

---

---

# CAPITAL OUTLAY FUND

---

---

Page      Item

---

174 Overview

175 Revenue

177 Expenditures

178 Elementary School Allocation

180 Middle School Allocation

181 High School Allocation

182 Operational Services/Central Services/Axtell Park School Allocation

184 Debt Services

185 Five-Year Capital Outlay Fund Plan

---

# CAPITAL OUTLAY FUND

---

SDCL 13-16-6 states, in part, “the capital outlay fund of the school district is a fund provided by law to meet expenditures which result in the acquisition or lease of or additions to real property, plant or equipment. Such expenditure shall be for land, existing facilities, additions to facilities, remodeling of facilities, or for the purchase or lease of equipment. It may also be used for installment or lease-purchase payments for the purchase of real property, plant or equipment which have a contracted terminal date not exceeding twenty years from the date of the installment contract or lease-purchase and for the payment of the principal of and interest on capital outlay certificates issued pursuant to SDCL 13-6-6.2.”

The Sioux Falls School District’s FY19 Capital Outlay Fund includes expenditures for renovations and maintenance, site improvements, equipment, technology, and debt service.

The Director of Operational Services and building principals conduct building walk-throughs annually to assess individual building needs for renovations, maintenance, and site improvements. The improvements are evaluated and prioritized using the following criteria:

- **Safety and Security**
- **Structural Integrity**
- **Mechanical and Electrical Systems**
- **Site Maintenance**
- **Legal Requirements** – includes Americans with Disabilities Act items
- **Instructional Program Renovations and New Construction**
- **Building Interior** – may consist of replacing/repairing floorcoverings, paint, plaster, doors, window treatments, ceilings, chalkboards, tackboards, lockers, light fixtures, restrooms and auditorium seating

The Sioux Falls School District is committed to providing a safe and secure environment for all students and staff members. To assist with the District’s commitment to safety, the Safe and Secure Schools Council was formed in November 2007. The Council membership was comprised of School Board members, administration, staff, parents, fire fighters, law enforcement, a representative of the Sioux Falls Risk Management Department, a representative of Social Services and of court services. During the 2008/09 school year, the Council members toured each of the District’s buildings and made recommendations for improvements to ensure the safety of the District’s students and staff at them. The Council continues to meet quarterly and updates its recommendations, which are part of the FY19 Capital Outlay Fund Budget.

There is an increase in the amount of property tax revenues for the FY19 budget year of \$1,329,698. Levies are projected to be \$2.86 for Calendar Year 2019. Revenue for Other Local Sources is projected to increase by \$91,913. Federal sources are derived from a share of the interest payment on Build America Bonds issued in the summer of 2009.

<b>REVENUES</b>			
<b>Source</b>	<b>Budget FY18</b>	<b>Budget FY19</b>	<b>Increase/ (Decrease) from Prior Year</b>
Property Taxes	\$30,860,584	\$32,190,282	\$1,329,698
Other Local Sources	153,659	245,572	91,913
State Sources	-	-	-
Federal Sources	328,308	374,638	46,330
<b>Total</b>	<b>\$31,342,551</b>	<b>\$32,810,492</b>	<b>\$1,467,941</b>

---

# CAPITAL OUTLAY FUND

## Revenues

---

### Property Taxes

Source	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Property Taxes	\$30,860,584	\$32,190,282	\$1,329,698
Total	\$30,860,584	\$32,190,282	\$1,329,698

- The mil levy for property taxes in 2018 will be \$2.84 per \$1,000 of valuation.
- Local Tax revenue is budgeted to increase by \$1,329,698.

### Other Local Sources

Source	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Interest Income	\$ 35,000	\$ 130,000	\$ 95,000
Mobile Home Tax	11,000	11,000	-
Tuition	43,659	40,572	-
Miscellaneous Other Revenue	64,000	64,000	-
Total	\$ 153,659	\$ 245,572	\$ 95,000

- Interest Income is based upon expected earnings on funds kept on hand for FY19.

## Federal Sources

Source	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Federal Sources	\$374,638	\$374,638	\$ -
<b>Total</b>	<b>\$374,638</b>	<b>\$374,638</b>	<b>\$ -</b>

- Federal revenues are projected to remain the same in FY19.

