

# Winner School District 59-2 Five Year Capital Outlay Plan 2011-2015



Winner School District 59-2  
Board of Education  
Spring 2011

### Winner School District 59-2: Capital Outlay Fund

The Winner School Board utilizes capital outlay funds in its daily operations to provide and promote a meaningful learning environment and experience for students. This fund makes up one of the five funds utilized to operate the district—General, Capital, Special Education, Pension, and School Lunch. District expenditures from this funding source play a vital role in the academic development of our students. Using capital outlay funds, the board of education offers students and patrons well maintained, clean, and up to date buildings that promote a safe and positive environment for learning. Faculty, employees, and students of the district benefit greatly from the technology, textbooks, equipment and other services purchased through this fund.

Many resources for learning are purchased through capital outlay funds. Expenditures for things such as renovations, remodeling, equipment, technology and debt services are allowable under capital outlay fund rules and regulations. Additionally, the district may purchase textbooks, computers, and technology software and hardware. Limited busing and energy/insurance costs may also come from our district's capital outlay fund. The board of education approves major capital renovations and purchases above \$25,000 through board action. Although a school district's capital outlay fund dollars may be used in the above categories, dollars from this fund may not be directed toward employee salaries.

Revenue for this fund is generated by local taxes. The Winner School District mill levy for property taxes is currently set at \$3.00 per \$1000.00 of valuation. The Capital Outlay mill levy may not exceed \$3 per thousand of valuation. The board of education may, by majority vote, reduce the mill levy which would reduce the amount of revenue the district may generate for capital improvements. There is no requirement to spend down the capital outlay fund to zero each year. Unreserved balances may be carried over to the next school year and applied to future projects.

A school district's capital outlay fund is described in SDCL 13-16-6:

*"Definition and purposes of capital outlay fund--Levy required. 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 an expenditure shall be for land, existing facilities, improvement of grounds, construction of 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 § 13-16-6.2."*

SDCL 13-16-6 may be read in its entirety by visiting the South Dakota State Legislature's Codified State Law website at their website <http://legis.state.sd.us/statutes/index.aspx>

The development of this five year document is for planning and information purposes only. Past capital outlay trend data and projected revenues/expenditures were utilized to prepare as thorough and complete a document as possible. The figures/projects/estimates presented within this document are recommendations and projections only. Projections in future years do not take into account unforeseen issues that may include a catastrophic event, codified law change, or other budget event that may occur.

Winner School District 59-2: Capital Outlay Fund Revenue Projections and Reserve Fund Balance

The chart below reflects the projected revenue sources and amounts we may see over the next five years. The total local revenue shows the projected funds available in the academic year for building projects, equipment, technology, capital acquisition, textbooks, debt service and other expenditures allowable under capital outlay fund regulations.

Assumptions in the table include:

- 2% increase in assessed valuations each of the years noted below.
- Mill Levy set at \$3.00 per \$1000 of valuation for each of the years noted below.

Revenue Source	2010-2011 Projected Budget	2011-2012 Projected Budget	2012-2013 Projected Budget	2013-2014 Projected Budget	2014-2015 Projected Budget
<b>Local Revenue</b>					
1110 Ad Valorem Taxes	\$1,103,767.89	\$1,125,843.24	\$1,148,360.10	\$1,171,327.30	\$1,194,753.84
1120 Prior Yrs Ad Valorem Taxes	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00
1190 Penalties and Interest on Tax	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
<b>Total Local Revenue</b>	<b>\$1,112,767.89</b>	<b>\$1,134,843.24</b>	<b>\$1,157,360.10</b>	<b>\$1,180,327.30</b>	<b>\$1,203,753.84</b>

This chart illustrates the growth of the district's unencumbered Capital Outlay Reserve fund balance.

	2010-2011 Current Reserve	2011-2012 Projected Reserve	2012-2013 Projected Reserve	2013-2014 Projected Reserve	2014-2015 Projected Reserve
Capital Reserve	\$941,109.33	\$1,113,109.33	\$1,395,469.43	\$1,730,796.73	\$2,044,550.57

Winner School District 59-2: Five Year Capital Outlay Expenditures

The chart below illustrates the projected expenditures through this fund for the next five years. Projected expenditures are listed by building level and type.

