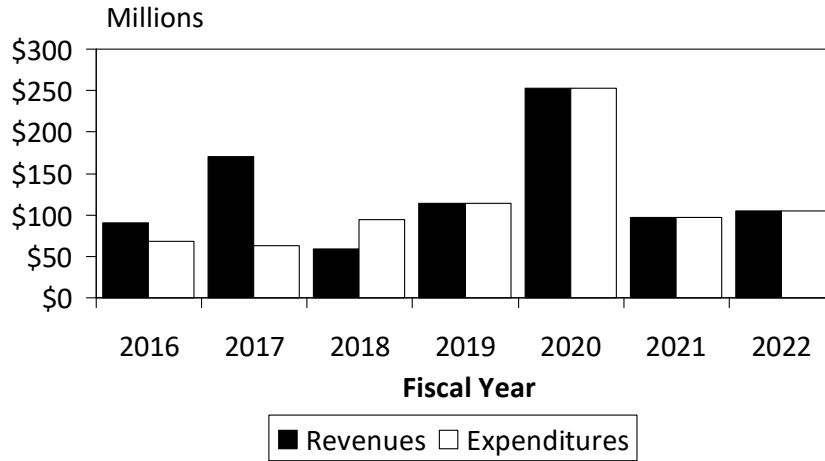


Three Year Forecast Revenues and Expenditures Capital Projects Fund



Fiscal Years 2019 through 2022 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 - \$419.8 million was 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	\$112.0	\$27.0	\$19.0	\$0.0	\$272.6
Fire	\$2.5	\$2.0	\$8.0	\$0.0	\$1.6	\$8.0	\$22.1
Library	\$0.0	\$24.0	\$0.0	\$0.0	\$0.0	\$0.0	\$24.0
Public Works	\$0.0	\$0.0	\$0.0	\$5.0	\$9.0	\$0.0	\$14.0
Recreation and Parks	<u>\$12.5</u>	<u>\$12.0</u>	<u>\$14.2</u>	<u>\$9.0</u>	<u>\$21.1</u>	<u>\$18.3</u>	<u>\$87.1</u>
Total	\$114.6	\$53.0	\$134.2	\$41.0	\$50.7	\$26.3	\$419.8

Transfers:

(To) From General Fund is the transfer of non-bond resources from the General Fund. The FY2020 transfer of \$78,160,048 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 \$14,055,000 allocation from the Designated Capital Reserve balance which will provide funding for several General Government projects.

Education Meals Tax revenue of \$9,000,000 has been designated for the replacement of Tucker HS and Education Meals Tax reserve funding of \$26,345,233 is included for the replacement of Highland Springs HS. Assigned fund balance of \$2,987,015 associated with the land reserve will provide funding towards Tucker HS. 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 \$1,500,000 will provide funding for various Public Works’ ongoing projects. A total of \$2,000,000 associated with the Tourism Reserve is forecasted for remaining costs associated with the Henrico Aquatics Center. The FY2020 transfer also includes General Fund revenues totaling \$8,924,800 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 FY2021 forecasted transfer of \$55,378,000 includes a \$10.0 million allocation from the Designated General Fund balance, \$22,605,200 from the Designated Capital Reserve balance, \$9.0 million from Education Meals Tax revenue, \$2,348,000 of dedicated General Fund Stormwater revenues, \$1.5 million from Motor Vehicle License Fee revenue, \$9,174,800 in General Fund revenues, and \$750,000 from the Undesignated General Fund balance. The FY2022 forecast of \$54,138,000 mirrors the FY2021 forecast with the exception of the Designated Capital Reserve balance, which totals \$21,365,200, General Fund revenues, which total \$9,424,800, 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 FY2018-19 and FY2019-20 Capital Budgets.