The District expects to provide a one-time transfer of \$5,750,000 to the General Fund from the Capital Outlay Fund. The expenditure for Purchased Services - Transportation (15 percent of transportation costs) in the Capital Outlay Fund has been eliminated for FY19. The expenditures of the Capital Outlay Fund are, as follows:

## EXPENDITURES

Use	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Renovations and Maintenance	\$5,935,722	\$4,789,876	\$(1,145,846)
Site Improvements	960,248	1,278,189	317,941
Professional Services	177,300	325,000	147,700
Purchased Services* (Transportation)	2,621,290	-	(2,621,290)
Curriculum Adoption	15,700	375,000	359,300
Equipment	815,509	766,353	(49,156)
Technology	2,788,116	3,998,600	1,210,484
Building Allocations	555,476	597,173	41,697
Vehicles	122,000	89,000	(33,000)
Principal	8,480,000	8,775,000	295,000
Interest	5,364,481	5,178,735	(185,746)
Dues and Fees**	613,108	670,944	57,836
<b>Total</b>	<b>\$28,448,950</b>	<b>\$26,843,870</b>	<b>\$(1,605,080)</b>
Transfer Out to the General Fund	-	5,750,000	5,750,000
<b>Total Expenditures and Reserves</b>	<b>\$28,448,950</b>	<b>\$32,593,870</b>	<b>\$4,144,920</b>

\* 15% of the Bus Contract

\*\*Includes Harrisburg & West Central Tax-Sharing Agreements

---

# CAPITAL OUTLAY FUND

## Elementary School Allocation

---

The Capital Outlay Fund budget increases and decreases reflect year-to-year differences in building repair, remodeling and new construction needs. Annual building walk-throughs identify significant annual repair and remodeling needs. Projected student enrollment growth provides a basis for determining future needs for additional facilities.

### Elementary Education Allocation

Budget Data	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Renovations & Maintenance	\$ 1,217,364	\$ 1,637,161	\$ 419,797
Site Improvements	251,098	447,019	195,921
Professional Services	36,500	203,000	166,500
Equipment	135,499	134,790	(709)
Building Allocation*	227,763	232,582	4,819
Technology	148,918	2,103,250	1,954,332
<b>Total</b>	<b>\$ 2,017,142</b>	<b>\$ 4,757,802</b>	<b>\$ 2,740,660</b>

\*To be allocated to appropriate budget lines in final line item budget

Significant elementary school projects planned for FY19 include the following:

#### Renovations and Maintenance

- Re-roof sections of Laura B. Anderson Elementary \$80,000
- Replace ceiling tile at Robert Frost Elementary \$48,592
- Re-roof sections of Robert Frost Elementary \$80,000
- Update intercom system at Robert Frost Elementary \$20,000
- Update clock system at Robert Frost Elementary \$16,000
- Upgrade fire panel and classroom devices at Anne Sullivan Elementary \$58,000
- Upgrade playground at Anne Sullivan Elementary \$50,000
- Re-roof sections of Horace Mann Elementary \$110,000
- Add metal panels around gym at John Harris Elementary \$84,000
- Renovate computer labs and adjacent classrooms at John Harris Elementary \$170,000
- Remove asbestos floor tile at Lowell Elementary \$49,985
- Replace chiller and pumps at Hayward Elementary \$170,000
- Replace skylights at Hayward Elementary \$100,000
- Replace original boiler at Renberg Elementary \$ 48,000
- Tuckpoint and caulk the north wall at Jane Addams Elementary \$30,576
- Renovate room and update ceilings at Hawthorne Elementary \$95,868
- Replace chiller at Hawthorne Elementary \$170,000
- Replace skylights at J.F. Kennedy Elementary \$100,000
- Replace fire alarm panel and devices at Oscar Howe Elementary \$73,000

### **Site Improvements**

- Expand the drop-off lane at Terry Redlin Elementary \$100,000
- Design the east parking lot at Terry Redlin Elementary \$205,000
- Reconstruct main parking lot at Anne Sullivan Elementary \$180,000 (costs to be shared with City)
- Replace outside light poles in drop-off lane at John Harris Elementary \$15,000
- Develop plans for reconstruction of playground at Oscar Howe Elementary \$40,000

### **Equipment and Technology**

- Replacement and new musical instruments and equipment for fine arts \$90,490
- Building allocations \$232,582
- Replacement of iPads, laptops, Chromebooks and desktop computers for elementary schools \$2,103,250

---

# CAPITAL OUTLAY FUND

## Middle School Allocation

---

The Capital Outlay Fund budget increases and decreases reflect year-to-year differences in building repair, remodeling and new construction needs. Annual building walk-throughs identify significant annual repair and remodeling needs. Projected student enrollment growth provides a basis for determining future needs for additional facilities.

