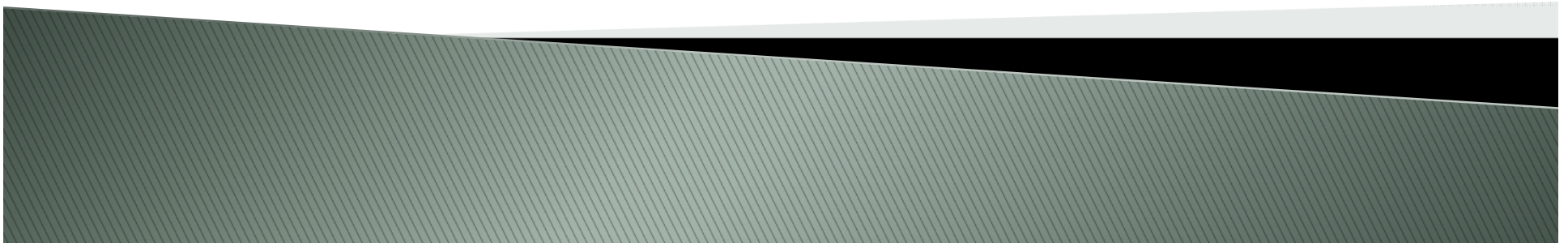


FY15 Capital Budget & Five-Year Work Program

Volusia County Schools
June 24, 2014



FY15 HIGHLIGHTS

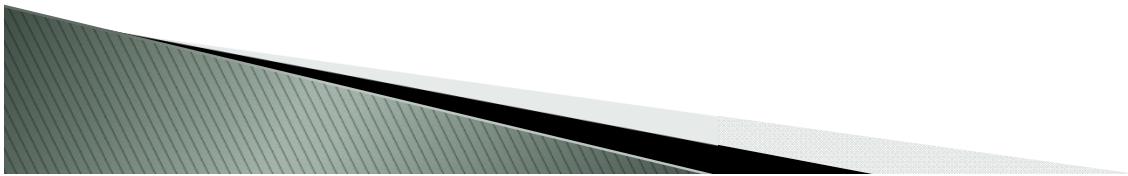
- ▶ The Capital Budget is balanced with reasonably expected revenues. Sufficient balances are reserved for contingencies and emergencies. Over half of the capital reserves are designated funds such as Sales Tax and Impact Fees.
- ▶ The Legislature has awarded Public Education Capital Outlay (PECO) maintenance and repair (still no construction) funds for the first time since FY11.
- ▶ Property values increased for the second year in a row.
- ▶ Two (2) Certificates Of Participation (COPs) issues are being refunded to take advantage of low interest rates. Saving \$4.7m over this 5 year plan.
- ▶ The Transfer to the general fund for maintenance is being reduced by \$2m per year to maintain sufficient balances.
- ▶ The 5 year work program is based on the current conditions and revenues. This plan is reviewed and changed each year. When the Sales Tax extension is approved, those projects will be included later.

Revenue Projection Assumptions

- ▶ Public Education Capital Outlay (PECO) – No K–12 allocation since FY11. The Legislature allocated \$50m for K–12 Maintenance and Repairs in FY15. Volusia should receive around \$1.1m based on growth factors and Capital Outlay Full Time Equivalent (COFTE). No future estimate is made due to Legislative uncertainty.

