

Capital and Debt Service Expenditures

Capital – funds used to acquire or upgrade physical assets such as property, buildings or equipment

- To be considered a capital expenditure, a single item must have a value greater than \$1,000 and a useful life of more than 1 year
 - Items less than \$1,000 are considered a supply item, regardless of useful life
- The District currently budgets six cents of the operating levy for capital expenditures
 - This levy generates about \$1.4 million annually
- The list of major capital projects identified by the Strategic Planning Facilities Committee has an estimated cost of \$25 million
- The 2016-17 budget included \$2.1 million in capital expenditures for minor capital projects (ADA, paving, sidewalks, etc.)
- The District budgets a transfer to the capital fund each year to make up any difference between the revenue generated by the levy and the actual expenditures that year
 - The transfer is budgeted at \$500,000, but the actual amount transferred, if any, is always based on actual expenditures
 - Funds transferred into the Capital Projects Fund cannot be transferred out
- As of October 31, 2016, the Capital Fund had a total fund balance of \$4.7 million

Debt Service – funds used for payment of principal and interest on outstanding general obligation bonds

- The District's current debt service levy is \$0.6713
- Revenue generated by the debt service levy can only be used to pay the principal and interest in the District's outstanding general obligation debt
- As of June 30, 2016, the District had \$143,260,000 in outstanding general obligation debt
- For the next several years, the principal and interest payments due exceed the revenue generated on a current basis (see table below)

12-05-2016

Projected GO Debt Levy and Fund Balance Report After 2016 GO Refunding Bonds

Kevin's Analysis

Tax Year	Debt Year	AV	Growth	Tax Rate	Tax Revenue @			Aggregate Net	Req'd	(Use) of Fund	Fund Balance
					99%	SARRU	Total Revenue	Debt Service	Levy	Balance	
2014	2015	2,190,272,276		\$ 0.6713	\$ 14,556,265	\$ 388,265	\$ 14,944,530				
2015	2016	2,326,681,255		\$ 0.6713	\$ 15,462,821	\$ 403,546	\$ 15,866,367	\$ 14,432,747	\$ 0.620	\$ 1,433,620	\$ 13,638,100
2016	2017	2,362,718,833	1.0%	\$ 0.6713	\$ 15,702,322	\$ 403,077	\$ 16,105,399	\$ 16,921,091	\$ 0.716	\$ (815,692)	\$ 12,822,408
2017	2018	2,480,854,775	5.0%	\$ 0.6713	\$ 16,487,438	\$ 403,077	\$ 16,890,515	\$ 18,997,647	\$ 0.766	\$ (2,107,132)	\$ 10,715,277
2018	2019	2,505,663,322	1.0%	\$ 0.6713	\$ 16,652,313	\$ 403,077	\$ 17,055,390	\$ 17,372,088	\$ 0.693	\$ (316,698)	\$ 10,398,578
2019	2020	2,630,946,489	5.0%	\$ 0.6713	\$ 17,484,928	\$ 403,077	\$ 17,888,005	\$ 16,566,405	\$ 0.630	\$ 1,321,600	\$ 11,720,179
2020	2021	2,657,255,953	1.0%	\$ 0.6713	\$ 17,659,778	\$ 403,077	\$ 18,062,855	\$ 15,132,228	\$ 0.569	\$ 2,930,627	\$ 14,650,805
2021	2022	2,790,118,751	5.0%	\$ 0.6713	\$ 18,542,767	\$ 403,077	\$ 18,945,844	\$ 14,196,021	\$ 0.509	\$ 4,749,823	\$ 19,400,628
2022	2023	2,818,019,939	1.0%	\$ 0.6713	\$ 18,728,194	\$ 403,077	\$ 19,131,271	\$ 13,638,720	\$ 0.484	\$ 5,492,551	\$ 24,893,179
2023	2024	2,958,920,936	5.0%	\$ 0.6713	\$ 19,664,604	\$ 403,077	\$ 20,067,681	\$ 13,654,359	\$ 0.461	\$ 6,413,322	\$ 31,306,501
2024	2025	2,988,510,145	1.0%	\$ 0.6713	\$ 19,861,250	\$ 403,077	\$ 20,264,327	\$ 11,583,009	\$ 0.388	\$ 8,681,318	\$ 39,987,819
2025	2026	3,137,935,652	5.0%	\$ 0.6713	\$ 20,854,312	\$ 403,077	\$ 21,257,389	\$ 8,394,278	\$ 0.268	\$ 12,863,111	\$ 52,850,930
2026	2027	3,169,315,009	1.0%	\$ 0.6713	\$ 21,062,856	\$ 403,077	\$ 21,465,933	\$ 8,505,678	\$ 0.268	\$ 12,960,255	\$ 65,811,185
2027	2028	3,327,780,759	5.0%	\$ 0.6713	\$ 22,115,998	\$ 403,077	\$ 22,519,075	\$ 8,448,040	\$ 0.254	\$ 14,071,035	\$ 79,882,220
2028	2029	3,361,058,567	1.0%	\$ 0.6713	\$ 22,337,158	\$ 403,077	\$ 22,740,235	\$ 8,640,100	\$ 0.257	\$ 14,100,135	\$ 93,982,355
2029	2030	3,529,111,495	5.0%	\$ 0.6713	\$ 23,454,016	\$ 403,077	\$ 23,857,093	\$ 3,461,880	\$ 0.098	\$ 20,395,213	\$ 114,377,568