

To: Members of the Ad Hoc Committee  
From: Anita LaChance, Deputy City Manager  
Date: December 16, 2016  
Re: Follow-up Information on Financial Projections

In response to questions raised at the last ad hoc committee meeting, there are updated financial projections attached, incorporating the \$60 million BFOF. Additionally, we have received a draft of the school facilities assessment and have incorporated the 0-5 year needs identified in that report.

- Base projections with the addition of the proposed \$60 million BFOF only, with no new City or School CIP projects (so current debt only)
- Base projections, plus \$60 million BFOF, plus a typical CIP (an average of the past 3 years)
- Base projections, plus \$60 million BFOF, plus all existing CIP requests on the City side and the projects identified by the school facilities assessment on the school side

I have also attached a summary of the 20 year capital needs as identified by the school facilities assessment. I would caution that this is a draft, but while some of the detail might change, it should be fairly accurate over all.

UPDATED W/NEW EPS 11-16-16

Impact of \$60M Buildings for our Future on Tax Rate\*

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Valuation (as projected)	7,780,000,000	7,800,000,000	7,830,000,000	7,860,000,000	7,890,000,000	7,920,000,000
City Tax Levy (as projected)	83,862,689	87,116,012	90,998,732	94,299,153	99,247,580	104,707,427
City Tax Rate (as projected)	\$10.78	\$11.17	\$11.62	\$12.00	\$12.58	\$13.22
Rate Increase	0.39	0.45	0.45	0.38	0.58	0.64
% Increase	3.6%	4.1%	4.1%	3.2%	4.8%	5.1%
School Tax Levy (as projected)	80,331,376	84,516,375	89,774,725	94,947,212	99,517,935	103,530,735
School Tax Rate (as projected)	\$10.33	\$10.84	\$11.47	\$12.08	\$12.61	\$13.07
Rate Increase	0.51	0.63	0.63	0.61	0.53	0.46
% Increase	4.9%	5.8%	5.8%	5.4%	4.4%	3.6%
Total Tax Rate (as projected)	\$21.11	\$22.00	\$23.09	\$24.08	\$25.19	\$26.29
Rate Increase	0.89	0.89	1.08	0.99	1.11	1.10
% Increase	4.2%	4.2%	4.9%	4.3%	4.6%	4.4%
Cumulative increase related to BFOF	\$ -	\$ -	\$ 0.16	\$ 0.34	\$ 0.48	\$ 0.66
Cumulative % increase related to BFOF			0.7%	1.5%	2.0%	2.6%
Increased Annual Taxes on \$225,000 home (per tax year)		\$ 35.65	\$ 76.72	\$ 107.44	\$ 148.99	\$ 2,428
Estimated Total Amount of Additional Taxes on a \$225,000 home due to BFOF over the life of bonds						

\*Assumes no additional borrowing other than the \$60M BFOF project, included to illustrate the tax rate impact of the project  
 Note that up to \$3.3 million might need to be restored if other funding is not available

UPDATED W/NEW EPS 11-16-16

Impact of "Typical" CIP on Tax Rate (Avg of Past 3 Years) + \$60M BFOF on Tax Rate\*

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Valuation (as projected)	7,780,000,000	7,800,000,000	7,830,000,000	7,860,000,000	7,890,000,000	7,920,000,000
City Tax Levy (as projected)	83,862,689	87,116,012	92,216,732	96,708,953	102,822,980	109,422,227
City Tax Rate (as projected)	\$10.78	\$11.17	\$11.78	\$12.30	\$13.03	\$13.82
Rate Increase	0.389	0.609	0.527	0.728	0.784	0.784
% Increase	3.6%	5.4%	4.5%	5.9%	6.0%	6.0%
School Tax Levy (as projected)	80,331,376	84,516,375	91,168,252	97,929,779	103,813,070	109,366,673
School Tax Rate (as projected)	\$10.33	\$10.84	\$11.64	\$12.46	\$13.16	\$13.81
Rate Increase	0.51	0.81	0.82	0.82	0.70	0.65
% Increase	4.9%	7.5%	7.0%	7.0%	5.6%	5.0%
Total Tax Rate (as projected)	\$21.11	\$22.00	\$23.42	\$24.76	\$26.19	\$27.62
Rate Increase	\$0.894	\$1.417	\$1.342	\$1.342	\$1.426	\$1.435
% Increase	4.2%	6.4%	5.7%	5.7%	5.8%	5.5%

