

Updated, Added Slide 23, 2/15/18



# Capital Needs

BCC Workshop

Feb 20, 2018



# Agenda

- Sales Tax Update
- 20 Year Capital Needs Assessment
- Capital Funding
  - Revenues
  - Reserves (policy review included)
  - Debt (policy review included)
- Prioritization of next five years
- Next Steps



# Capital Funding

BCC Workshop

Feb 16, 2018



# Gas Tax Revenue for Road Maintenance

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>
	<b>Collections</b>	<b>Collections</b>	<b>Collections</b>	<b>Collections</b>	<b>Collections</b>
Local Option 6 cents	4,568,236	5,111,489	5,019,060	5,109,150	5,148,330
Constitutional 2 cents	1,986,466	2,076,236	2,149,027	2,223,253	2,268,791
County 1 cent	876,996	967,206	948,746	983,922	1,001,287
Ninth Cent 1 cent	183,496	205,279	201,642	204,714	206,859
Misc receipts (off rd rebate)	74,061	71,146	68,837	71,138	77,612
<b>Total Maint Collections</b>	<b>7,689,255</b>	<b>8,431,356</b>	<b>8,387,312</b>	<b>8,592,177</b>	<b>8,702,879</b>



# Revenues for Capital Road Improvements

	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>
	<b>Collections</b>	<b>Collections</b>	<b>Collections</b>	<b>Collections</b>	<b>Collections</b>
Impact Fees	689,370	970,826	1,492,894	1,866,228	2,543,539
5 Cents Local Option Gas Tax	3,370,289	3,835,189	3,747,066	3,800,607	3,841,764
Ninth Cent - Motor Fuel	733,983	821,116	806,567	818,658	827,635
<b>Total Capital Collections</b>	<b>4,793,642</b>	<b>5,627,131</b>	<b>6,046,527</b>	<b>6,485,493</b>	<b>7,212,938</b>



# Transportation Impact Fees

	2017
West County	1,005,407
Mid County	544,396
South County	433,868
23% (Interdistrict)	559,867



# Capital Project Funding



# Growth Incremental Funding

2017	\$1,058,025
2018	\$2,515,874





# Capital Projects Millage

## General Government

	2018	2019	2020	2021	2022
Ad Valorem Revenue	19,232,779	20,194,418	21,204,139	22,264,346	23,377,563
Debt Service (MV & GPC)	5,500,000	5,500,000	5,500,000	5,500,000	4,500,000
Capital Maintenance - Facilities	5,029,215	5,444,902	4,567,298	4,364,923	4,822,000
Capital Maintenance - Parks	4,605,000	4,013,000	3,995,000	4,075,000	4,033,000
Total Maintenance	15,134,215	14,957,902	14,062,298	13,939,923	13,355,000
Available for Expansion	4,098,564	5,236,516	7,141,841	8,324,423	10,022,563

\* Assumes 3% inflation and 5% Ad Valorem growth.



# Impact Fees

	<b>2015</b>	<b>2016</b>	<b>2017</b>
Public Buildings	9,174	141,201	345,257
Library	1,351	27,032	58,270
Fire/EMS	163	91,976	211,050
Sheriff	1,646	91,391	247,047
Parks	5,288	145,816	278,158
	<b>17,622</b>	<b>497,416</b>	<b>1,139,782</b>



# Excess Funds returned by Sheriff

2015	\$1,699,542
2016	\$2,573,560
2017	\$1,776,389



# Reserve Policy - Adopted 9/8/09

**Reserve for Contingencies:** To mitigate current and future risks such as revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates; and other unforeseen financial situations. A balance not less than 5% and not greater than 10% percent of the total budget.

**Cash Carried Forward Reserve:** For the purpose of paying expenses from October 1 of the ensuing fiscal year until the time when the revenues for that year are expected to be available. A balance not less than 5% and not greater than 10% percent of the total budget.

**Fiscal Stabilization Reserve:** To meet unexpected immediate increases in service delivery costs, or to maintain service levels in the event that an economic downturn should cause a shortfall in revenues or for expenditures associated with a major storm or other unforeseen disaster that fundamentally alters the current tax base. A balance not less than 15% percent of the total budget.



# Reserve Policy Proposed Revision

## SECTION 6. Enterprise Funds

### I. Charlotte County Utility

The Utility should strive to maintain a minimum balance in the renewal and replacement fund equal to the lesser of one-twelfth (1/12) of five percent (5%) of the prior year's gross revenue or \$2,000,000. The Utility shall strive to maintain an unrestricted operating reserve fund balance equal to an average of ~~sixty to ninety (90)~~ *ninety (90) to one hundred and twenty (120)* days of the Utilities operating and maintenance expenses as established during its annual budget.