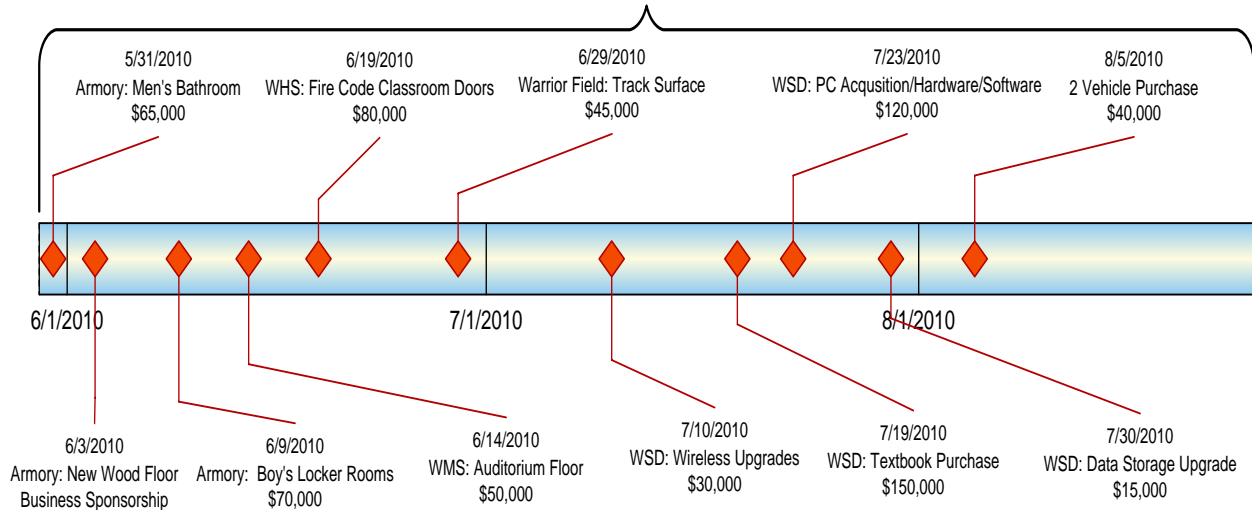
	2010-2011 Projected Budget	2011-2012 Projected Budget	2012-2013 Projected Budget	2013-2014 Projected Budget	2014-2015 Projected Budget
<b>Local Revenue</b>	<b>\$1,112,767.89</b>	<b>\$1,134,843.24</b>	<b>\$1,157,360.10</b>	<b>\$1,180,327.30</b>	<b>\$1,203,753.84</b>
WSD: Technology in Schools	\$80,000.00	\$50,000.00	\$60,000.00	\$60,000.00	\$60,000.00
WSD: Renovations	\$55,000.00	\$30,000.00	\$50,000.00	\$50,000.00	\$50,000.00
WSD: Vehicle Acquisition	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00	\$40,000.00
WSD: Debt Service/Computer Purchase	\$255,995.00	\$110,000.00	\$210,000.00	\$210,000.00	\$210,000.00
WSD: Transportation	\$71,775.00	\$73,790.00	\$60,000.00	\$60,000.00	\$60,000.00
WSD: Liability Insurance	\$18,000.00	\$18,900.00	\$0.00	\$0.00	\$0.00
WSD: Equipment	\$30,000.00	\$33,000.00	\$25,000.00	\$25,000.00	\$25,000.00
WSD: Textbooks	\$150,995.00	\$113,142.24	\$120,000.00	\$115,000.00	\$110,000.00
WSD: Utilities	\$159,682.00	\$158,062.00	\$100,000.00	\$100,000.00	\$100,000.00
WES: Equipment	\$12,500.00	\$25,000.00	\$20,000.00	\$20,000.00	\$20,000.00
WES: Renovations	\$0.00	\$10,000.00	\$65,000.00	\$25,000.00	\$25,000.00
WMS: Equipment	\$7,500.00	\$25,949.00	\$10,000.00	\$10,000.00	\$10,000.00
WMS: Renovations	\$50,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
WHS: Equipment	\$20,000.00	\$48,000.00	\$30,000.00	\$30,000.00	\$30,000.00
WHS: Renovations	\$161,320.89	\$217,000.00	\$50,000.00	\$90,000.00	\$142,000.00
<b>Total Local Expenditures</b>	<b>\$1,112,767.89</b>	<b>\$962,843.24</b>	<b>\$875,000.00</b>	<b>\$845,000.00</b>	<b>\$890,000.00</b>