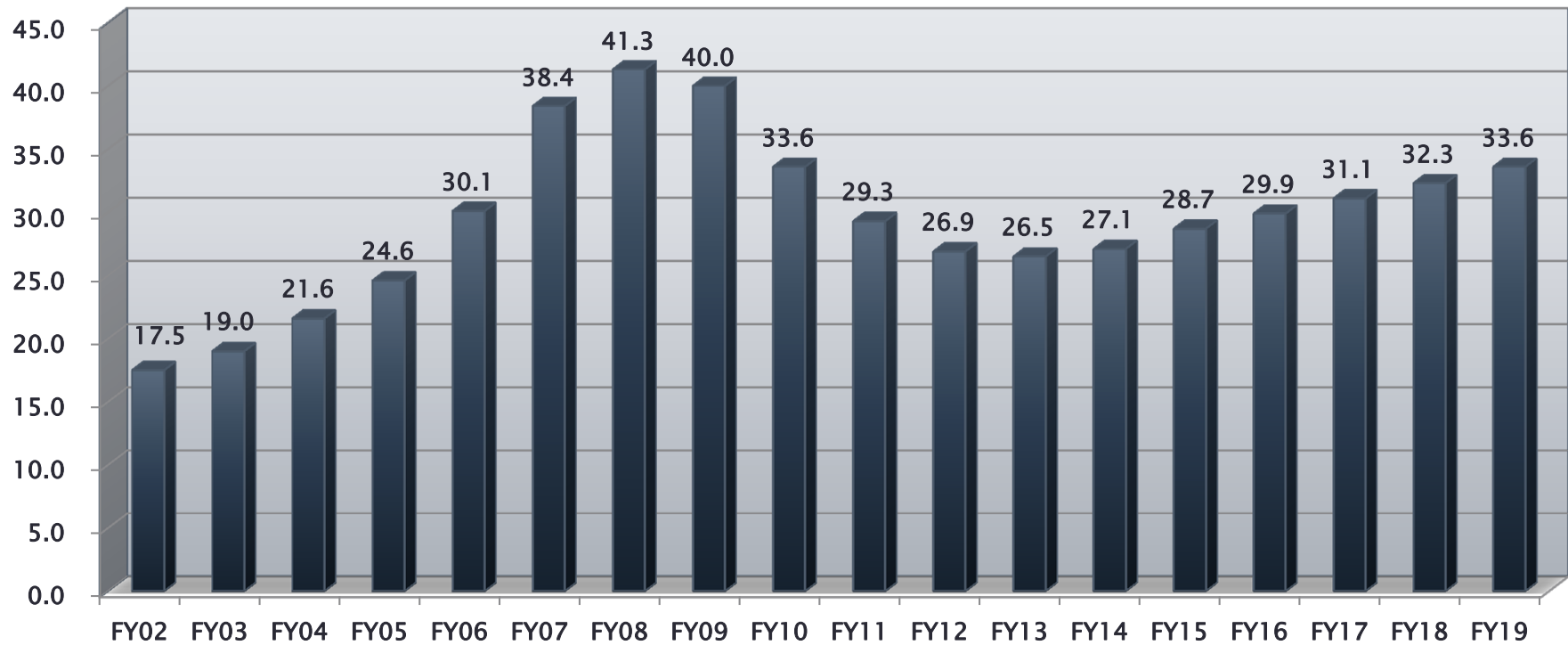
Revenue Projection Assumptions

- ▶ FY15 based on Property Appraiser's Pre-Preliminary estimate of property values, which is 5.90% greater than current year certified tax roll (will adjust to FY15 certified tax roll in July). FY16–FY19 projected to increase by 4% each year and continue to increase if economy improves.



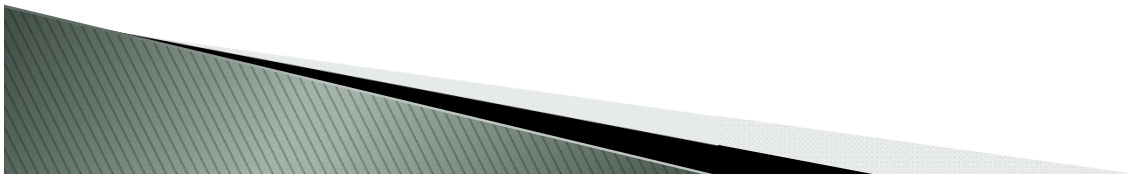
Property Tax Roll

(In Billions)

