

City of Harrisonburg

High School Information





City of Harrisonburg, VA

10-Year Debt Service Payments

Fiscal Year	General Fund (Tax Supported)	
	Existing Debt	
	Total Debt Service	Increase (Decrease)
2019	\$ 16,551,943	\$ 445,380
2020	16,469,314	(82,629)
2021	15,873,866	(595,448)
2022	15,591,171	(282,695)
2023	15,487,116	(104,055)
2024	15,010,848	(476,268)
2025	15,013,067	2,219
2026	13,693,382	(1,319,685) A
2027	13,211,771	(481,611)
2028	10,201,806	(3,009,965) B

A: Middle River Regional Jail Agreement

B: Current High School



City of Harrisonburg, VA

Financial Management Debt Policies

1. Net general bonded debt as a percentage of the assessed value of real taxable property should not exceed 6%.

Assessed Value of Real Taxable Property (FY 2018) = \$4.1 billion

Net General Bonded Debt (June 30, 2018) = \$145,629,831

Policy Limit = \$248,106,804

Available = \$102,476,973

2. Net general bonded debt expenditures as a percentage of expenditures shall not exceed 15% (inclusive of the school board expenditures net of City transfer to the school board).

Total Net Budgeted Expenditures (FY 2018 Adopted Budget) = \$158,339,553

Net General Bonded Debt Expenditures = \$13,877,212

Policy Limit = \$23,750,933

Available = \$9,873,721



City of Harrisonburg, VA

FY 2018-2019 Projected Costs

Mobile Units

Annual Rental	\$163,000
Utilities	25,000
Custodial	67,000
Installation & Furnishing	<u>225,000</u>
<i>Subtotal</i>	<i>\$480,000</i>

5th Period

School Staffing	\$120,000
Transportation	<u>210,000</u>
<i>Subtotal</i>	<i>\$330,000</i>

TOTAL **\$810,000**

Current Existing Costs \$101,000



City of Harrisonburg, VA

Fall 2023 Opening

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Mobile Units	\$ 480,000	\$ 382,000	\$ 462,000	\$ 513,000	\$ 681,000	\$ 0
5 th Period	330,000	336,000	342,000	348,000	355,000	0
New HS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>416,000</u>
Total	<u>\$ 810,000</u>	<u>\$ 718,000</u>	<u>\$ 804,000</u>	<u>\$ 861,000</u>	<u>\$ 1,036,000</u>	<u>\$ 416,000</u>

Other:

FY 2020 Additional Staffing (Secretary, Counselor and Assistant Principal) \$175,000

FY 2021 Parking Lot \$250,000



City of Harrisonburg, VA

Fall 2023 Opening

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
Mobile Units	\$ 480,000	\$ 382,000	\$ 462,000	\$ 513,000	\$ 681,000	\$ 0
5 th Period	330,000	336,000	342,000	348,000	355,000	0
New HS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>416,000</u>
Total	\$ <u>810,000</u>	\$ <u>718,000</u>	\$ <u>804,000</u>	\$ <u>861,000</u>	\$ <u>1,036,000</u>	\$ <u>416,000</u>

Debt Service	\$ 0	\$ 320,000	\$ 3,015,000	\$ 5,931,000	
Debt Roll Off*	(83,000)	(678,000)	(961,000)	(1,065,000)	
Net Debt Service	(83,000)	(358,000)	2,054,000	\$ 4,866,000	

Debt Capacity \$ 48,500,000

Other:

FY 2020 Additional Staffing (Secretary, Counselor and Assistant Principal) \$175,000

FY 2021 Parking Lot \$250,000

*This is the cumulative debt service "rolling off" the budget beginning from FY 2020.



City of Harrisonburg, VA

Fall 2022 Opening

	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
Mobile Units	\$ 480,000	\$ 382,000	\$ 462,000	\$ 701,000	\$ 0
5 th Period	330,000	336,000	342,000	348,000	0
New HS	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>408,000</u>
Total	\$ <u>810,000</u>	\$ <u>718,000</u>	\$ <u>804,000</u>	\$ <u>1,049,000</u>	\$ <u>408,000</u>
Debt Service		\$ 300,000	\$ 2,791,000	\$ 5,575,000	
Debt Roll Off*		(83,000)	(678,000)	(961,000)	
<i>Net Debt Service</i>		217,000	2,113,000	\$ 4,614,000	
<i>Debt Capacity</i>		\$ 40,100,000			

Other:

FY 2020 Additional Staffing (Secretary, Counselor and Assistant Principal) \$175,000

FY 2021 Parking Lot \$250,000

*This is the cumulative debt service "rolling off" the budget beginning from FY 2020.



City of Harrisonburg, VA

Assumptions

- Annual operating costs increased by 2% inflation per year
- Mobile Units:
 - 3 additional units in FY 2020, 4 additional units in FY 2021, 4 additional units in FY 2022 and 2 additional units in FY 2023
 - Mobile unit annual lease cost to be \$10,000 per unit with installation & furnishing to be \$25,000 per unit
 - Bathroom unit annual lease cost to be \$25,000 with installation & furnishing to be \$75,000
 - Mobile unit removal cost to be \$6,700 per unit and bathroom to be \$20,000
 - Utilities to be \$1,500 per unit
- Construction and A&E costs increased 4.5% inflation per year
- A&E is 8.5% of construction costs



City of Harrisonburg, VA

Summary Data

	Fall 2021	Fall 2022	Fall 2023
Debt Capacity*	\$31,900,000	\$40,100,000	\$48,500,000
Annual Debt Service	\$5,256,000	\$5,575,000	\$5,931,000
RE Tax Rate Equivalent	13.1 ¢	13.9 ¢	14.8 ¢
Net Annual Debt Service**	\$4,578,000	\$4,614,000	\$4,866,000
RE Tax Rate Equivalent	11.4 ¢	11.5 ¢	12.2 ¢
Total Debt Service	131,900,000	139,900,000	148,900,000

*This is the debt capacity at the end of the fiscal year in which all the debt has been issued. Assumed 1% real property assessed value growth per year.

**Debt service after subtracting debt service that will be "rolling off" out of the budget.



City of Harrisonburg, VA

Other Considerations

- **20-year borrowing versus 25-year**
- **Furniture, fixtures and equipment. Included in project costs but would likely not be financed for 25 years. Assuming \$2.5 million to be financed for 5 years, the debt service amounts would increase by \$500,000 to \$600,000 for an initial 5 years.**