

2018-2019

CAPITAL FUNDS



PUBLIC WORKS STREET CREW MAKING ROAD REPAIRS. WKGN PR DEPT PHOTO CREDIT.

PROPOSED BUDGET

City of Waukegan

2018-2019

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CAPITAL FUNDS OVERVIEW

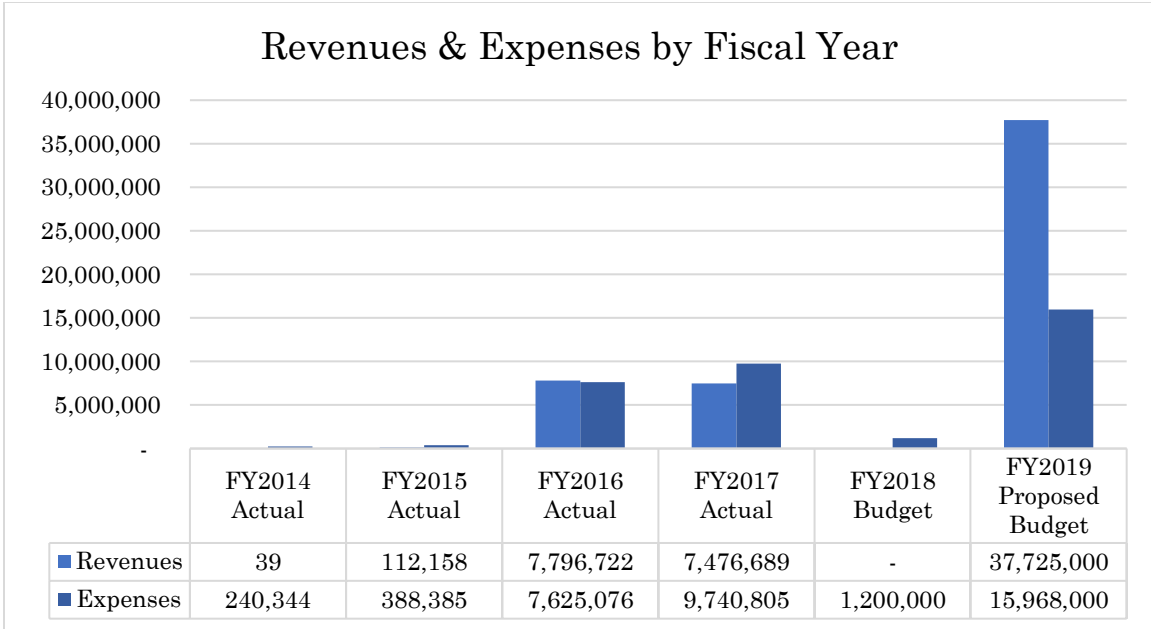
Capital improvements are the brick-and-mortar type investments required of municipalities to maintain the good working condition of the city's infrastructure, buildings and equipment. The mechanism of long-term capital financing is useful to retain sufficient cash balances in operations while concurrently ensuring the integrity of the city's property and infrastructure system. Furthermore, it is important for the city to maintain an adequate balance between capital improvements and non-capital expenditures as both play a critical role in the long-term financial health of the city.

Capital Funds account for the city's investments of this type. A general rule is that only those items in single instance in excess of \$50,000, with a useful life of five years or longer, would be included in these funds. Water and sewer capital projects, while they meet the capitalization threshold, are accounted for in the Enterprise Funds and are not included here.

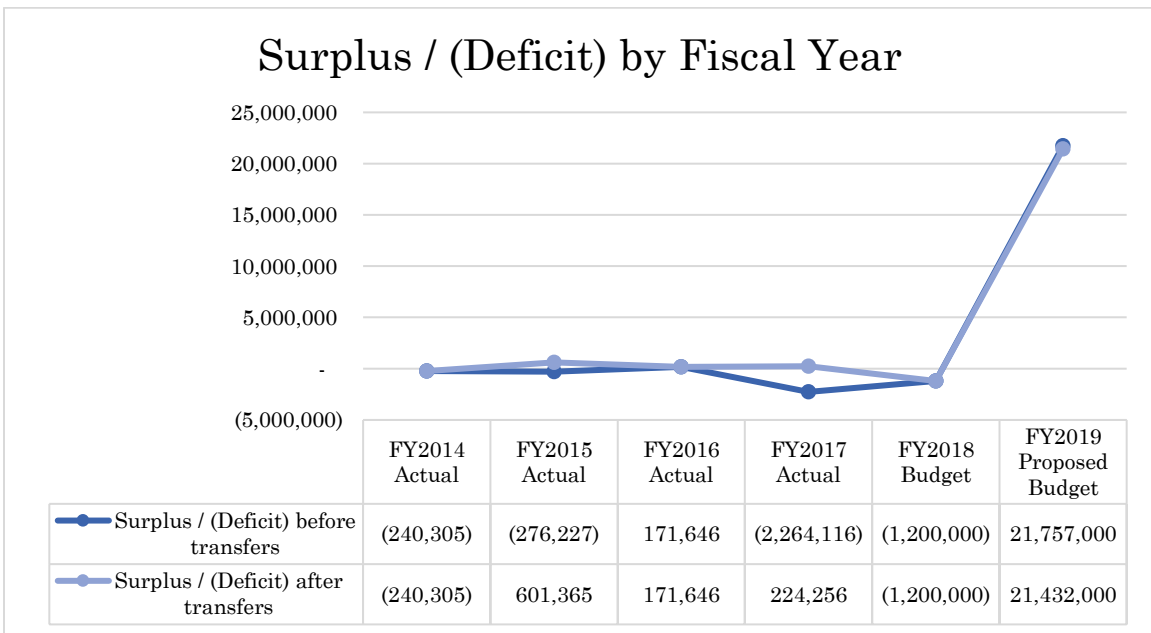
SOURCES & USES OF FUNDS

Revenues	\$37,725,000
Expenditures	-15,968,000
Surplus / (Deficit) before transfers	21,757,000
Transfers-In	0
Transfers-Out	-325,000
Surplus / (Deficit) after transfers	21,432,000

The revenues for FY19 year total \$37.7 million resulting from bond issuances to fund long-term, capital projects. The proceeds are intended to last beyond one fiscal year, therefore a fiscal year end surplus is planned.



