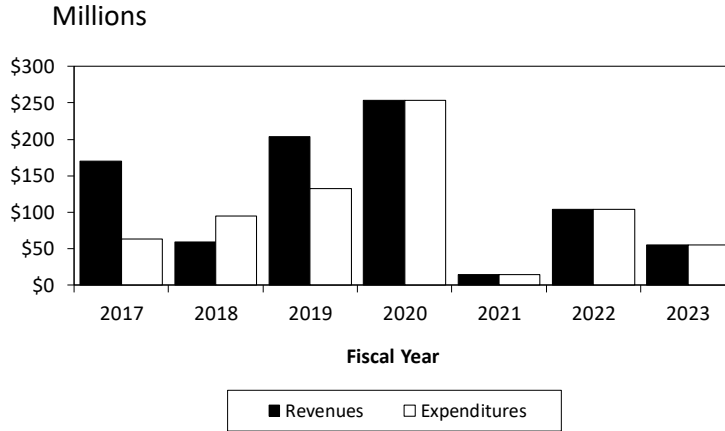


Three Year Forecast Revenues and Expenditures Capital Projects Fund



Fiscal Years 2020 through 2023 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, Virginia Public School Authority (VPSA), and Economic Development Authority (EDA) lease revenue bonds, as well as 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-year allocation for bond projects for FY2017-18 through FY2022-23 by year and category are:

(In millions)	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>Total</u>
Education	\$99.6	\$15.0	\$112.0	\$0.0	\$46.0	\$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	\$14.0	\$77.7	\$26.3	\$419.8

Transfers:

(To) From General Fund is the transfer of non-bond resources from the General Fund. In FY2020-21, because of the economic impacts on Henrico County revenues from the public health emergency related to COVID-19, no funding will be transferred from the General Fund to the Capital Projects Fund. The allocation of General Fund resources for capital projects will be reevaluated based on the economic conditions.

The FY2021-22 forecasted transfer of \$25,848,000 includes a \$10.0 million allocation from the Designated General Fund balance, \$2.0 million of Meals Tax revenues (Education), \$2,348,000 of dedicated General Fund Stormwater revenues, \$1.5 million in Motor Vehicle License Fees, and \$10.0 million in General Fund revenue (Vehicle Replacement). The FY2022-23 forecast of \$28,848,000 transfers consist of a \$10.0 million allocation from the Designated General Fund balance, \$5.0 million from Meals Tax revenues (Education), \$2,348,000 of dedicated General Fund Stormwater revenues, \$1.5 million in Motor Vehicle License Fees, and \$10.0 million in General Fund revenues (Vehicle Replacement).

On the following page is a list of projects funded by the General Fund transfer in the FY2019-20 Approved Capital Budget.

FY2020		FY2021	
From General Fund - \$78,160,048		From General Fund - \$0*	
Project	Total	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	Total From General Fund	\$ <u>0</u>
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		

*In FY2021, no funding is being transferred from the General Fund to the Capital Projects Fund due to the economic impacts associated with the public health emergency related to COVID-19.

Expenditures

Assumptions

Capital Project Expenditures over the three-year forecast period are requested at \$172,696,000. Expenditures for Education projects funded with General Obligation Bonds during the forecast period total \$46.0 million and includes the Glen Allen HS Technical Center - \$27.0 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 \$58.0 million. Forecasted expenditures include \$9.6 million for Eastgate/Newbridge Firehouse, \$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 Tuckahoe Creek Park, \$2.3 million for Three Lakes Nature Center, and \$16.0 million for Tuckahoe 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.

Designated Fund balance expenditures for the three-year period total \$20.0 million. Due to economic impacts associated with the public health emergency related to COVID-19, no funding is being allocated in FY2020-21. Of the funding allocated in FY2021-22 and FY2022-23, \$5.0 million has been designated for Schools, \$10.0 million has been designated for General Government and the remaining \$5.0 million will support the Countywide pedestrian improvements project.

Education Meals Tax revenue are forecasted to generate \$7.0 million over three-years, however due to the economic impacts associated with COVID-19 no Meals Tax revenue is allocated for School capital projects in FY2020-21. The Funding forecasted for FY2021-22 and FY2022-23 would provide funding for various Schools infrastructure projects. General Fund dedicated stormwater revenue is forecasted to generate \$4,696,000 in FY2021-22 and FY2022-23 and would allow for stormwater infrastructure projects required by the EPA as part of the Chesapeake Bay TMDL. Motor Vehicle License Fee Revenue is forecasted to generate \$3.0 million, which will be used for the Public Works general road projects.

