0 million allocation from the Designated General Fund balance, an \$18.7 million allocation from the Designated Capital Reserve balance, \$9.0 million from Education Meals Tax revenue, \$2,348,000 of dedicated General Fund Stormwater revenues, \$1.0 million from Motor Vehicle License Fee revenue, \$8,374,800 in General Fund revenues, and \$750,000 from the Undesignated General Fund balance. The FY2021 forecast of \$40,472,800 mirrors the FY2020 forecast with the exception of the Designated Capital Reserve balance, which is projected at a cost of \$8.5 million, General Fund revenues, which total \$9,124,800, and the Undesignated General Fund balance, which is projected to total \$500,000.

On the following page is a list of projects funded by the General Fund transfer in the Approved FY2017-18 and FY2018-19 Capital Budgets.

FY2018**From General Fund - \$35,067,380**

Project	Total
Recreation Facility Rehabilitation	\$ 766,000
Geographic Information System	150,000
General Road Construction	850,000
Information Technology Projects	1,000,000
Education Meals Tax Project Reserve	9,000,000
Schools - Mechanical Improvement	1,547,000
Schools - Roof Replacement	953,000
Mechanical Improvements	1,000,000
Roof Replacement and Rehabilitation	350,000
Pavement Rehabilitation	500,000
Small Project Improvements/Renovations	400,000
Chesapeake Bay TMDL Compliance	2,348,000
School Bus Replacement Plan	2,500,000
Fire Apparatus Replacement Program	1,750,000
Police Vehicle Replacement Program	2,324,800
Countywide Pedestrian Improvements	2,500,000
Human Services Building Renovation	435,000
Evidence Storage Facility	200,000
Data Center Upgrade	697,000
East Center Replacement Construction	3,830,580
Emergency Medical Dispatch System	580,000
Communications Training Room	258,000
Juvenile Courts - Secured Parking	270,000
Countywide Engineering Feasibility Studies	500,000
Belmont Golf Course Bunker Renovations	358,000
Total From General Fund	\$ 35,067,380

FY2019**From General Fund - \$61,564,800**

Project	Total
Recreation Facility Rehabilitation	\$ 600,000
Geographic Information System	150,000
General Road Construction	1,000,000
Information Technology Projects	1,500,000
Education Meals Tax Project Reserve	9,000,000
Schools - Mechanical Improvement	1,961,850
Schools - Roof Replacement	538,150
Mechanical Improvements	1,100,000
Roof Replacement and Rehabilitation	500,000
Pavement Rehabilitation	500,000
Small Project Improvements/Renovations	250,000
Chesapeake Bay TMDL Compliance	2,348,000
School Bus Replacement Plan	3,000,000
Fire Apparatus Replacement Program	3,000,000
Police Vehicle Replacement Program	2,624,800
Countywide Pedestrian Improvements	2,500,000
Human Services Building Renovation	3,800,000
Evidence Storage Facility	589,000
Energy Management	400,000
Circuit Court Renovation	8,500,000
Woodman Road Extension	4,945,000
Oakley's Lane	507,000
High School Field Upgrades	9,251,000
ORBIT Facility	3,000,000
Total From General Fund	\$ 61,564,800

Expenditures**Assumptions**

Capital Project Expenditures over the three-year forecast period are requested at \$353,410,400. Expenditures for Education projects funded with General Obligation Bonds during the forecast period total \$127.0 million and include the Tucker High School renovation - \$55.0 million, a new Brookland Area Elementary School - \$20.0 million, the Glen Allen High School Technical Center - \$37.0 million, and partial funding of \$15.0 million towards an Eastern Area Technical Center. Expenditures for General Government projects funded with General Obligation Bonds during the forecast period total \$69.2 million. Forecasted expenditures include \$10.0 million for the Staples Mill Road Fire Station, \$24.0 million for the Fairfield Area Library replacement, \$6.2 million for improvements at Dorey Park, \$4.0 million for improvements at Deep Run Park, partial funding of \$5.0 million for the new Taylor Park, and \$20.0 million for the final phase of Greenwood Park. Expenditures for the Public Works project funded with General Obligation Bonds during the forecast period total \$5.0 million, which represents partial funding associated with the Richmond/Henrico Turnpike project.

