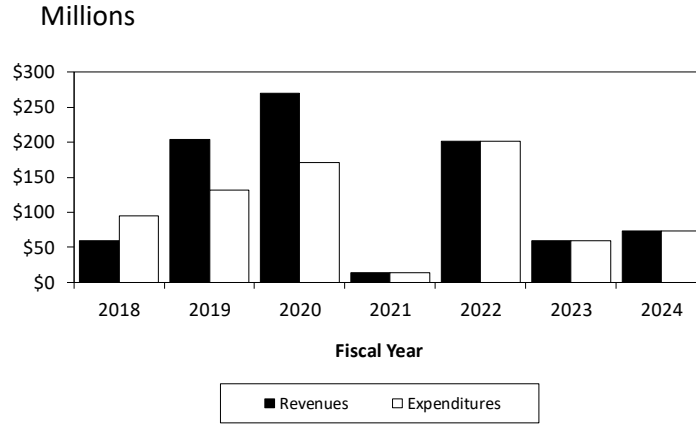


Three Year Forecast Revenues and Expenditures Capital Projects Fund



Fiscal Years 2021 through 2024 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. All remaining bond project funds have been appropriated in FY2021-22.

Central Virginia Transportation Authority (CVTA) The Central Virginia Transportation Authority was created by the General Assembly in the 2020 legislative session. CVTA provides funding for local and regional transportation projects.

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 was transferred from the General Fund to the Capital Projects Fund. General Fund resources have been reinstated in the approved FY2021-22 capital budget based on the county’s current positive economic performance.

The FY2021-22 forecasted transfer of \$45,637,800 includes a \$9.1 million allocation from the Designated General Fund balance, \$5.0 million of Meals Tax revenues (Education), \$4.0 million of Meals Tax Reserves, \$2.3 million of dedicated General Fund Stormwater revenues, \$1.75 million in Motor Vehicle License Fees, \$3.1 million in designated capital reserves, and \$11.0 million in General Fund reserves (Vehicle Replacement). The FY2022-23 forecast of \$45,637,800 of transfers consist of a \$7.5 million allocation from the Designated General Fund balance, \$11.6 million from designated capital reserves, \$9.0 million from Meals Tax revenues (Education), \$2,348,000 of dedicated General Fund Stormwater revenues, \$1.75 million in Motor Vehicle License Fees, and \$11.0 million in General Fund revenues (Vehicle Replacement). The FY2023-24 forecast of \$51,173,090 of transfers consist of a \$7.5 million allocation from the Designated General Fund balance, \$19.6 million from designated capital reserves, \$9.0 million from Meals Tax revenues (Education), \$2,348,000 of dedicated General Fund Stormwater revenues, \$1.75 million in Motor Vehicle License Fees, and \$11.0 million in General Fund revenues (Vehicle Replacement).

Below is a list of projects funded by the General Fund transfer in the FY2020-21 and FY2021-22 Approved Capital Budget.

FY2021			FY2022
From General Fund - \$0*			From General Fund - \$0*
Project	Total	Project	Total
		Mechanical Improvements - Education	1,750,000
		Roof Replacements - Education	750,000
		Mechanical Improvements	500,000
		Roof Replacement and Rehabilitation	1,200,000
		Small Project Improvements and Renova	200,000
		Energy Management	100,000
		Information Technology Projects	1,500,000
		Pavement Rehabilitation	500,000
		Geographic Information System	150,000
		Facility Rehabilitation	425,000
		Firehouse #6 Land Acquisition	440,000
		Transitional Recovery Center	9,000,000
		Land Reserve - Education	3,000,000
		Meals Tax Projects	9,000,000
		Schools Technology	2,000,000
		Chesapeake Bay TMDL/MS4 Compliance	2,348,000
		Land Acquisitions - Drainage	500,000
		Streams and Creeks - Drainage	750,000
		Minor Drainage Projects	500,000
		School Bus Replacement Plan	4,700,000
		Fire Apparatus Replacement Plan	3,300,000
		Police Vehicle Replacement Plan	<u>3,024,800</u>
		Total From General Fund	\$ 45,637,800

*In FY2021, no funding was 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 projected at \$341,270,260. Expenditures for Education projects funded with General Obligation Bonds during the forecast period total \$19.0 million for the Adams ES renovation. Expenditures for General Government projects funded with General Obligation Bonds during the forecast period total \$49.0 million. Forecasted expenditures include \$9.6 million for Eastgate/Newbridge Firehouse, \$14.0 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 \$9.0 million for the Richmond/Henrico Turnpike project.