## Expenditure Descriptions:

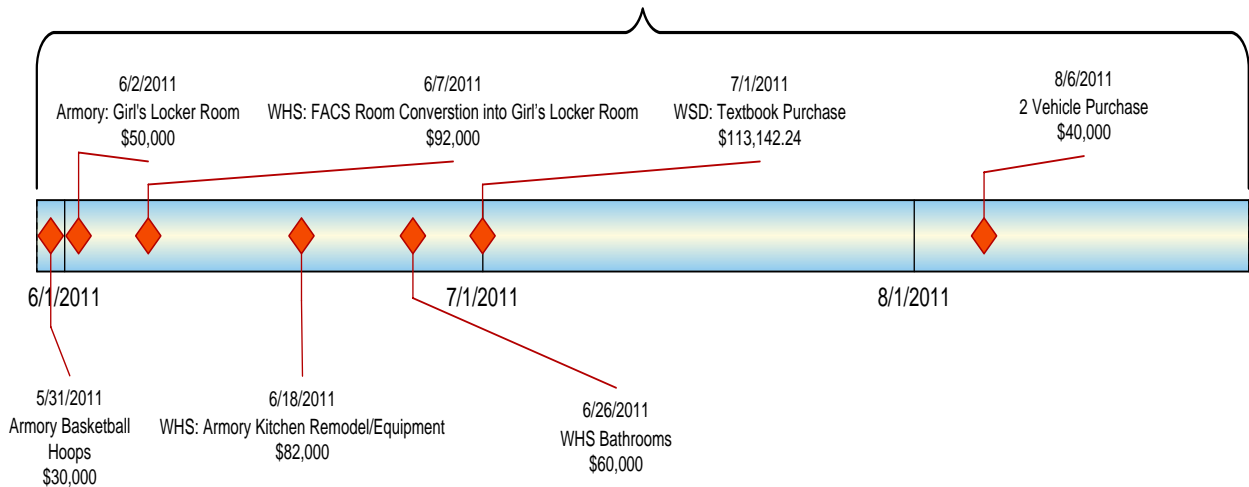
- WSD Technology in Schools: software, hardware (printers/scanners/cameras), equipment/network upgrades
- WSD Equipment: boys athletics, girls athletics, central office equipment
- WSD Vehicle Acquisition: purchase vehicles to replace those with excessive miles/wear
- WSD Transportation: transportation costs such as bus route expense, rural parent mileage allowable under current law
- WSD Liability Insurance: insurance payment from capital outlay only through 2012 (SB 91)
- WSD Dept Service Computer Purchase: payment on outstanding debt obligations (HS HVAC) also used to pay for district wide computers (laptops/desktops), printer lease
- WSD Textbooks: total textbook purchase for all buildings and levels
- WSD Utilities: utilities expenditures allowable under current law/service contracts on existing heating units
- Building level Equipment: equipment purchased to support and sustain operational needs of buildings includes but not limited to Smartboards, desks, chairs, tables, and maintenance equipment
- Building level Renovations: recommended renovation/remodeling projects to support and sustain operational needs of building

The timelines below illustrate major renovation and capital acquisition projects recommended during the five year plan. The orientation of the project on the timeline does not necessarily indicate the start date or completion date. Projects listed are recommendations and may only be completed by board of education approval.

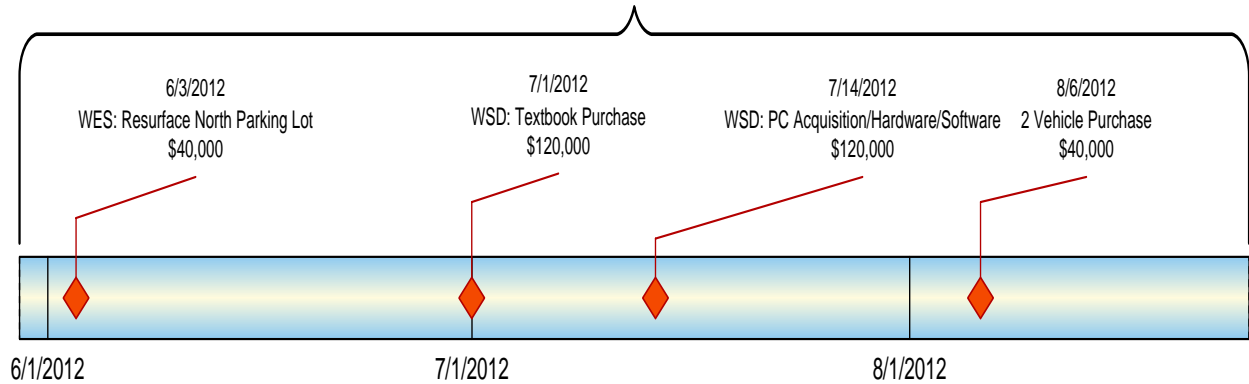
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SY 2010-2011 Projects and Estimated Cost