# Ad Valorem Reserves

	<u>Total Reserves</u>	<u>% of Budget</u>	<u>Target</u>
Contingency	\$ 22,300,145	7.87%	5% - 10%
Cash Carry Forward	\$ 16,000,000	5.65%	5% - 10%
Fiscal Stabilization	<u>\$ 29,270,764</u>	10.34%	> 15%
<b>Total:</b>	<b>\$ 67,570,909</b>		



# Reserves

	Contingency	Cash Carry Forward	Fiscal Stabilization	Future Capital	Restricted	Total
Ad Valorem	22,300,145	16,000,000	29,270,764			67,570,909
Transportation Trust	6,223,671	4,741,224				10,964,894
Building Const Services					782,050	782,050
MSBUs	16,717,892	20,634,622		24,894,621	2,143,234	64,390,369
Fire Rescue Unit	1,508,823	1,508,823		1,675,548		4,693,194
Capital Projects				5,729,711		5,729,711
Utilities	7,013,373			12,777,997	19,552,117 a	39,343,487
Landfill	7,358,651			3,042,500	13,816,192 b	24,217,343
All Other *	14,259,721	3,426,970		11,506,638	11,010,901	40,204,230
	75,382,276	46,311,639	29,270,764	59,627,015	47,304,494	257,896,187

a Restricted by Bond Covenant to guarantee debt service

b Restricted for future landfill closure

\* All Other consists of:

- Internal Service Funds such as Self Insurance and Vehicle Revolving Fund
- Special Revenue Funds such as Tourism Development and Boater Revolving Fund



**General Fund**  
**Five Year Financial Plan - Revenue/Expenditures**  
 (Thousands)

	Actual FY15/16	Actual FY16/17	Adopted Budget FY17/18	Projected Budget FY18/19	Projected Budget FY19/20	Projected Budget FY20/21	Projected Budget FY21/22
<b>Operating Revenues</b>							
Ad Valorem Taxes	26,351	28,185	31,426	33,046	34,698	36,433	38,255
State Shared Revenues	17,940	19,145	20,018	20,708	21,743	22,396	23,068
Franchise Fees - FPL	8,948	9,212	9,000	9,000	9,090	9,181	9,273
Charges for Services	9,989	9,451	9,885	10,165	10,266	10,369	10,473
Other Revenues & Fees	3,788	5,399	3,759	3,590	3,626	3,663	3,699
Less 5%-FS 129.01(2)(B)			-3,624	-3,761	-3,971	-4,102	-4,238
Internal Charges	15,632	14,250	17,757	19,163	19,163	19,163	19,163
Transfers In	10,301	8,214	7,708	7,743	8,130	8,537	8,963
<b>Total Revenues</b>	<b>92,949</b>	<b>93,856</b>	<b>95,930</b>	<b>99,654</b>	<b>102,746</b>	<b>105,639</b>	<b>108,655</b>
<b>Expenditures</b>							
Personal Services-Excluding Health	29,396	30,864	32,574	33,740	35,089	36,493	37,953
FRS Rates	3,180	3,518	3,272	3,358	3,459	3,563	3,669
Health & Life Insurance Costs	6,343	6,706	8,055	8,445	8,868	9,311	9,776
Operating Expenses	33,240	34,275	37,625	38,335	38,718	39,105	39,496
Capital Outlay	1,183	3,548	1,434	1,206	1,206	1,206	1,206
Grants & Aid	4,985	5,657	6,030	6,124	6,307	6,497	6,691
Transfers	16,784	12,209	10,305	10,402	10,714	11,035	11,366
<b>Total Expenditures</b>	<b>95,110</b>	<b>96,776</b>	<b>99,294</b>	<b>101,609</b>	<b>104,361</b>	<b>107,209</b>	<b>110,158</b>
<b>Use of Reserves</b>	2,161	2,921	3,364	1,955	1,614	1,570	1,503





# Long-range Variables

	Budget FY17/18	Budget FY18/19	Budget FY19/20	Budget FY20/21	Budget FY21/22
Additional Homestead Exemption			1,202,871	1,202,871	1,202,871
Sales Tax projects operating costs	449,220	1,358,592	2,975,914	3,259,657	3,259,657
Manasota Key renourishment		1,100,000	1,100,000	1,100,000	1,100,000
		2,458,592	5,278,785	5,562,528	5,562,528
6.5% valuation increase	471,397	997,005	1,581,526	2,230,026	2,947,965
8.0% valuation increase	942,795	2,008,152	3,208,236	4,556,297	6,066,773