### Middle School Allocation

Budget Data	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Renovations & Maintenance	\$ 1,138,866	\$ 866,155	\$ (272,711)
Site Improvements	23,400	37,650	14,250
Professional Services	54,000	16,000	(38,000)
Equipment	194,719	157,821	(36,898)
Building Allocation*	136,722	138,579	1,857
Technology	1,196,522	716,250	(480,272)
<b>Total</b>	<b>\$ 2,744,229</b>	<b>\$ 1,932,455</b>	<b>\$ (811,774)</b>

\*To be allocated to appropriate budget lines in final line item budget

Significant middle school projects planned for FY19 include the following:

#### Renovations and Maintenance

- Re-roof original building at Memorial Middle School \$300,000
- Replace metal panels in the library at Memorial Middle School \$21,000
- Replace auditorium and classroom wing roofs at Patrick Henry Middle School \$125,000
- Replace boiler and update hot water system at Patrick Henry Middle School \$225,000
- Upgrade electrical switchgear at Patrick Henry Middle School \$38,000
- Replace air conditioner in library computer labs at Patrick Henry Middle School \$19,500

#### Site Improvements

- Replace front entrance stairs, railings, sidewalk at Edison Middle School \$49,000

#### Furniture, Library Books, Equipment and Technology

- Replacement and new musical instruments for Fine Arts \$111,121
- Building allocations \$138,579
- Replacement of desktop computers, laptops, ICT iPads, and Chromebooks for middle schools \$716,250



---

# CAPITAL OUTLAY FUND

## High School Allocation

---

The Capital Outlay Fund budget increases and decreases reflect year-to-year differences in building repair, remodeling and new construction needs. Annual building walk-throughs identify significant annual repair and remodeling needs. Projected student enrollment growth provides a basis for determining future needs for additional facilities.

### High School Allocation

Budget Data	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Renovations & Maintenance	\$1,650,436	\$815,150	\$(835,286)
Site Improvements	97,000	183,520	86,520
Professional Services	41,800	66,000	24,200
Equipment	390,689	306,107	(84,582)
Building Allocation*	154,291	186,813	(19,501)
Technology	642,177	631,500	(10,677)
<b>Total</b>	<b>\$2,976,393</b>	<b>\$2,189,090</b>	<b>\$(839,326)</b>

\*To be allocated to appropriate budget lines in final line item budget

Significant high school projects planned for FY19 include the following:

#### Renovations and Maintenance

- Replace intercom system at Washington High School \$28,000
- Remodel science area at Washington High School \$33,000
- Upgrade fire panel at Washington High School \$75,000
- Replace windows at Lincoln High School \$50,000
- Remove asbestos floor tile at Lincoln High School \$16,050
- Convert science lab into chemistry lab at Lincoln High School \$30,000
- Replace bleachers in gym at Lincoln High School \$205,000
- Replace lights at Lincoln High School \$60,000
- Replace water heat exchanger at Lincoln High School \$60,000
- Upgrade fire panel at Roosevelt High School \$212,000

#### Site Improvements

- Resurface the track at Washington High School \$125,000
- Repair storm sewer and drainage in main parking lot at Roosevelt High School \$68,000

#### Furniture, Library Books, Equipment and Technology

- Replacement and new musical instruments for Fine Arts \$159,907
- Athletic uniforms \$73,400
- Building allocations \$186,813
- Replacement of desktop computers, laptops, Chromebooks, and Chromebook bags \$631,500

---

# CAPITAL OUTLAY FUND

## Operational Services/Central Services/ Axtell Park Allocation

---

The Capital Outlay Fund budget increases and decreases reflect year-to year differences in building repair, remodeling and new construction needs. The Operational Services Department budgets for District-wide needs. Projected student enrollment growth provides a basis for determining future needs for additional facilities and remodeling projects.

The Central Services budget is administered by the Finance Office and the Office of Information Services.

Capital needs for Axtell Park School are also included in this budget.

### Operational Services/Central Services/Axtell Park Allocation

Budget Data	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Renovations & Maintenance	\$1,929,056	1,471,410	(457,646)
Site Improvements	588,750	610,000	21,250
Purchased Services (Transportation)	2,621,290	-	(2,621,290)
Purchased Services	45,000	40,000	(5,000)
Equipment	94,602	167,635	73,033
Building Allocation	36,700	39,199	2,499
Vehicles	122,000	89,000	(33,000)
Technology	816,199	922,600	106,401
<b>Total</b>	<b>\$6,253,597</b>	<b>\$3,339,844</b>	<b>\$(2,913,753)</b>

Significant purchases planned for FY19 school year include:

#### Renovations and Maintenance

- Replace section of roof at Axtell Park School \$34,960
- Replace boiler at Axtell Park School \$130,000
- Replace air conditioner at Axtell Park School \$300,000
- Miscellaneous tuckpointing and caulking at Central Services Center \$21,800
- District-wide—General building repair \$250,000
- District-wide—Roof repairs \$20,000
- District-wide—Summer painting and plaster repair \$175,000
- District-wide—Carpet replacement \$300,000
- District-wide—Floorcovering repair/replacement \$90,500
- District-wide—Asbestos tile removal \$40,000

### **Site Improvements**

- District-wide—Asphalt repair/replacement \$200,000
- District-wide—Concrete repair/replacement \$200,000

### **Equipment, Furniture and Technology**

- Upgrade energy management software and field panels \$120,000
  - Technology needs including servers, smartboards, projectors, core switches, carts, standup desks, disk storage, and software licenses \$922,600
  - Various maintenance/cleaning equipment replacement to be used throughout the District \$35,000
    - floor scrubbers
    - carpet fans
    - various shop tools
    - vacuum cleaners
    - walk off mats
    - burnishers

### **Vehicles**

- Replace shop trucks including plows and utility box \$89,000

---

# CAPITAL OUTLAY FUND

## Debt Services

---

Principal and interest payments charged to the Capital Outlay Fund result from issuing capital outlay certificates. Approximately \$1.21 of an expected \$2.86 capital outlay levy is currently needed to pay debt services expense. The Capital Outlay Fund levy devoted to long-term debt is expected to be \$0.86 by the end of the five-year plan (FY23.)

### Debt Services Budget

Budget Data	Budget FY18	Budget FY19	Increase/ (Decrease) from Prior Year
Principal	\$ 8,480,000	\$ 8,775,000	\$ 295,000
Interest	5,364,481	5,178,735	(185,746)
Dues and Fees (includes tax-sharing agreements)	613,108	670,944	57,836
<b>Total</b>	<b>\$ 14,457,589</b>	<b>\$ 14,624,679</b>	<b>\$ 167,090</b>

- Includes debt service for all outstanding Capital Outlay Certificates.
- Dues and Fees include the fees on the Capital Outlay Certificates (\$15,000) and the Harrisburg and West Central Payments, which will be made in accordance with the Harrisburg Tax Revenue Sharing Agreement (\$558,817) and the West Central Tax Sharing Agreement (\$97,126).

# CAPITAL OUTLAY FUND

## Five-Year Capital Outlay Fund Plan

South Dakota State Law 13-16-9.2 states, "Five year plan required when fund used to construct new facilities or additions. Any school district using the capital outlay fund for payment of construction of new facilities or construction of additions to facilities must develop and maintain a five year plan on the annual projected revenues and the annual projected expenditures for the capital outlay fund and such projected expenditures shall itemize the projected costs for new or additional facilities."

The following is the Five-Year Capital Outlay Fund Plan of the Sioux Falls School District for the years FY18– FY22.

### FIVE-YEAR CAPITAL OUTLAY FUND PLAN

Revenues	FY19	FY20	FY21	FY22	FY23
Total Revenue Available	\$32,684,650	\$33,913,066	\$35,085,106	\$36,298,145	\$37,553,618
Use	FY19	FY20	FY21	FY22	FY23
Long Term Debt					
2009 Issue	1,036,060	513,500	-	-	-
2010 Issue	1,251,107	1,247,983	1,244,295	1,242,982	512,575
2011 Issue	2,052,280	2,052,630	2,053,568	1,067,355	88,480
2012 Issue	2,693,450	2,690,200	2,301,875	2,303,225	2,297,850
2013 Issue	2,606,950	2,570,750	2,542,350	2,511,350	-
2015 Issue	962,206	956,706	960,082	957,081	957,706
2017A Issue	602,717	938,800	1,365,675	1,370,050	1,367,050
2017B Issue	1,051,494	898,997	898,309	1,872,622	2,772,450
2017C Issue	1,697,471	1,444,656	1,444,656	1,444,656	3,800,157
Capital Outlay Certificates Subtotal	\$13,953,735	\$13,314,222	\$12,810,810	\$12,769,321	\$11,796,268
Debt Administration Dues and Fees	15,000	15,000	15,000	15,000	15,000
Total Long Term Debt	\$13,968,735	\$13,329,222	\$12,825,810	\$12,784,321	\$11,811,268
Land and Building Acquisitions	-	100,000	100,000	100,000	100,000
Playground Equipment	50,000	45,000	45,000	45,000	45,000
Construction Additions, Renovations, Maintenance and Site Improvements	6,343,065	7,247,194	7,569,081	7,951,845	8,245,918
Harrisburg/West Central Payment	655,944	688,740	723,177	759,336	797,303
KLRN Equipment	-	-	-	-	-
CTE Academy Equipment	4,000	49,139	50,613	52,131	53,695
Vehicles	89,000	91,670	94,420	97,252	100,170
Technology	3,998,600	4,000,000	4,000,000	5,600,000	4,500,000
Curriculum Study	375,000	375,000	375,000	375,000	375,000
Furniture	-	5,000	5,050	5,101	5,152
Miscellaneous Equipment	762,353	789,344	813,024	837,415	862,537
CIP Projects Fund	-	6,577,669	5,950,390	6,038,197	9,985,452
Building Allocations	597,173	615,088	633,541	652,547	672,123
Transfer to General Fund	5,750,000	-	-	-	-
Reserves	-	6,726,808	4,201,003	5,190,328	1,013,914
Total Capital Expenditures	\$32,593,870	\$33,913,066	\$33,185,106	\$35,298,145	\$37,553,618