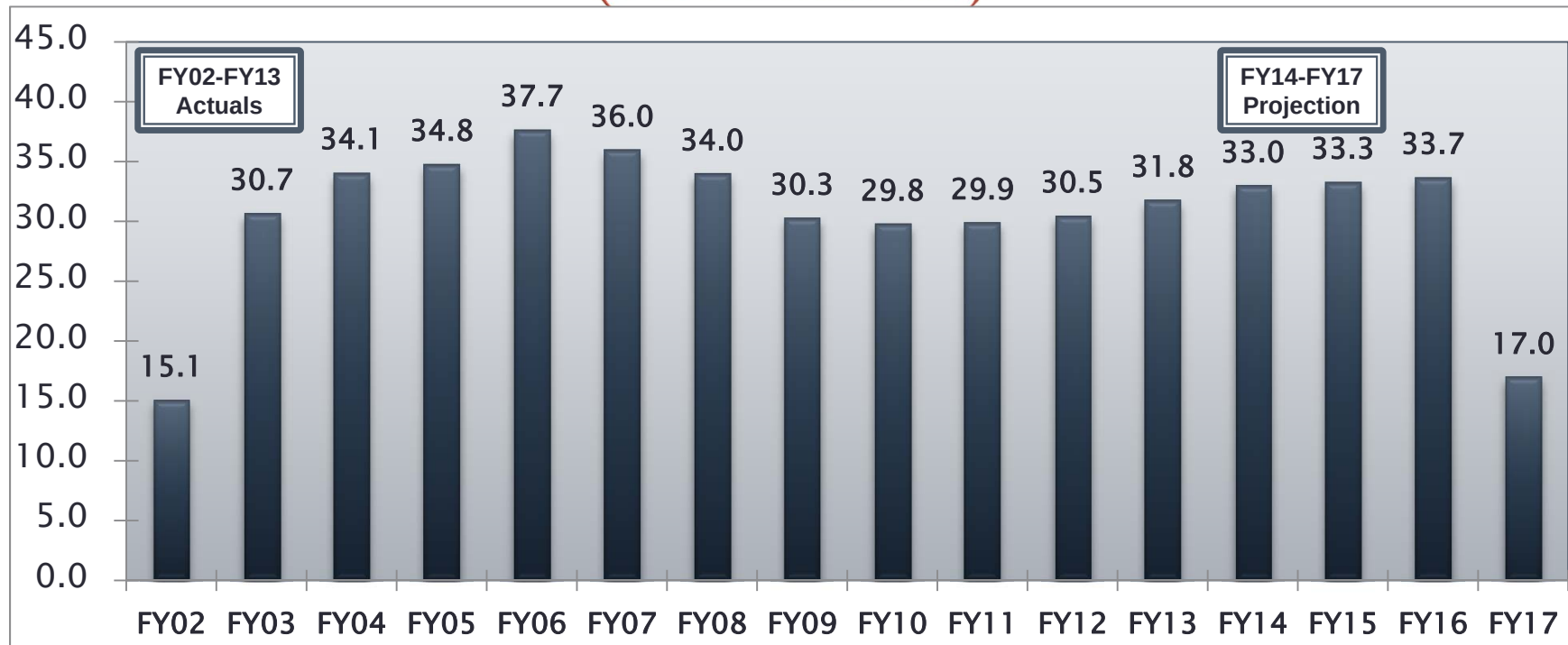


Revenue Projection Assumptions

- ▶ Sales Tax –FY15–FY17 projected to increase 1% per year with only ½ year for FY17 as sales tax ends December 2016. Remaining collections go to debt service.

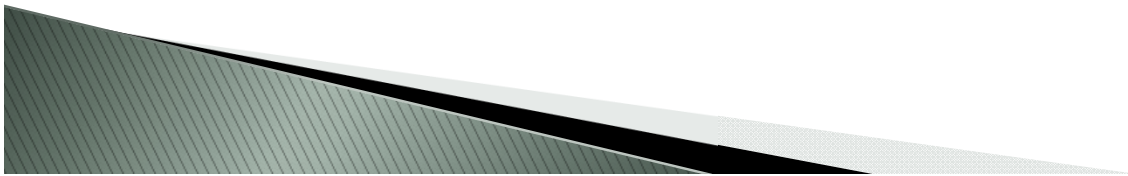


Sales Tax Revenue (In Millions)