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

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

FY2020**From General Fund - \$78,160,048**

Project	Total
Schools - Mechanical Improvement	\$ 2,000,000
Schools - Roof Replacement	500,000
Mechanical Improvements	1,000,000
Roof Replacement and Rehabilitation	1,000,000
Pavement Rehabilitation	500,000
Small Project Improvements/Renov	300,000
Energy Management	200,000
Information Technology Projects	1,500,000
Geographic Information System	150,000
Countywide Pedestrian Improvements	2,500,000
Chesapeake Bay TMDL Compliance	2,348,000
Recreation Facility Rehabilitation	750,000
General Road Construction	1,000,000
School Bus Replacement Plan	4,000,000
Fire Apparatus Replacement Program	3,300,000
Police Vehicle Replacement Program	2,624,800
Evidence Storage Facility	4,500,000
Woodman Road Extension	1,810,000
Oakley's Lane	5,195,000
Tucker HS Construction	11,987,015
Highland Springs HS Construction	26,345,233
Henrico Aquatics Center	2,000,000
Police Range Classroom Addition	1,500,000
County Buildings Restroom Refresh	650,000
Countywide Engineering Feasibility Study	500,000
Total From General Fund	\$ 78,160,048

Expenditures**Assumptions**

Capital Project Expenditures over the three-year forecast period are requested at \$454,243,800. Expenditures for Education projects funded with General Obligation Bonds during the forecast period total \$158.0 million and includes funding for the Tucker HS renovation - \$45.0 million, the Highland Springs HS renovation - \$42.0 million, the new Brookland Area ES - \$15.0 million, the Glen Allen HS Technical Center - \$37.0 million, and \$19.0 million for the Adams ES renovation. Expenditures for General Government projects funded with General Obligation Bonds during the forecast period total \$53.9 million. Forecasted expenditures include \$8.0 million for the Staples Mill Road Firehouse, \$1.6 million for Eastgate/Newbridge Firehouse, \$4.2 million for improvements at Dorey Park, \$4.0 million for improvements at Deep Run Park, \$19.0 million for the new Taylor Park, \$2.1 million for improvements at Cheswick Park, \$5.0 million for the new Tuckahoe Creek Park, and \$10.0 million for the final phase of Glover Park. Expenditures for the Public Works project funded with General Obligation Bonds during the forecast period total \$14.0 million for the Richmond/Henrico Turnpike project.

Bond Premium funding totals \$25.0 million for FY2020 and covers partial funding of Highland Springs HS - \$15.0 million and Tucker HS - \$10.0 million. VPSA funding totals \$13,667,752 for FY2020 and covers partial funding of Highland Springs HS - \$9,654,767 and Tucker HS - \$4,012,985. Interest earnings of \$2.0 million is included in the FY2020 forecast for Highland Springs HS.

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 FY2020 expenditures which have been designated for Schools totals \$2.5 million, which will cover mechanical

improvements of \$2.0 million and roof replacements of \$500,000. The \$5.0 million for General Government includes \$1.5 million for Information Technology projects, \$1.0 million for mechanical improvements, \$1.0 million for roof replacement and rehabilitation projects, \$500,000 for pavement rehabilitation projects, \$200,000 for energy management projects, \$300,000 for small project improvements and renovation projects, \$150,000 for the Geographic Information System project, and \$350,000 for partial funding associated with the County Buildings Restroom Refresh project. The remaining \$2.5 million associated with the General Fund designated fund balance transfer will support the Countywide pedestrian improvements project. FY2021 and FY2022 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 \$58,025,400. FY2020 expenditures of \$14,055,000 will provide funding of \$5,195,000 for Oakley's Lane, \$1,810,000 for the Woodman Road Extension, \$4.5 million for the Evidence Storage Facility, \$1.5 million for the Police Range Classroom Addition, \$750,000 for facility rehabilitation projects, and \$300,000 for partial funding associated with the County Buildings Restroom Refresh project. FY2021 forecasted expenditures are budgeted at \$22,605,200 and include partial funding of \$2,374,700 for the rebuild of Firehouse #6, \$12.0 million for the Transitional Recovery Center facility, partial funding of \$771,200 for the Police West Station, \$3.9 million for the North Gayton Road interchange, and 3,559,300 for facility rehabilitation projects. FY2022 forecasted expenditures are budgeted at \$21,365,200 and include remaining funding of \$8,379,600 for the rebuild of Firehouse #6, \$3,353,700 for Fire's Opticom project, \$6,158,500 for remaining funding associated with the Police West Station, \$1,100,000 for facility rehabilitation projects, \$1,693,000 for site improvements at Pouncey Tract Park, and \$680,400 for improvements to Jail West.

