

WEBSTER GROVES SCHOOL DISTRICT

Capital Project Financing Options

November 1, 2018

Operating Funds

- Operating Budget varies \$600K-\$1.3 million over next 3 years
- Extra operating surplus from mid-year 18/19 budget adjustments \$500K?
- Lease Purchase – not significant - usually related to equipment paid for with energy savings. Because district already has converted to LED and has HVAC on mechanical controls, not much available other than minimal payback items like window and door replacements.
- Fund Balance Reserves – have about \$25 million; need \$16-17 million for cash flow. \$2 million from specific pgms. Also need to retain portion (\$3 million for future budget deficits & for future emergencies/unforeseens.

Bonding/Long-Term Debt

- No tax increase bonding capacity
 - If max-out on one-time bond issue = \$21.7 million (no further NTI capacity for 10 years)
 - If stage issues on 4-5 year cycle = \$12.9 million currently, then \$8.5 million every 4-5 years thereafter
 - If stage issues & transfer funds to Debt Service, can get \$21.9 million
- Tax increase bonding capacity
 - Each \$.01 of levy can support \$1.1 million of bonds @ 3.4% for 20 years; recent refunding was 2.8%
 - Current bonded debt = \$50.4 million; technical legal debt limit is 15% of Assessed Value, or about \$122 million

Grants/Fundraising/Alternative Funding

- Possibly more applicable to specific or selected programmatic needs
- Limited internal capacity to pursue \$'s; possible case-by-case contracting?

Other?