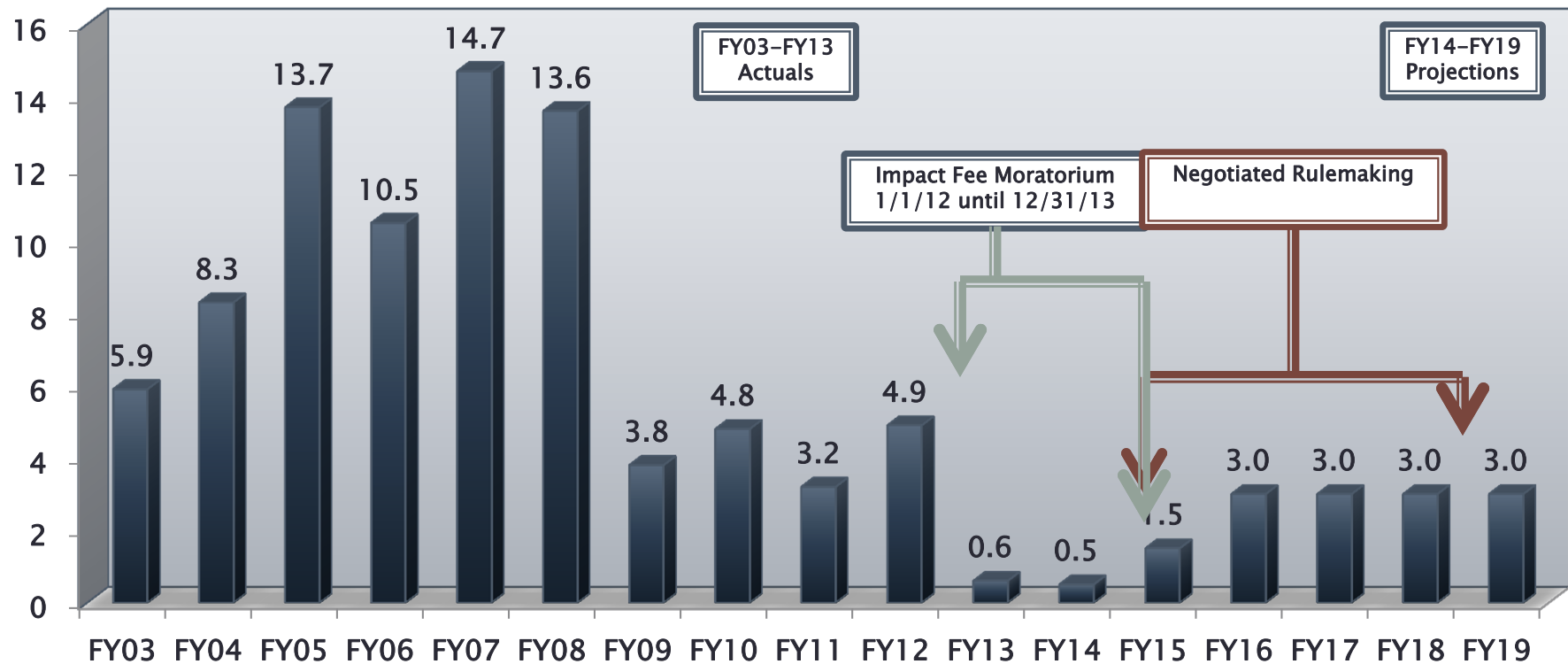


Revenue Projection Assumptions

- ▶ Impact Fees – The School Board suspended impact fees from 1/1/12 to 12/31/13. The Negotiated Rulemaking Committee completed its work and made its recommendation to the Board at its June 25th 2013 meeting. Impact Fee collection is on schedule to meet the FY14 estimate of \$500k. Projected FY15 at \$1.5m, then FY16–FY19 at \$3m each year.
- ▶ Debt service on Impact Fee projects require \$2.6m per year.

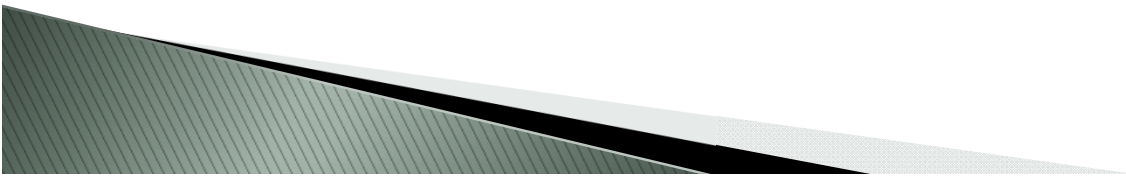


Impact Fee Revenue (In Millions)



Revenue Projection Assumptions

- ▶ Interest – No projections are made for the 5 year plan due to low rates and uncertainty of balances. Total Capital Interest for FY14 is under \$100k.



Fiscal Year 15 Revenue Forecast Comparison (In Millions)

	Forecast as of 9-10-13	Forecast as of 6-24-14	Difference
State Revenue	\$ 0.3	\$ 1.4	\$ 1.1
Local Revenue			
• Ad Valorem Taxes	39.1	41.4	2.3
• Sales Tax	32.3	33.4	1.1
• Impact Fees	1.5	1.5	0.0
Total Revenue	\$ 73.2	\$ 77.7	\$ 4.5
Beginning Balances	\$ 43.2	\$ 38.6	\$ (4.6)

Fiscal Year 15 Appropriation Forecast Comparison (In Millions)