Designated Fund balance expenditures for the three-year period total \$30.0 million of which \$7.5 million has been designated for Schools, \$15.0 million has been designated for pay-as-you-go construction for General Government, and the remaining \$7.5 million will support the Countywide pedestrian improvements project. Forecasted FY2019 expenditures which have been designated for Schools totals \$2.5 million, which will cover mechanical improvements of \$1,961,850 and roof replacements of \$538,150. The \$5.0 million for General Government includes \$1.5 million for Information Technology projects, \$1.1 million for mechanical improvements, \$500,000 for roof replacement and rehabilitation projects, \$500,000 for pavement rehabilitation projects, \$600,000 for facility rehabilitation projects, \$400,000 for energy management projects, \$250,000 for small project improvements and renovation projects, and \$150,000 for the Geographic Information System project. The remaining \$2.5 million associated with the General Fund designated fund balance transfer will support the Countywide pedestrian improvements project. FY2020 and FY2021

expenditures are also forecasted at \$10.0 million per year, with Education receiving \$2.5 million, General Government receiving \$5.0 million, and the Countywide pedestrian improvements project receiving \$2.5 million.

Designated Capital Reserve Fund balance expenditures for the three-year period total \$44,862,090. FY2019 expenditures of \$17,662,090 will provide funding of \$8.5 million for the Circuit Court Renovation project, \$3.8 million for the Human Services Building Renovation, \$3.0 million for the ORBIT Facility, \$1,266,090 for the Woodman Road Extension, \$589,000 for the Evidence Storage Facility, and \$507,000 for the Oakley's Lane project. FY2020 forecasted expenditures are budgeted at \$18.7 million and include \$6.0 million for the ORBIT facility, \$5.0 million for the Evidence Storage Facility, \$5.2 million for Oakley's Lane, \$2.0 million for the Woodman Road Extension, and \$500,000 for the Countywide Engineering Feasibility Study. FY2021 forecasted expenditures are budgeted at \$8.5 million and include \$6.0 million for the ORBIT facility, \$2.0 million for the Tactical Training Facility, and \$500,000 for the Countywide Engineering Feasibility Study.

Education Meals Tax revenue are forecasted to generate \$27.0 million over the three-year period which would provide funding for various Schools infrastructure projects. General Fund dedicated stormwater revenue is forecasted to generate \$7,044,000 million over a three-year period, which would allow for stormwater infrastructure projects required by the EPA as part of the Chesapeake Bay TMDL. The Motor Vehicle License Fee revenue is forecasted to generate \$3.0 million for the three-year period which will cover on-going general construction. In FY2019, General Fund-Tourism Reserve funding of \$9,251,000 will cover costs associated with the High School Field Renovations project and Public Works Reserve funding of \$3,678,910 will partially support the Woodman Road Extension project.

Expenditures utilizing General Fund revenues for vehicle replacement over the three-year forecast period total \$25,124,400. Expenditures for Education's School Bus Replacement Program total \$10.5 million over the forecast period. Expenditures for General Government total \$14,624,400 and include funding of \$7,874,400 for Police's Vehicle Replacement Program and partial funding of \$6,750,000 for Fire's Apparatus Replacement Program. A total of \$2,250,000 in Undesignated General Fund balance will provide the remaining funding needed for the Fire Apparatus Replacement Program over the three-year period.

(To) From Capital Projects Fund Equity represents the change in accumulated construction appropriations based on projected resources and corresponding expenditures throughout the forecast period.

Capital Projects Fund Balance represents the estimated amount of available appropriations based on the addition of new resources less projected expenditures.