Expenditures utilizing General Fund revenue for vehicle replacement over the three-year forecast period total \$20.0 million. However, due to the economic impacts associated with the public health emergency related to COVID-19, in FY2020-21 no funding is allocated for vehicle replacement. In FY2021-22 and FY2022-23, expenditures for Education's School Bus Replacement Program total \$8.0 million. Expenditures for General Government total \$12.0 million and include funding of \$5.4 million for Police's Vehicle Replacement Program and funding of \$6.6 million for Fire's Apparatus Replacement Program.

(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 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	Actual	Original	Forecast	Forecast	Forecast
Resources:					
Revenues:					
Use of Money and Property	\$ 2,791,435	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenues	3,355,238	-	-	-	-
Intergovernmental	2,828,528	-	-	-	-
Subtotal Revenues	<u>\$ 8,975,201</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Other Financing (Uses) Sources:					
Bonds:					
G. O. Bonds - Education - 2016	-	\$ 112,000,000	\$ -	\$ 46,000,000	\$ -
G. O. Bonds - General Gov't - 2016	\$ 99,395,000	22,200,000	9,000,000	22,700,000	26,300,000
G. O. Bonds - Public Works - 2016	-	-	5,000,000	9,000,000	-
Bond Premium	9,065,378	25,000,000	-	-	-
VPSA	-	13,667,752	-	-	-
Interest Earnings	-	2,000,000	-	-	-
Subtotal Bonds:	<u>\$ 108,460,378</u>	<u>\$ 174,867,752</u>	<u>\$ 14,000,000</u>	<u>\$ 77,700,000</u>	<u>\$ 26,300,000</u>
Transfers:					
(To) From General Fund:					
Designated Fund Balance	\$ 29,170,868	\$ 10,000,000	\$ -	\$ 10,000,000	\$ 10,000,000
Designated Capital Reserve	17,662,090	14,055,000	-	-	-
Education Meals Tax	9,000,000	9,000,000	-	2,000,000	5,000,000
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
General Fund Rev - Motor Vehicle License Fee	1,000,000	1,500,000	-	1,500,000	1,500,000
General Fund - Mental Health Reserve	-	-	-	-	-
General Fund - Tourism Reserve	9,251,000	2,000,000	-	-	-
Public Works Reserve	3,678,910	-	-	-	-
General Fund Rev - Vehicle Replacement	7,624,800	8,924,800	-	10,000,000	10,000,000
Undesig Fund Balance - Vehicle Replacement	1,000,000	1,000,000	-	-	-
Subtotal General Fund Transfers	<u>\$ 80,735,668</u>	<u>\$ 78,160,048</u>	<u>\$ -</u>	<u>\$ 25,848,000</u>	<u>\$ 28,848,000</u>
(To) From Special Revenue Fund:					
Mental Health - Fund Balance	\$ 5,340,550	\$ -	\$ -	\$ -	\$ -
Landfill Fees	600,000	-	-	-	-
Subtotal Special Revenue Fund Transfers	<u>\$ 5,940,550</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Resources and Transfers	<u>\$ 204,111,797</u>	<u>\$ 253,027,800</u>	<u>\$ 14,000,000</u>	<u>\$ 103,548,000</u>	<u>\$ 55,148,000</u>
Expenditures:					
General Government	\$ 55,554,889	\$ 42,174,800	\$ 9,000,000	\$ 33,700,000	\$ 37,300,000
Education	62,710,081	197,500,000	0	54,500,000	11,500,000
Public Works	13,618,916	13,353,000	5,000,000	15,348,000	6,348,000
Utilities - Landfill	97,509	-	-	-	-
Belmont Golf Course	-	-	-	-	-
Total Expenditures	<u>\$ 131,981,395</u>	<u>\$ 253,027,800</u>	<u>\$ 14,000,000</u>	<u>\$ 103,548,000</u>	<u>\$ 55,148,000</u>
(To) From Capital Projects Fund Equity	\$ (72,130,402)	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Capital Projects Fund Balance*	<u>\$ 298,088,326</u>	<u>\$ 278,088,326</u>	<u>\$ 258,088,326</u>	<u>\$ 238,088,326</u>	<u>\$ 218,088,326</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 - CAFR. Represents unspent balance as of 6/30/19.