	Forecast as of 9-10-13	Forecast as of 6-24-14	Difference
Major Projects – New Construction	\$ 0.0	\$ 0.0	\$ 0.0
Projects at Existing Sites	5.0	8.5	3.5
Facilities Management	1.0	1.1	0.1
Technology	3.0	4.0	1.0
Equipment & Vehicles	0.5	1.0	0.5
Buses	3.1	2.8	(0.3)
Total Appropriations	\$ 12.6	\$ 17.4	\$ 4.8

Artifacts 3 and 4 – New Appropriations Request for FY15

Fiscal Year 15 Transfers Forecast Comparison (In Millions)

	Forecast as of 9-10-13	Forecast as of 6-24-14	Difference
To Debt Service Fund	\$ 51.3	\$ 50.7	\$ (0.6)
To General Fund	10.5	11.0	0.5
Total Transfers	\$ 61.8	\$ 61.7	\$ (0.1)
Ending Balances	\$ 42.1	\$ 37.2	\$ (4.9)

Five Year Revenue Forecast

Revenue	Budget 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19
State Sources					
CO&DS	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000	\$ 330,000
PECO	1,100,000	0	0	0	0
Total State Sources	1,430,000	330,000	330,000	330,000	330,000
Local Sources					
Ad Valorem Taxes	41,394,892	43,050,688	44,772,715	46,563,624	48,426,169
Sales Tax	33,347,170	33,680,642	17,008,724	0	0
Impact Fees	1,500,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Local Sources	\$ 76,242,062	\$ 79,731,330	\$ 64,781,439	\$ 49,563,624	\$ 51,426,169
Beginning Fund Balances	38,613,764	37,174,541	40,442,331	49,359,506	36,428,846
Total Revenue & Fund Balances	\$ 116,285,826	\$ 117,235,871	\$ 105,553,770	\$ 99,253,130	\$ 88,185,015

Five Year Appropriations Forecast

	Budget 2014-15	Forecast 2015-16	Forecast 2016-17	Forecast 2017-18	Forecast 2018-19
Appropriations					
New Construction	\$ 0	\$ 0	\$ 2,000,000	\$ 17,500,000	\$ 2,500,000
Projects at Existing Sites	8,480,000	8,500,000	8,500,000	8,500,000	8,500,000
Facilities Management	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Technology	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
System Wide Equipment and Vehicles	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Buses	2,813,670	2,896,200	2,896,200	2,896,200	2,896,200
Total Appropriations	17,443,670	17,546,200	19,546,200	35,046,200	20,046,200
Transfers Out					
To General Fund	11,007,250	9,007,250	7,007,250	5,007,250	3,007,250
To Debt Service Fund	50,660,365	50,240,090	29,640,814	22,770,834	22,770,234
Total Transfers	61,667,615	59,247,340	36,648,064	27,778,084	25,777,484
Ending Fund Balances	37,174,541	40,442,331	49,359,506	36,428,846	42,361,331
Total Appropriations, Transfers & Fund Balances	\$ 116,285,826	\$ 117,235,871	\$ 105,553,770	\$ 99,253,130	\$ 88,185,015

Artifacts 2 & 3 – 2015-2019 Fiscal Forecast and Capital Outlay 5-Yr Work Program

FY15-FY19 Capital Budget Assumptions

Revenue Assumptions:

- **Public Education Capital Outlay (PECO)** – No K-12 allocation since FY11. The Legislature allocated \$50m for K-12 Maintenance and Repairs in FY15. Volusia should receive around \$1.1m based on growth factors and Capital Outlay Full Time Equivalent (COFTE). No future estimate is made due to Legislative uncertainty.
- **Property Tax** – FY15 based on Pre-Preliminary County estimate (5.9% increase over FY14 Certified) and FY16 - FY19 projected to increase by 4% each year and continues to increase if economy improves.
- **Sales Tax** – FY15 - FY17 projected to increase 1% per year with only ½ year in FY17 as sales tax ends December 2016. Remaining collections go to debt service.
- **Impact Fees** – The School Board suspended impact fees from 1/1/12 to 12/31/13. The Negotiated Rulemaking Committee completed its work and made its recommendation to the Board at its June 25th 2013 meeting. Impact Fee collection is on schedule to meet the FY14 estimate of \$500k. FY15 projected at \$1.5m, then FY16-FY18 at \$3m each year.
- **Interest Income** – No projections are made for the 5 year plan due to low rates and uncertainty of balances. Total Capital Interest for FY14 is under \$100k.