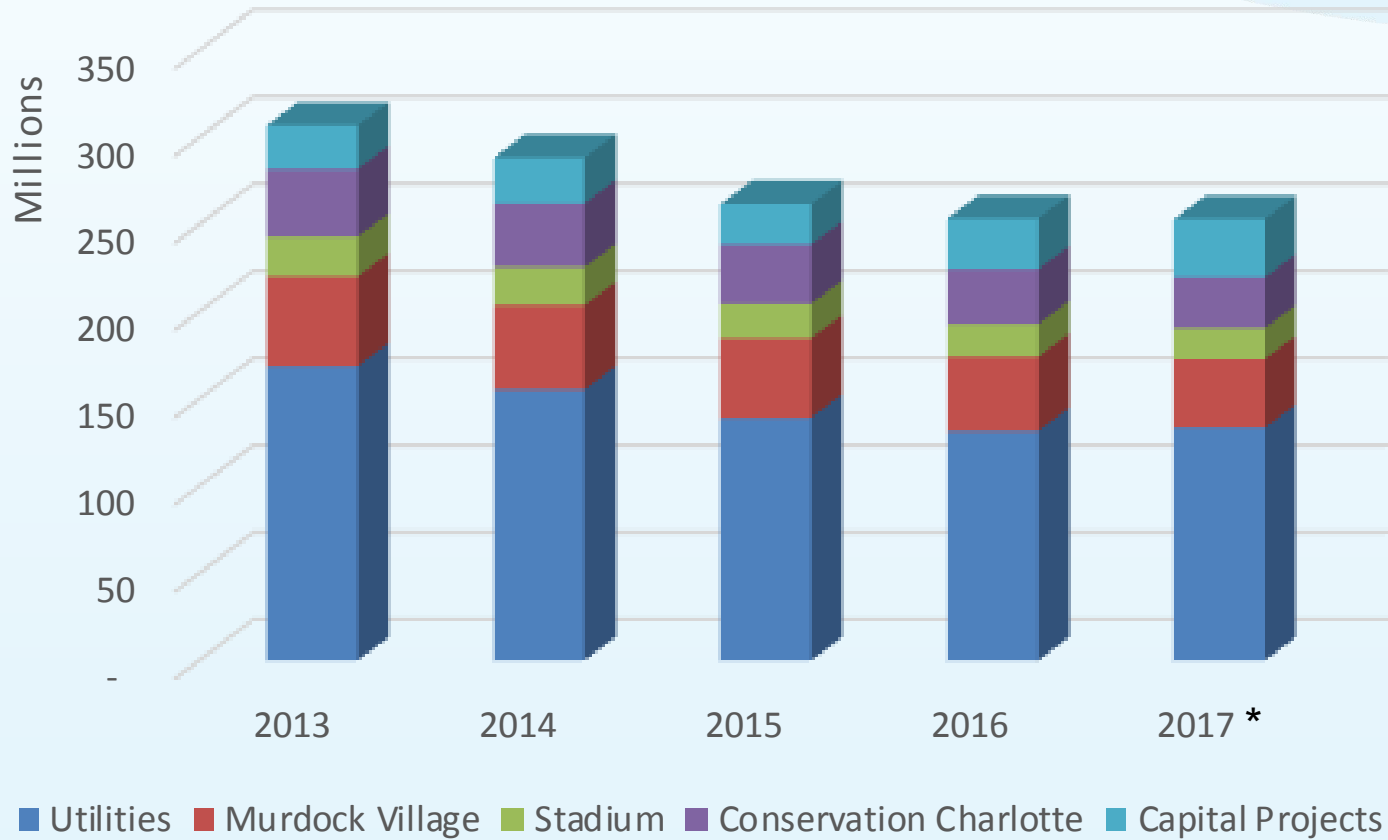


# Additional Homestead Impact

	Millage	Loss
County-wide	6.3007	3,660,081
General Fund - BCC	2.0707	1,202,871
General Fund - Sheriff	2.8739	1,669,450
Capital Projects Fund	1.2654	735,072
Health Unit	0.0907	52,688
Environmentally Sensitive Land Program	0.2000	116,180
Greater Charlotte Street Lighting District	0.3250	146,741
Charlotte Public Safety Unit	2.5855	1,167,379
<b>Total</b>		<b>5,090,380</b>
<b>Sheriff</b>		<b>2,836,829</b>