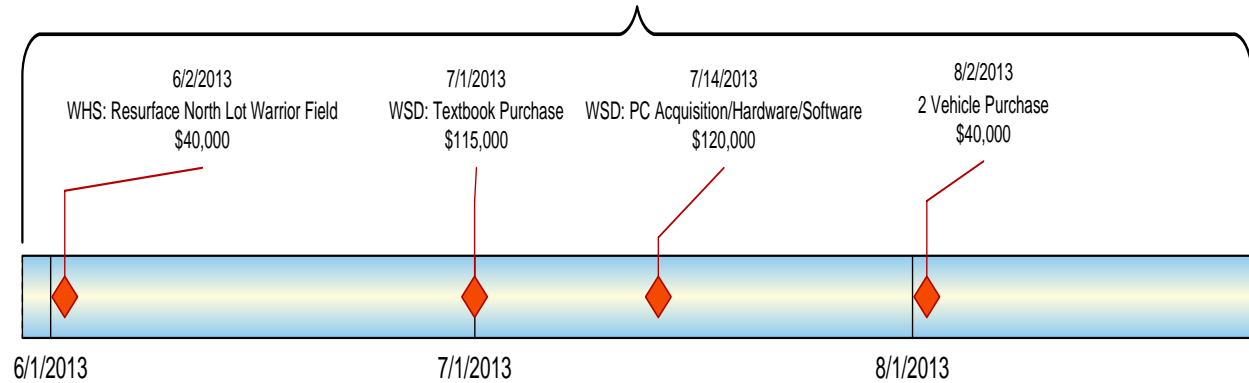
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SY 2011-2012 Projects and Estimated Cost



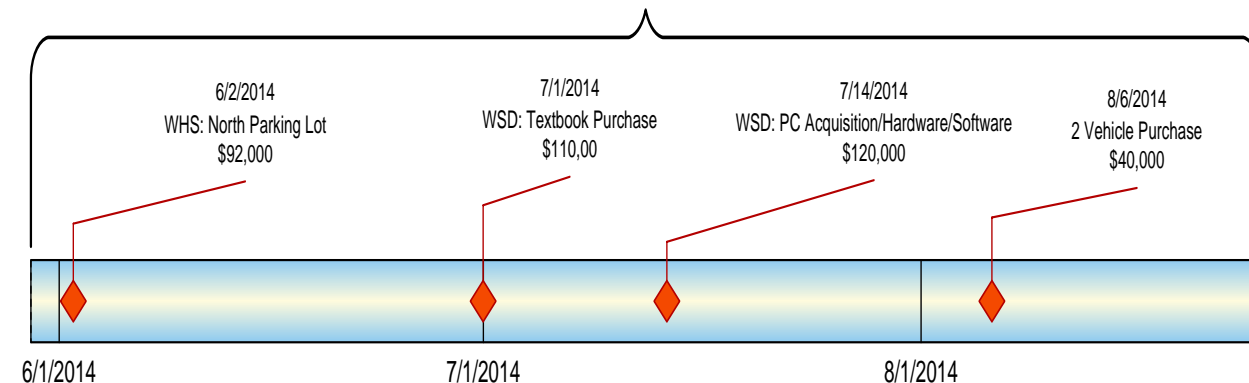
5/30/2012 - 8/25/2012  
SY 2012-2013 Projects and Estimated Cost



5/30/2013 - 8/25/2013  
SY 2013-2014 Projects and Estimated Cost



5/30/2014 - 8/25/2014  
SY 2014-2015 Projects and Estimated Cost



Winner School District Capital Outlay Fund Recommendations:

The board of education may act on the following recommendations at some point during the plan timeframe:

- Complete major projects noted in yearly timelines
- Review current mill levy and determine suitability of that figure
- Maintain an adequate capital outlay reserve balance for unforeseen major project or emergency not noted in timelines