Education Meals Tax revenue are forecasted to generate \$27.0 million over the three-year period which would provide funding for Tucker HS in FY2020 and various Schools infrastructure projects in FY2021 and FY2022. In FY2020, Education Meals Tax reserve funding of \$26,345,233 is included for Highland Springs HS. Assigned fund balance of \$2,987,015 associated with the land reserve will provide funding for Tucker HS in FY2020. 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 \$4.5 million for the three-year period which will cover ongoing general construction - \$3.0 million as well as the Countywide Engineering Feasibility Study - \$1.5 million. In FY2020, General Fund-Tourism Reserve funding of \$2.0 million will cover remaining costs associated with the Henrico Aquatics Center.

Expenditures utilizing General Fund revenues for vehicle replacement over the three-year forecast period total \$29,774,400. Expenditures for Education's School Bus Replacement Program total \$12.0 million over the forecast period. Expenditures for General Government total \$15,524,400 and include funding of \$7,874,400 for Police's Vehicle Replacement Program and partial funding of \$7,650,000 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 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22
	Actual	Original	Forecast	Forecast	Forecast
Resources:					
Revenues:					
Use of Money and Property	\$ 2,302,732	-	-	-	-
Miscellaneous Revenues	680,871	-	-	-	-
Intergovernmental	1,551,658	-	-	-	-
Subtotal Revenues	\$ 4,535,261	\$ -	\$ -	\$ -	\$ -
Other Financing (Uses) Sources:					
Bonds:					
G. O. Bonds - Education - 2016	\$ -	\$ 15,000,000	\$112,000,000	\$ 27,000,000	\$ 19,000,000
G. O. Bonds - General Gov't - 2016	-	38,000,000	22,200,000	9,000,000	22,700,000
G. O. Bonds - Public Works - 2016	-	-	-	5,000,000	9,000,000
Bond Premium	-	-	25,000,000	-	-
VPSA	-	-	13,667,752	-	-
Interest Earnings	-	-	2,000,000	-	-
Subtotal Bonds:	\$ -	\$ 53,000,000	\$174,867,752	\$ 41,000,000	\$ 50,700,000
Transfers:					
(To) From General Fund:					
Designated Fund Balance	\$ 20,834,470	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000
Designated Capital Reserve	6,826,777	17,662,090	14,055,000	22,605,200	21,365,200
Education Meals Tax	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Education Meals Tax Reserve	-	-	26,345,233	-	-
Assigned Fund Balance - Land Reserve	-	-	2,987,015	-	-
General Fund Rev - Stormwater Dedication	2,348,000	2,348,000	2,348,000	2,348,000	2,348,000
General Fund Rev - Motor Vehicle License Fee	850,000	1,000,000	1,500,000	1,500,000	1,500,000
General Fund - Mental Health Reserve	1,967,803	-	-	-	-
General Fund - Tourism Reserve	-	9,251,000	2,000,000	-	-
Public Works Reserve	-	3,678,910	-	-	-
General Fund Rev - Vehicle Replacement	6,574,800	7,624,800	8,924,800	9,174,800	9,424,800
Undesig Fund Balance - Vehicle Replacement	-	1,000,000	1,000,000	750,000	500,000
Subtotal General Fund Transfers	\$ 48,401,850	\$ 61,564,800	\$ 78,160,048	\$ 55,378,000	\$ 54,138,000
(To) From Special Revenue Fund:					
Mental Health - Fund Balance	\$ 5,340,550	\$ -	\$ -	\$ -	\$ -
Landfill Fees	600,000	-	-	-	-
Subtotal Special Revenue Fund Transfers	\$ 5,940,550	\$ -	\$ -	\$ -	\$ -
Total Resources and Transfers	\$ 58,877,661	\$114,564,800	\$253,027,800	\$ 96,378,000	\$104,838,000
Expenditures:					
General Government	\$ 42,070,383	\$ 73,764,800	\$ 42,174,800	\$ 38,630,000	\$ 54,990,000
Education	45,777,336	29,500,000	197,500,000	42,500,000	34,500,000
Public Works	6,303,516	11,300,000	13,353,000	15,248,000	15,348,000
Utilities - Landfill	293,890	-	-	-	-
Belmont Golf Course	1,080	-	-	-	-
Total Expenditures	\$ 94,446,205	\$114,564,800	\$253,027,800	\$ 96,378,000	\$104,838,000
(To) From Capital Projects Fund Equity	\$ 35,568,544	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Capital Projects Fund Balance*	\$231,898,477	\$211,898,477	\$191,898,477	\$171,898,477	\$151,898,477

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 6/30/18.