# County Debt Comparisons



\* Unaudited



# 5 Year Capital Expansion Plan



# 5 Year Capital Expansion Transportation

	2019	2020	2021	2022	2023	5 Yr Total
Kings Hwy-I75 to Desoto County Line			3,000			3,000
Sandhill Blvd Widening	2,000		5,108			7,108
Annual Total	2,000	-	8,108	-	-	10,108
Gas Tax Available						-
Impact Fees	474	474	474	474	474	2,370
Surplus / (Shortfall)	(1,526)	474	(7,634)	474	474	(7,738)



# 5 Year Capital Expansion Sewer Master Plan

	2019	2020	2021	2022	2023	5 Yr Total
El JoBean	9,126					9,126
Crestview Circle			1,100			1,100
Ellicott Circle				3,600		3,600
Annual Total	9,126	-	1,100	3,600	-	13,826
Assessments	3,416		736	2,438		6,590
Base service revenue	520		110	365		995
Grants	900		100	250		1,250
BP Funds *	4,290		154	547		4,991
Surplus / (Shortfall)	-	-	-	-	-	-

\* BP Settlement / RESTORE



# 5 Year Capital Expansion PRMR Water Supply Authority

	2019	2020	2021	2022	2023	5 Yr Total
T5: Bachman Regional Pump/Storage Fac	2,000	3,000	1,000			6,000
T9: Phase 2B (Hillsborough Transmission)	3,000	3,000	5,000	4,500		15,500
T3: Phase 4-1 (Burnt Store Interconnect)	2,500					2,500
Solar Farm						
Annual Total	7,500	6,000	6,000	4,500	-	24,000
Assessments						-
Base service revenue						-
Grants						-
BP Funds *						-
Surplus / (Shortfall)	(7,500)	(6,000)	(6,000)	(4,500)	-	(24,000)



# 5 Year Capital Expansion Sheriff

	2019	2020	2021	2022	2023	5 Yr Total
Firing Range @ Airport Annex	1,236					1,236
District 2 Murdock				5,000		5,000
District 4 Training Complex			6,432			6,432
911 Hardened Building at Public Safety Complex				6,000		6,000
Sheriff Support Services					2,000	2,000
Previously Committed						-
Annual Total	1,236	-	6,432	11,000	2,000	20,668
Infrastructure Fund		1,776	1,776	1,776	1,776	7,104
Impact Fees		247	247	247	247	988
Surplus / (Shortfall)	(1,236)	2,023	(4,409)	(8,977)	23	(12,576)





# 5 Year Capital Expansion

## Capital Millage Funding

	2019	2020	2021	2022	2023	5 Yr Total
Asset Management System		2,000				2,000
Eden to Munis conversion			1,200			1,200
Fuel Dispensing System	500					500
Justice Center Renovation			1,200			1,200
Supervisor of Elections Warehouse		4,700				4,700
Mid County Operations Facility/Loveland			18,000		16,000	34,000
Charlotte Harbor Event Center Parking Garage		1,250	8,500			9,750
GC Herring Park			500	1,500		2,000
Maracaibo Concession Stand					1,500	1,500
Maracaibo Tennis Center				250	1,250	1,500
McGuire Park / McGuire Ph2				2,200		2,200
Multi Use Trails				1,000	1,000	2,000
North Charlotte Reg Park Phase 2				6,000		6,000
Placida Overflow		250	2,000			2,250
Port Charlotte Beach Community Ctr (Replace)		500	4,500	2,000		7,000
Port Charlotte Library Renovation		200	715			915
Punta Gorda Library Repurposed			500			500
South Punta Gorda Heights Park					200	200
Wm R. Gaines Jr. Memorial Park					1,700	1,700
Fire Station 2 Replacement	4,000					4,000
Fire Station 3 Replacement (incl land)				4,500		4,500
Fire Station 5 Replacement (incl land)	5,000					5,000
Fire Station 10 Replacement (existing site)	3,150					3,150
Radio Management Warehouse (Former St 2)			750			750
<b>Annual Total</b>	<b>12,650</b>	<b>8,900</b>	<b>37,865</b>	<b>17,450</b>	<b>21,650</b>	<b>98,515</b>



# 5 Year Capital Expansion

## Capital Millage Funding

	2019	2020	2021	2022	2023	5 Yr Total
Annual Total	12,650	8,900	37,865	17,450	21,650	98,515
Ad Valorem Available	1,081	1,725	6,694	10,648	11,674	31,822
Growth Incremental	2,522	2,522	2,522	2,522	2,522	12,611
Impact Fees	893	893	893	893	893	4,464
Departmental Revenues		1,340			16,000	17,340
Surplus / (Shortfall)	(8,154)	(2,420)	(27,756)	(3,388)	9,439	(32,278)