Capital Projects Fund Forecast

	FY 16-17 Actual	FY 17-18 Original	FY 18-19 Forecast	FY 19-20 Forecast	FY 20-21 Forecast
Resources:					
Revenues:					
Use of Money and Property	\$ 324,932	-	-	-	-
Miscellaneous Revenues	324,709	-	-	-	-
Intergovernmental	5,830,899	-	-	-	-
Subtotal Revenues	<u>\$ 6,480,540</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Financing (Uses) Sources:					
Bonds:					
G. O. Bonds - Education - 2016	\$ 99,600,000	\$ 99,600,000	\$ 15,000,000	\$ 70,000,000	\$ 42,000,000
G. O. Bonds - General Gov't - 2016	15,000,000	15,000,000	38,000,000	22,200,000	9,000,000
G. O. Bonds - Public Works - 2016	-	-	-	-	5,000,000
Subtotal Bonds:	<u>\$ 114,600,000</u>	<u>\$ 114,600,000</u>	<u>\$ 53,000,000</u>	<u>\$ 92,200,000</u>	<u>\$ 56,000,000</u>
Transfers:					
(To) From General Fund:					
Designated Fund Balance	\$ 12,418,231	\$ 7,500,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Designated Capital Reserve	4,899,400	6,826,777	17,662,090	18,700,000	8,500,000
Education Meals Tax	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Fund Balance (Meals Tax Prior Yr Add'l Receipts)	10,783,247	-	-	-	-
Undesignated Fund Balance	350,000	-	-	-	-
General Fund Revenues - Stormwater Dedication	2,348,000	2,348,000	2,348,000	2,348,000	2,348,000
General Fund Revenue - Motor Vehicle License Fee	850,000	850,000	1,000,000	1,000,000	1,000,000
Permit Fee Revenue	1,000,000	-	-	-	-
General Fund - Mental Health Reserve	-	1,967,803	-	-	-
General Fund - Tourism Reserve	-	-	9,251,000	-	-
Public Works Reserve	-	-	3,678,910	-	-
General Fund Revenues - Vehicle Replacement	5,824,800	6,574,800	7,624,800	8,374,800	9,124,800
Undesignated Fund Balance - Vehicle Replacement	-	-	1,000,000	750,000	500,000
Subtotal General Fund Transfers	<u>\$ 47,473,678</u>	<u>\$ 35,067,380</u>	<u>\$ 61,564,800</u>	<u>\$ 50,172,800</u>	<u>\$ 40,472,800</u>
(To) From Special Revenue Fund:					
Mental Health - Fund Balance	\$ 1,018,500	\$ 4,869,420	\$ -	\$ -	\$ -
Landfill Fees	150,000	600,000	-	-	-
Subtotal Special Revenue Fund Transfers	<u>\$ 1,168,500</u>	<u>\$ 5,469,420</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Resources and Transfers	<u>\$ 169,722,718</u>	<u>\$ 155,136,800</u>	<u>\$ 114,564,800</u>	<u>\$ 142,372,800</u>	<u>\$ 96,472,800</u>
Expenditures:					
General Government	\$ 31,608,431	\$ 34,380,800	\$ 73,764,800	\$ 43,824,800	\$ 27,624,800
Education	18,937,914	113,600,000	29,500,000	85,000,000	57,500,000
Public Works	12,544,369	6,198,000	11,300,000	13,548,000	11,348,000
Utilities - Landfill	143,493	600,000	-	-	-
Belmont Golf Course	-	358,000	-	-	-
Total Expenditures	<u>\$ 63,234,207</u>	<u>\$ 155,136,800</u>	<u>\$ 114,564,800</u>	<u>\$ 142,372,800</u>	<u>\$ 96,472,800</u>
(To) From Capital Projects	\$ (106,488,511)	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Fund Equity					
Capital Projects Fund Balance*	<u>\$ 267,823,964</u>	<u>\$ 247,823,964</u>	<u>\$ 227,823,964</u>	<u>\$ 207,823,964</u>	<u>\$ 187,823,964</u>

Notes:

Revenues and Expenditures in forecast years are based on anticipated appropriations.

From Capital Projects Fund Balance is the use of cash to complete projects where funds were appropriated in prior years.

To Capital Projects Fund Balance is the anticipated addition to Fund Balance of unspent current year appropriations.

(*) Source - Trial Balance. Represents unspent balance as of 6/30/17.