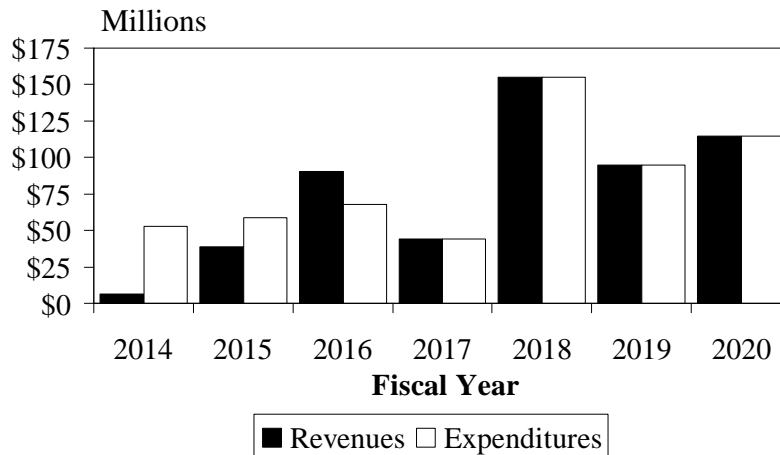


Three Year Forecast Revenues and Expenditures Capital Projects Fund



Fiscal Years 2017 through 2020 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, VDOT Construction Aid Drawdown, and funds received from the Community Development Block Grant as reimbursement for project costs.

EDA Lease Revenue Bond Proceeds - 2016 represent the bonds that are partially funding the replacement of the County Radio Communications System.

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 projected 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	\$15.0	\$48.0	\$12.2	\$14.0	\$31.7	\$26.3	\$147.2
Total	\$114.6	\$63.0	\$82.2	\$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 FY2018 transfer of \$35,067,380 includes an allocation of \$7.5 million from the Designated General Fund balance. This allocation includes \$5.0 million for pay-as-you-go construction which is to be divided equally between General Government and Education to support various ongoing projects. The remaining \$2.5 million associated with the General Fund balance transfer will support the Countywide pedestrian improvements project. The forecast also includes a \$6,826,777 allocation from the Designated Capital Reserve balance which will provide funding for the Emergency Medical Dispatch System, the Communications Training Room, the Juvenile Courts – secured parking, and the Belmont Golf Course bunker renovations project. In addition, this funding will support the on-going Pavement Rehabilitation project, the Facility Rehabilitation project, the Small Project improvements and renovation project, the Countywide Engineering feasibility studies, and provide partial funding for the Mental Health East Center replacement project, the Data Center upgrade project, the Evidence Storage Facility, and the Human Services building renovation project.

The FY2018 transfer also includes the Motor Vehicle License Fee revenue of \$850,000 which supports various Public Works’ ongoing 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. The General Fund revenues transfer totals \$6,574,800 and will fund the School Bus Replacement Program, the Fire Apparatus Replacement Program, and the Police Vehicle Replacement Program. In addition, funding of \$1,967,803 associated with the General Fund’s Mental Health Reserve will provide partial support for the Mental Health East Center replacement project.

The FY2019 forecasted transfer of \$31,772,800 includes a \$7.5 million allocation for pay-as-you-go construction from General Fund balance for General Government and Schools to support various ongoing projects, a 5.0 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, \$850,000 from Motor Vehicle License Fee revenue, and \$7,074,800 in General Fund revenues. The FY2020 forecast of \$32,272,800 mirrors the FY2019 forecast with the exception of the General Fund revenues, which is projected at a cost of \$7,574,800 to cover the additional forecasted allocation of \$500,000 for the School Bus Replacement Program.

(To) From Special Revenue Fund is the transfer of non-bond resources from the Special Revenue Fund. In the FY2018 forecast, Special Revenue Fund Mental Health fund balance of \$4,869,420 will provide partial support for the Mental Health East Center replacement project and Landfill revenue of \$600,000 will fund the Springfield Road Landfill Site Improvements project and the Woodman Road Site Master Plan project.

Below is a list of projects funded by the General Fund transfer in the Approved FY2016-17 and FY2017-18 Capital Budgets.