Two General Obligation (GO) Bond issues are planned for FY19. The first bond issue will be GO with a Home Rule Sales Tax pledge specifically targeted for street repairs and renewals, with an anticipated bond proceed amount of \$14.0 million to be used over multiple years. The second bond issue will be a stand-alone GO bond with a proceed amount of \$23.7 million and will be tapped for capital vehicle replacement, capital equipment replacement, facility improvements, sidewalk repairs, traffic signal improvements, alley and cemetery repairs.



A portion of the GO bond proceeds will be transferred to the Motor Vehicle Parking Fund for necessary repairs to the City’s paid garage and lots.

Comprehensive studies took place during FY18 to assist the city leadership in planning for the reinvestment in assets and the method to finance those projects. This allowed the city to begin the process of cataloging and analyzing the city’s infrastructure including roads, alleys, sidewalks, parking lots, water and sewer systems, and the city-owned buildings. These studies will provide the basis for a 5-year program facilitating systematic and transparent decision-making regarding capital projects and the financing of the same.

The specific Capital Project Fund projects planned for FY19 are detailed below. Any remaining bond proceeds will be carried forward to the next fiscal year for additional projects.

CAPITAL PROJECT LISTING

Fire Vehicles & Equipment (replace 1991 E-One Engine \$562 thousand; and replace 2001 International / Taylor Made Ambulance \$261 thousand, est. trade in of \$15 thousand)	\$808 thousand
Public Works Vehicles & Equipment (2 Ford 550 dump trucks with plow \$140 thousand; 950 M Wheel Loader \$250 thousand; Weiler Paver \$170 thousand; Skid Steer \$55 thousand; Tree Trimming Truck \$275 thousand; and, Lightning Loader \$60 thousand)	\$950 thousand
Police Station Repairs (re-insulation of mechanical piping \$50 thousand)	\$50 thousand
Public Works Facility Repairs (replace roofing \$1,530 thousand; replace various doors, framing and hand rails \$135 thousand; salt dome repairs \$135 thousand; and remove & replace CO system \$60 thousand)	\$1,860 thousand
Administrative Facility Repairs (Genesee Theatre roof repairs, re-caulking panels, other exterior improvements \$50 thousand)	\$50 thousand
Cemetery (concrete wall restoration \$250 thousand)	\$250 thousand
Street Rehabilitation (10th St, 8th St, Adelphi Ave, Anthony Ct, Atlantic Ave, Austin Ave, Blanchard Rd, Blossom Ct, Brooke Ave, Butrick St, Charleston Rd, Cornell Rd, Crescent Ave, Crest Ct, De Woody Rd, Dickinson St, Dorothy Ct, East End Ave, East Newcastle Ct, Eastwood Ct, Eastwood Rd, Edgewood Rd, Elmwood Ave, Frolic Ave, Fulton Ave, Glen Flora	\$7,000 thousand

Ave, Glenwood Ave, Golfmoor Ave, Green Pl, Harper Rd, Harrison Ave, Highland Ave, Hollis Ave, Jackson St, Joseph Dr, Lorraine Ave, Macarthur Dr, Muirfield Ave, Nemesis Ave, Norman Dr, North Ave, Northern Ave, Northwestern Ave, Sheeler Ave, Southern Hills Dr, Town Line Rd, Vermont Ave, Wall Ave, West Newcastle Ct, & Zepher St)	
Sidewalk Improvements, to compliment the Street program	\$2,000 thousand
Traffic Signal Improvements, to compliment the Street program	\$1,500 thousand
Alley Rehabilitation, to compliment the Street program	\$1,500 thousand
TOTAL	\$15,968 thousand

LINE ITEM DETAIL

307	49310	Bond Proceeds	-23,725,000
Sub	4900	Other Financing Sources	-23,725,000
307	130726360	Fire Vehicles &	808,000
307	130726362	Public Works Ve	950,000
307	130726366	Police Facility	50,000
307	130726367	Public Works Fa	1,860,000
307	130726368	Admin Facility	50,000
307	130726471	Cemetery Improv	250,000
Sub	2600	Capital Outlay	3,968,000
307	130727636	Sidewalk Improv	2,000,000
307	130727669	Traffic Signal	1,500,000
307	130727707	Alley Rehabilit	1,500,000
Sub	2700	Capital Improvements	5,000,000
307	68595	Transfers to Parking Fd	325,000
Sub	6800	Transfers To	325,000
			Capital Funds

Fnd 307 FIXED ASSETS REPLACEMENT FUND			-14,432,000
312	49310	Bond Proceeds	-14,000,000

Sub	4900	other Financing Sources	-14,000,000

312	131227635	Street Rehabili	7,000,000

Sub	2700	Capital Improvements	7,000,000

Fnd 312 STREET REHABILITATION FUND			-7,000,000

		Report Final Totals	-21,432,000
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