Designated Fund balance expenditures for the three-year period total \$24.1 million. Of the \$7.5 million in funding allocated in FY2022-23 and FY2023-24 \$2.5 million has been designated for Schools and the remaining \$5.0 million has been designated for General Government.

Education Meals Tax revenue are forecasted to generate \$23.0 million over three-years. The Funding forecasted over the three-year period would provide funding for various Henrico County Public Schools' infrastructure projects. General Fund dedicated stormwater revenue is forecasted to generate \$7,044,000 over the three-year period 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 \$5.25 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 \$33.1 million. Over the forecast period, expenditures for Education's School Bus Replacement Program total \$14.1 million. Expenditures for General Government total \$19.0 million and include funding of \$9.1 million for Police's Vehicle Replacement Program and funding of \$9.9 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 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
	Actual	Original	Forecast	Forecast	Forecast
Resources:					
Revenues:					
Use of Money and Property	\$ 2,314,551	\$ -	\$ -	\$ -	\$ -
Miscellaneous Revenues	4,170,201	-	-	-	-
Intergovernmental	4,017,548	-	-	-	-
CVTA	-	-	22,500,000	22,500,000	22,500,000
Subtotal Revenues	<u>\$ 10,502,300</u>	<u>\$ -</u>	<u>\$ 22,500,000</u>	<u>\$ 22,500,000</u>	<u>\$ 22,500,000</u>
Other Financing (Uses) Sources:					
Bonds:					
G. O. Bonds - Education - 2016	\$ 86,674,399	\$ -	\$ 19,000,000	\$ -	\$ -
G. O. Bonds - General Gov't - 2016	13,459,854	9,000,000	49,000,000	-	-
G. O. Bonds - Public Works - 2016	4,981,287	5,000,000	9,000,000	-	-
Bond Premium	18,552,705	-	2,705,685	-	-
VPSA	-	-	54,055,000	-	-
EDA Lease Revenue Bonds - 2019	60,115,000	-	-	-	-
Subtotal Bonds:	<u>\$ 183,783,245</u>	<u>\$ 14,000,000</u>	<u>\$133,760,685</u>	<u>\$ -</u>	<u>\$ -</u>
Transfers:					
(To) From General Fund:					
Designated Fund Balance	\$ 7,869,885	\$ -	\$ 9,075,000	\$ 7,500,000	\$ 7,500,000
Designated Capital Reserve	14,055,000	-	12,440,000	11,575,075	19,550,290
Education Meals Tax	9,000,000	-	5,000,000	9,000,000	9,000,000
Education Meals Tax Reserve	26,345,233	-	4,000,000	-	-
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	1,500,000	-	1,750,000	1,750,000	1,750,000
General Fund - Mental Health Reserve	-	-	-	-	-
General Fund - Tourism Reserve	2,000,000	-	-	-	-
Public Works Reserve	-	-	-	-	-
General Fund Rev - Vehicle Replacement	8,924,800	-	-	11,024,800	11,024,800
Undesig Fund Balance - Vehicle Replacement	1,000,000	-	11,024,800	-	-
Subtotal General Fund Transfers	<u>\$ 76,029,933</u>	<u>\$ -</u>	<u>\$ 45,637,800</u>	<u>\$ 43,197,875</u>	<u>\$ 51,173,090</u>
Total Resources and Transfers	<u>\$ 270,315,478</u>	<u>\$ 14,000,000</u>	<u>\$201,898,485</u>	<u>\$ 65,697,875</u>	<u>\$ 73,673,090</u>
Expenditures:					
General Government	\$ 90,154,628	\$ 9,000,000	\$ 76,745,485	\$ 27,599,875	\$ 35,575,900
Education	76,442,033	-	89,555,000	11,500,000	11,500,000
Public Works	13,954,121	5,000,000	35,598,000	26,598,000	26,598,000
Utilities - Landfill	216,915	-	-	-	-
Total Expenditures	<u>\$ 180,767,697</u>	<u>\$ 14,000,000</u>	<u>\$201,898,485</u>	<u>\$ 65,697,875</u>	<u>\$ 73,673,900</u>
(To) From Capital Projects	\$ (89,547,781)	\$ 50,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000
Fund Equity					
Capital Projects Fund Balance*	<u>\$ 397,560,902</u>	<u>\$347,560,902</u>	<u>\$327,560,902</u>	<u>\$307,560,902</u>	<u>\$287,560,902</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 6/30/20.