FY2017		FY2018	
From General Fund - \$43,155,447		From General Fund - \$35,067,380	
Project	Total	Project	Total
Recreation Facility Rehabilitation	\$ 500,000	Recreation Facility Rehabilitation	\$ 766,000
Geographic Information System	150,000	Geographic Information System	150,000
General Road Construction	850,000	General Road Construction	850,000
Information Technology Projects	400,000	Information Technology Projects	1,000,000
Education Meals Tax Project Reserve	19,783,247	Education Meals Tax Project Reserve	9,000,000
Schools - Mechanical Improvement	997,000	Schools - Mechanical Improvement	1,547,000
Schools - Roof Replacement	1,503,000	Schools - Roof Replacement	953,000
Mechanical Improvements	750,000	Mechanical Improvements	1,000,000
Roof Replacement and Rehabilitation	300,000	Roof Replacement and Rehabilitation	350,000
Pavement Rehabilitation	400,000	Pavement Rehabilitation	500,000
Chesapeake Bay TMDL Compliance	2,348,000	Chesapeake Bay TMDL Compliance	2,348,000
School Bus Replacement Plan	2,000,000	School Bus Replacement Plan	2,500,000
Fire Apparatus Replacement Program	1,500,000	Fire Apparatus Replacement Program	1,750,000
Police Vehicle Replacement Program	2,324,800	Police Vehicle Replacement Program	2,324,800
Greenwood Park	800,000	Countywide Pedestrian Improvements	2,500,000
Data Center Upgrade	1,200,000	Data Center Upgrade	697,000
Dumbarton Library Repurpose	2,000,000	East Center Replacement Construction	3,830,580
Fire SCBA Replacement	1,700,000	Emergency Medical Dispatch System	580,000
Fire Alerting System	1,008,000	Communications Training Room	258,000
Tidemark Replacement	1,000,000	Small Project Improvements/Renovations	400,000
Parham Road Complex Improvements	691,400	Human Services Building Renovation	435,000
Courts Building Refresh	600,000	Evidence Storage Facility	200,000
Energy Management	350,000	Juvenile Courts - Secured Parking	270,000
Total From General Fund	\$ 43,155,447	Countywide Engineering Feasibility Studies	500,000
		Belmont Golf Course Bunker Renovations	358,000
		Total From General Fund	\$ 35,067,380

Expenditures

Assumptions

Capital Project Expenditures over the three-year forecast period are requested at \$364,382,400. Expenditures for Education projects funded with General Obligation Bonds during the forecast period total \$184.6 million and include renovations for five elementary schools, one middle school, and one high school as well as an addition to one elementary school. Expenditures for General Government projects funded with General Obligation Bonds during the forecast period total \$75.2 million and include Fire, Public Library, and Recreation and Parks. Forecasted expenditures include the construction of a new fire training center, a new fire station, the replacement of an area library, nine high school field upgrades, new sports fields and improvements at Dorey Park, and the final phase of Greenwood Park.

Designated Fund balance expenditures for the three-year period total \$22.5 million of which \$7.5 million has been designated for Schools and the remaining \$15.0 million is designated for General Government. Forecasted FY2018 expenditures which have been designated for Schools totals \$2.5 million, which will cover mechanical improvements of \$1,547,000 and roof replacements of \$953,000. The remaining \$5.0 million for General Government includes \$2.5 million for Countywide pedestrian improvements, \$1.0 million for mechanical improvements, \$1.0 million for Information Technology projects, \$350,000 for roof replacement and rehabilitation projects, and \$150,000 for the Geographic Information System project. FY2019 and FY2020 expenditures are forecasted at \$7.5 million per year, with Education receiving \$2.5 million and General Government receiving \$5.0 million.

Designated Capital Reserve Fund balance expenditures for the three-year period total \$16,826,777. FY2018 expenditures of \$6,826,777 will provide funding towards a myriad of projects: Emergency Medical Dispatch System, Communications Training Room, Juvenile Courts – secured parking, Belmont Golf Course bunker renovations, Pavement Rehabilitation, Facility Rehabilitation, Small Project improvements and renovation, Countywide Engineering feasibility studies, Mental Health East Center replacement, Data Center upgrade, Evidence Storage Facility, and the Human Services building renovation. FY2019 and FY2020 forecasted expenditures are budgeted at \$5.0 million per year to fund future capital projects.

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 \$2,550,000 for the three year period which will cover on-going general construction. In FY2018, General Fund – Mental Health Reserve funding of \$1,967,803 will partially support the Mental Health East Center replacement project.

Expenditures utilizing General Fund revenues for vehicle replacement over the three-year forecast period total \$21,224,400. Expenditures for General Government total \$12,224,400 and include Fire's Apparatus Replacement Program - \$5,250,000 and Police's Vehicle Replacement Program - \$6,974,400. Expenditures for Education's School Bus Replacement Program total \$9.0 million over the forecast period.

