

CAPITAL IMPROVEMENT PLAN

Exhibit E

Fiscal Years 2015 - 2019

LOCKBOX RESERVES FOR FUTURE CAPITAL PROJECTS

All amounts in thousands (000)

City Lockbox	2014	2015	2016	2017	2018	2019
Opening Balance	\$ 784	\$ 886	\$ 481	\$ 1,881	\$ 3,256	\$ 7,266
Locked Revenue:						
Annual contribution	\$ 5,600	\$ 6,350	\$ 13,350	\$ 16,100	\$ 17,100	\$ 19,100
1¢ on real estate tax rate	2,098	2,145	2,160	2,206	2,266	2,337
Total Locked Revenue	\$ 7,698	\$ 8,495	\$ 15,510	\$ 18,306	\$ 19,366	\$ 21,437
Total Funds Available	\$ 8,482	\$ 9,380	\$ 15,990	\$ 20,187	\$ 22,621	\$ 28,703
Use of Lockbox:						
Debt service	\$ 4,041	\$ 8,272	\$ 11,958	\$ 12,951	\$ 13,371	\$ 15,397
Transfer to Capital Projects	3,555	627	2,152	3,980	1,985	1,185
Total Uses	\$ 7,596	\$ 8,900	\$ 14,110	\$ 16,931	\$ 15,356	\$ 16,582
Ending Balance	\$ 886	\$ 481	\$ 1,881	\$ 3,256	\$ 7,266	\$ 12,121

City lockbox balances do not reflect possible additions to jail that will likely occur by FY 2018, but are not included in the Capital Improvement Program. The CIP includes funding of action plan that will identify strategies to address overcrowding in the City jail. If an addition is recommended, building design would begin in July 2015 followed by construction the following year. Practically all funding would come from debt serviced by the City lockbox.

School Lockbox	2014	2015	2016	2017	2018	2019
Opening Balance	\$ 3,321	\$ 6,198	\$ 997	\$ 4,149	\$ 8,401	\$ 12,293
Locked Revenue:						
Annual contribution	\$ 9,556	\$ 10,306	\$ 17,306	\$ 20,056	\$ 21,056	\$ 23,056
Hotel tax - 3¢	2,148	1,938	1,946	1,954	1,961	1,969
1¢ on real estate tax rate	2,133	2,145	2,160	2,206	2,266	2,337
South Norfolk TIF	1,000	1,000	1,000	1,000	1,000	1,000
Other locked funds	415	-	-	-	-	-
Total Locked Revenue	\$ 15,252	\$ 15,389	\$ 22,411	\$ 25,216	\$ 26,283	\$ 28,363
Total Funds Available	\$ 18,573	\$ 21,587	\$ 23,409	\$ 29,365	\$ 34,684	\$ 40,656
Use of Lockbox:						
Debt service	\$ 9,460	\$ 13,903	\$ 14,760	\$ 16,214	\$ 17,641	\$ 19,023
Transfer to Capital Projects	2,915	6,686	4,500	4,750	4,750	4,750
Total Uses	\$ 12,375	\$ 20,589	\$ 19,260	\$ 20,964	\$ 22,391	\$ 23,773
Ending Balance	\$ 6,198	\$ 997	\$ 4,149	\$ 8,401	\$ 12,293	\$ 16,883

The FY 2015 budget proposes increasing the non-dedicated annual contribution to each lock box by \$750,000. For FY 2016-2019, we propose increasing the non-dedicated annual contribution by the reduction in the pre-lockbox debt service requirements. The reduction in pre-lockbox debt debt is shared equally between the City and the School lockboxes. Under this proposal, annual locked revenue increases by \$13.5 million in each lockbox between FY 2014 and FY 2019.