

FUND STATEMENT

Fund 30020, Capital Renewal Construction

	FY 2013 Actual	FY 2014 Adopted Budget Plan	FY 2014 Revised Budget Plan	FY 2014 Third Quarter Estimate	Increase (Decrease) (Col. 5-4)
Beginning Balance	\$8,426,210	\$0	(\$7,334,369)	(\$7,334,369)	\$0
Revenue:					
Sale of Bonds ¹	\$1,900,000	\$0	\$4,100,000	\$4,100,000	\$0
Short Term Borrowing ²	0	0	35,000,000	35,000,000	0
MPSTOC Reimbursement ³	441,514	0	0	0	0
Total Revenue	\$2,341,514	\$0	\$39,100,000	\$39,100,000	\$0
Transfer In:					
General Fund (10001)	\$0	\$0	\$5,000,000	\$5,000,000	\$0
Cable Communications (40030) ⁴	285,000	0	0	0	0
Total Transfers In	\$285,000	\$0	\$5,000,000	\$5,000,000	\$0
Total Available	\$11,052,724	\$0	\$36,765,631	\$36,765,631	\$0
Total Expenditures⁵	\$18,387,093	\$0	\$36,765,631	\$36,765,631	\$0
Total Disbursements	\$18,387,093	\$0	\$36,765,631	\$36,765,631	\$0
Ending Balance^{6,7}	(\$7,334,369)	\$0	\$0	\$0	\$0

¹ The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 7, 2006, the voters approved a \$125 million Public Safety Bond Referendum, of which \$14 million was designated for capital renewal purposes. An amount of \$1.9 million was sold in January 2013 and results in a balance of \$4.1 million in authorized but unissued bonds.

² In FY 2014, up to \$35,000,000 is anticipated to be provided using the County's short-term borrowing tools in order to reduce existing capital renewal backlogs. Borrowing will be based on actual project completion schedules and cash flow requirements as identified by staff.

³ A total of \$441,514 represents revenue received from the Virginia Department of Transportation (VDOT) and Virginia State Police associated with the state share of operating costs at the McConnell Public Safety and Transportation Operations Center (MPSTOC). These funding reimbursements will be held in capital renewal projects for future replacement requirements.

⁴ The FY 2013 Cable Communications transfer of \$285,000 supported the replacement of auditorium seating and carpeting at the Government Center.

⁵ In order to account for revenue and expenditures in the proper fiscal year, an audit adjustment in the amount of \$473,010.61 has been reflected as an increase to FY 2013 expenditures. This impacts the amount carried forward and results in a decrease of \$473,010.61 to the *FY 2014 Revised Budget Plan*. The projects affected by this adjustment are 2G08-005-000, Emergency Systems Failures, GF-000012, Emergency Generator Replacement, GF-000013, Elevator Replacement and GF-000015, Public Safety Renewal-DPWES. The audit adjustments have been included in the FY 2013 Comprehensive Annual Financial Report (CAFR). Details of the audit adjustments are included in the FY 2014 Third Quarter package.

⁶ The FY 2013 Actual negative ending balance was a result of a higher than anticipated amount of capital renewal projects reaching the construction phase and increased project activity in the spring of 2013. These projects include the planned repair and replacement of HVAC systems, elevators and emergency repairs and critical upgrading at various buildings and facilities throughout the County. Staff is currently working on a backlog of \$35 million in capital renewal projects. In order to eliminate the negative ending balance, short-term borrowing will take place immediately in FY 2014 to address both FY 2013 and FY 2014 capital renewal expenses.

⁷ Capital projects are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.