In FY2018, the Special Revenue Fund Mental Health fund balance of \$4,869,420 will partially fund the Mental Health East Center replacement project and Landfill revenue of \$600,000 will fund a Springfield landfill project and a site master plan for Woodman Road.

(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 15-16 Actual	FY 16-17 Original	FY 17-18 Forecast	FY 18-19 Forecast	FY 19-20 Forecast
Resources:					
Revenues:					
Use of Money and Property	\$ 266,016	-	-	-	-
Miscellaneous Revenues	320,636	-	-	-	-
Intergovernmental	908,215	-	-	-	-
Subtotal Revenues	<u>\$ 1,494,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Financing (Uses) Sources:					
Bonds:					
EDA Lease Rev Bond Proceeds - 2016	\$ 34,000,000	\$ -	\$ -	\$ -	\$ -
G. O. Bonds - Education - 2016	-	-	99,600,000	15,000,000	70,000,000
G. O. Bonds - General Gov't - 2016	-	-	15,000,000	48,000,000	12,200,000
Subtotal Bonds:	<u>\$ 34,000,000</u>	<u>\$ -</u>	<u>\$ 114,600,000</u>	<u>\$ 63,000,000</u>	<u>\$ 82,200,000</u>
Transfers:					
(To) From General Fund:					
Designated Fund Balance	\$ 17,992,590	\$ 8,450,000	\$ 7,500,000	\$ 7,500,000	\$ 7,500,000
Designated Capital Reserve	10,430,000	4,899,400	6,826,777	5,000,000	5,000,000
General Fund Revenue - License Fee	850,000	850,000	850,000	850,000	850,000
Public Works Reserve	6,531,502	-	-	-	-
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 Receipt:	1,990,470	10,783,247	-	-	-
Permit Fee Revenue	500,000	1,000,000	-	-	-
General Fund Revenues - Stormwater Dedication	2,348,000	2,348,000	2,348,000	2,348,000	2,348,000
General Fund Revenues - Vehicle Replacement	4,824,800	5,824,800	6,574,800	7,074,800	7,574,800
General Fund Revenues - Recreation	1,000,000	-	-	-	-
Capital Initiatives	1,000,000	-	-	-	-
General Fund - Mental Health Reserve	-	-	1,967,803	-	-
Subtotal General Fund Transfers	<u>\$ 56,467,362</u>	<u>\$ 43,155,447</u>	<u>\$ 35,067,380</u>	<u>\$ 31,772,800</u>	<u>\$ 32,272,800</u>
Transfers:					
(To) From Special Revenue Fund:					
Mental Health - Fund Balance	\$ -	\$ 1,018,500	\$ 4,869,420	\$ -	\$ -
Landfill Fees	-	150,000	600,000	-	-
Fund Balance - State and Fed Grants - Fire	500,000	-	-	-	-
Subtotal Special Revenue Fund	<u>\$ 500,000</u>	<u>\$ 1,168,500</u>	<u>\$ 5,469,420</u>	<u>\$ -</u>	<u>\$ -</u>
(To) From Debt Service					
Capital Projects	\$ (2,000,000)	\$ -	\$ -	\$ -	\$ -
Total Resources and Transfers	<u>\$ 90,462,229</u>	<u>\$ 44,323,947</u>	<u>\$ 155,136,800</u>	<u>\$ 94,772,800</u>	<u>\$ 114,472,800</u>
Expenditures:					
General Government	\$ 43,687,087	\$ 16,692,700	\$ 37,380,800	\$ 62,074,800	\$ 26,274,800
Education	16,220,842	24,283,247	113,600,000	29,500,000	85,000,000
Public Works	4,994,450	3,198,000	3,198,000	3,198,000	3,198,000
Utilities - Landfill	3,211,278	150,000	600,000	-	-
Belmont Golf Course	-	-	358,000	-	-
Total Expenditures	<u>\$ 68,113,657</u>	<u>\$ 44,323,947</u>	<u>\$ 155,136,800</u>	<u>\$ 94,772,800</u>	<u>\$ 114,472,800</u>
(To) From Capital Projects	\$ (22,348,572)	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Fund Equity					
Capital Projects Fund Balance	<u>\$ 160,935,743</u>	<u>* \$ 140,935,743</u>	<u>\$ 120,935,743</u>	<u>\$ 100,935,743</u>	<u>\$ 80,935,743</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 6/30/16.