The tables below reflect the five-year plan for the Capital Improvement Plan for the District.

<b>CIP Revenue</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
CIP Projects CO Certificate Proceeds	\$41,674	\$6,577,669	\$5,950,390	\$6,038,197	\$9,985,452
<b>Total CIP Rev</b>	<b>41,674</b>	<b>6,577,669</b>	<b>5,950,390</b>	<b>6,038,197</b>	<b>9,985,452</b>

<b>CIP Cash Flow</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Prior Year's CIP Fund Balance	-	\$ 41,674	\$ 619,343	\$ 569,733	\$ 607,930
Revenues from Line 51 Above	\$ 41,674	6,577,669	5,950,390	6,038,197	9,985,452
Less CIP Projected Expenditures	-	(6,000,000)	(6,000,000)	(6,000,000)	(6,000,000)
<b>Net CIP Fund Balance</b>	<b>\$ 41,674</b>	<b>\$ 619,343</b>	<b>\$ 569,733</b>	<b>607,930</b>	<b>\$4,593,382</b>
Unobligated CO Fund Balance	9,024,854	9,024,854	10,924,854	11,924,854	11,924,854
<b>Net Fund Balance (CIP &amp; CO)</b>	<b>\$9,066,528</b>	<b>\$9,644,197</b>	<b>\$11,494,587</b>	<b>\$12,532,784</b>	<b>\$16,518,236</b>

The Administration plans for future land purchases for necessary parking/playground expansion at approximately five locations throughout the District.

<b>Land Bank</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Beginning Year Balance	\$600,000	\$600,000	\$700,000	\$800,000	\$900,000
Additional Budgeted Reserve	-	100,000	100,000	100,000	100,000
<b>Total Land Bank</b>	<b>\$600,000</b>	<b>\$700,000</b>	<b>\$800,000</b>	<b>\$900,000</b>	<b>\$1,000,000</b>

The Administration plans to keep the Career and Technical Education Academy equipped with the most current technology and equipment needed for the programs at the Academy.

<b>CTE Equipment Fund</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Beginning Year Balance	\$430,000	\$477,707	\$526,846	\$577,459	\$629,590
Additional Budgeted Reserve	47,707	49,139	50,613	52,131	53,695
Less Expenditures	-	-	-	-	-
<b>Total CTE Equipment Fund Reserve</b>	<b>\$477,707</b>	<b>\$526,846</b>	<b>\$577,459</b>	<b>\$629,590</b>	<b>\$683,285</b>

The Administration plans for the District-wide replacement hardware for the 1:1 Initiative and replacement hardware for the wireless network.

<b>Wireless Replacement Bank</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>
Beginning Year Balance	\$3,000,000	\$3,000,000	\$3,000,000	\$1,100,000	\$100,000
Additional Budgeted Reserves	-	-	(1,900,000)	(1,000,000)	-
Expenditures	-	-	-	-	-
<b>Total CTE Equipment Fund Reserve</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$1,100,000</b>	<b>\$100,000</b>	<b>\$100,000</b>

---

---

# CAPITAL PROJECTS FUNDS

---

---

Page	Item
------	------

---

188	Overview
-----	----------

---

# CAPITAL PROJECTS FUNDS

---

Capital Projects Funds are used to finance major building projects for the District and are subdivisions of the Capital Outlay Fund. Expenditures are limited to capital costs associated with each project.

There are no Capital Projects Funds planned for the 2018-2019 school year.