Appropriations Assumptions:

- **The 5-year work program** is based on the current conditions and revenues. This plan is reviewed and changed each year. The following are the appropriations for FY15:
 - No new construction, \$8.5m for projects at existing schools and facilities, \$1.2m for facilities management, \$4m for technology, \$1m for system wide equipment and vehicle replacement, \$2.8m for bus purchases.
 - Transfers to the general fund and debt service make up the largest appropriation. \$11m to the general fund for copy center leases, property insurance and maintenance. The maintenance transfer will be reduced \$2m each year to make sure we have sufficient reserves in capital for contingences. The debt service is \$50.7m for FY15. Two (2) Certificates Of Participation (COPs) were recently refunded for a savings of \$4.7m over this 5 year plan.
 - Project details can be found on the “New Appropriations Request for FY15,” artifact 4. Also attached is the “2015 - 2019 Capital Outlay Five-Year Work Program” artifact 3.
- **Sales tax projects** will be presented on the following fiscal year capital budget and 5 year work program for FY16 - FY20 when the referendum is approved on August 26, 2014.

2015-2019 FISCAL FORECAST FOR CAPITAL OUTLAY 5 YEAR WORK PROGRAM

	Budget	Forecast	Forecast	Forecast	Forecast
REVENUES	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
State sources:					
CO&DS distributed to district	\$ 310,000	\$ 310,000	\$ 310,000	\$ 310,000	\$ 310,000
Interest on undistributed CO&DS	20,000	20,000	20,000	20,000	20,000
PECO	1,100,000	-	-	-	-
Other state sources	-	-	-	-	-
Total state sources	1,430,000	330,000	330,000	330,000	330,000
Local sources:					
Ad valorem taxes	41,394,892	43,050,688	44,772,715	46,563,624	48,426,169
Sales tax	33,347,170	33,680,642	17,008,724	-	-
Interest income	-	-	-	-	-
Impact fees	1,500,000	3,000,000	3,000,000	3,000,000	3,000,000
Local Misc.	-	-	-	-	-
Total local sources	76,242,062	79,731,330	64,781,439	49,563,624	51,426,169
TOTAL REVENUE	77,672,062	80,061,330	65,111,439	49,893,624	51,756,169
OTHER SOURCES OF FUNDS:					
Transfers In	-	-	-	-	-
Other Financing Sources	-	-	-	-	-
Restricted Fund Balance	38,613,764	37,174,541	40,442,331	49,359,506	36,428,846
Total other sources	38,613,764	37,174,541	40,442,331	49,359,506	36,428,846
TOTAL REVENUE, OTHER SOURCES & FUND BALANCES	\$ 116,285,826	\$ 117,235,871	\$ 105,553,770	\$ 99,253,130	\$ 88,185,015
EXPENDITURES (by category)					
New Construction	\$ -	\$ -	\$ 2,000,000	\$ 17,500,000	\$ 2,500,000
Projects at Existing Schools & Facilities	8,480,000	8,500,000	8,500,000	8,500,000	8,500,000
Facilities Management	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Technology	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
System Wide Equipment and Vehicles	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Buses	2,813,670	2,896,200	2,896,200	2,896,200	2,896,200
Projects in Progress	-	-	-	-	-
TOTAL EXPENDITURES	17,443,670	17,546,200	19,546,200	35,046,200	20,046,200
TRANSFERS OUT:					
To General Fund	11,007,250	9,007,250	7,007,250	5,007,250	3,007,250
To Debt Service Funds	50,660,365	50,240,090	29,640,814	22,770,834	22,770,234
TOTAL TRANSFERS	61,667,615	59,247,340	36,648,064	27,778,084	25,777,484
Reserved for projects in progress	-	-	-	-	-
Restricted Fund Balance	37,174,541	40,442,331	49,359,506	36,428,846	42,361,331
TOTAL EXPENDITURES, TRANSFERS & FUND BALANCES	\$ 116,285,826	\$ 117,235,871	\$ 105,553,770	\$ 99,253,130	\$ 88,185,015

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2015-2019 CAPITAL OUTLAY FIVE-YEAR WORK PROGRAM

	BUDGET 2014-2015	BUDGET 2015-2016	BUDGET 2016-2017	BUDGET 2017-2018	BUDGET 2018-2019
Major Projects - New Construction					
Major Renovations - Elementary (to be determined)			1,500,000	15,000,000	
Elementary - Additions - For Growth			500,000	2,500,000	2,500,000
Total New Construction			2,000,000	17,500,000	2,500,000
Projects at Existing Schools & Facilities					
Portables - Lease	100,000	100,000	100,000	100,000	100,000
Portables - Moves & Compliance	400,000	400,000	400,000	400,000	400,000
Various Schools - Minor Projects	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Various Facilities - Facilities Review Projects	4,980,000	5,000,000	5,000,000	5,000,000	5,000,000
Total Major Prjs at Existing Schools & Facilities	8,480,000	8,500,000	8,500,000	8,500,000	8,500,000
Facilities Management					
Facilities Management - Various Projects	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Technology					
Network, EDP & Communications Equipment	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
System Wide Equipment & Vehicles					
Various Schools & Departments Furn. & Equip.	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Buses					
Transportation Dept - Bus Replacement	2,813,670	2,896,200	2,896,200	2,896,200	2,896,200
PROJECT TOTALS	\$ 17,443,670	\$ 17,546,200	\$ 19,546,200	\$ 35,046,200	\$ 20,046,200
Transfers					
Transfers - To General Fund	11,007,250	9,007,250	7,007,250	5,007,250	3,007,250
Transfers - To Debt Service	50,660,365	50,240,090	29,640,814	22,770,834	22,770,234
Total Transfers	61,667,615	59,247,340	36,648,064	27,778,084	25,777,484
GRAND TOTAL	\$ 79,111,285	\$ 76,793,540	\$ 56,194,264	\$ 62,824,284	\$ 45,823,684

NEW APPROPRIATIONS REQUEST FOR FY15

PRJ#	NAME	DESCRIPTION	NEW FY15
NEW CONSTRUCTION			
NONE			\$ -
TOTAL NEW SCHOOL CONSTRUCTION			-
PROJECTS AT EXISTING SCHOOLS & FACILITIES			
2070	Minor Projects	That Occur During The Year At Various Schools	3,000,000
2364	Portables	Moves & Compliance	400,000
5530	Various Schools	Leased Portables	100,000
4438	Brewster Center	Major Renovations	2,000,000
4445	DeLand HS	Reroof Clinic	150,000
4450	DeLand Mid	Remodel Locker Room Showers	75,000
4448	Edgewater Public	Replace Canopies Bldgs 6,7,8,9	150,000
4436	Osceola Elm	Domestic Water Line Replacement	100,000
4446	Pierson Elm	Reroof Shingled Area Bldg 1	65,000
4449	Pine Ridge HS	Replace Outside Courts	150,000
4444	Sweetwater Elm	Reroof Campus	1,000,000
4451	Timbercrest Elm	Install Power Generator	95,000
4355	Volusia Pines Elm	Reroof Campus	1,100,000
4447	Woodward Ave Elm	Reroof Bldg 3	95,000
TOTAL PROJECTS AT EXISTING SCHOOLS & FACILITIES			8,480,000
FACILITIES MANAGEMENT			
4065	FACILITIES MANAGEMENT	MOVED TO SPECIFIC PROJECTS AT THE END OF YEAR	1,150,000
TOTAL FACILITIES MANAGEMENT			1,150,000
TECHNOLOGY			
6933	SYSTEM WIDE - VARIOUS SCHOOLS AND DEPARTMENTS TECHNOLOGY		
	Computing Device Replacements/Refresh Oldest Computers		2,000,000
	Support of Academic/Instructional Programs		500,000
	Computer-Based Testing Mobile Laptop Carts		550,000
	Networking Infrastructure		625,000
	Data Center & Server Infrastructure		250,000
	Replacement Hardware		75,000
TOTAL TECHNOLOGY			4,000,000
SYSTEM-WIDE EQUIPMENT AND VEHICLES			
6980	VARIOUS SCHOOL & DEPARTMENT EQUIPMENT & VEHICLES		1,000,000
TOTAL SYSTEM-WIDE EQUIPMENT & VEHICLES			1,000,000
6980	TRANSPORTATION	27 BUSES	2,813,670
TOTAL BUSES			2,813,670
TRANSFERS			
6990	TO GENERAL FUND	(For Qualified Expenditures)	11,007,250
6990	TO DEBT SERVICE FUND	(For Debt Service Payments)	50,660,365
TOTAL TRANSFERS			61,667,615
TOTAL APPROPRIATIONS REQUEST			\$ 79,111,285