\* Average of the past 3 CIPs

Note that up to \$3.3 million might need to be restored if other funding is not available

UPDATED W/NEW EPS 11-16-16

Impact of UPDATE CIP Requests (including \$60M BFOF) on Tax Rate\*

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Valuation (as projected)	7,780,000,000	7,800,000,000	7,830,000,000	7,860,000,000	7,890,000,000	7,920,000,000
City Tax Levy (as projected)	83,862,689	87,116,012	92,874,698	98,010,290	104,753,094	111,966,522
City Tax Rate (as projected)	\$10.78	\$11.17	\$11.86	\$12.47	\$13.28	\$14.14
Rate Increase	0.39	0.69	0.69	0.61	0.81	0.86
% Increase	3.6%	3.6%	6.2%	5.1%	6.5%	6.5%
School Tax Levy (as projected)	80,331,376	84,516,375	91,604,393	98,792,367	105,092,414	111,053,081
School Tax Rate (as projected)	\$10.33	\$10.84	\$11.70	\$12.57	\$13.32	\$14.02
Rate Increase	0.51	0.86	0.86	0.87	0.75	0.70
% Increase	4.9%	4.9%	8.0%	7.4%	6.0%	5.3%
Total Tax Rate (as projected)	\$21.11	\$22.00	\$23.56	\$25.04	\$26.60	\$28.16
Rate Increase	0.89	0.89	1.56	1.48	1.56	1.56
% Increase	4.2%	4.2%	7.1%	6.3%	6.2%	5.9%

\*Includes all CITY projects in the FY17-21 CIP that have not yet been authorized, allocated equally over the next 5 years (FY18-22), And School CIP based on the DRAFT Facilities Assessment

CAPITAL PLAN

	Page No.	Long Term Recommendations				TOTALS
		Year 0 2017	Years 1 - 5 2018 - 2022	Years 6 - 10 2023 - 2027	Years 11 - 15 2028 - 2032	
<b>Elementary Schools</b>						
Cliff Island	6	\$78,260	\$125,079	\$133,519	\$55,036	\$229,727
East End Community	14	\$59,600	\$307,608	\$543,076	\$7,059,349	\$7,418,537
Longfellow	23	\$132,597	\$3,363,727	\$6,378,111	\$2,628,980	\$15,388,170
Lyeath	41	\$6,023	\$2,084,507	\$10,899,401	\$1,789,681	\$14,868,888
Ocean Avenue	54	\$0	\$58,721	\$13,281	\$3,674,105	\$17,200,806
Peaks Island	60	\$88,795	\$754,702	\$2,137,663	\$0	\$10,417,938
Presumpscot	74	\$755	\$861,121	\$5,478,512	\$1,050,202	\$3,756,755
Reiche	84	\$0	\$2,461,483	\$13,943,037	\$4,574,506	\$1,033,918
Riverton	94	\$2,445	\$1,359,444	\$9,441,209	\$2,919,735	\$23,410,169
<b>Elementary Schools Subtotal</b>		<b>\$568,475</b>	<b>\$11,376,392</b>	<b>\$48,967,810</b>	<b>\$23,751,595</b>	<b>\$112,844,190</b>
<b>Middle Schools</b>						
King	117	\$276,125	\$1,350,494	\$10,804,508	\$4,054,302	\$2,418,928
Lincoln	127	\$42,359	\$1,693,688	\$10,555,989	\$4,676,513	\$4,556,994
Moore	149	\$3,600	\$1,085,908	\$10,922,265	\$4,940,480	\$21,525,543
<b>Middle Schools Subtotal</b>		<b>\$322,084</b>	<b>\$4,130,091</b>	<b>\$32,282,762</b>	<b>\$13,671,294</b>	<b>\$62,286,740</b>
<b>High Schools</b>						
Portland Arts & Technology (PATHS)	166	\$236,202	\$6,420,862	\$22,182,276	\$8,303,498	\$2,345,323
Deering	186	\$93,210	\$5,488,386	\$22,967,783	\$8,566,753	\$6,370,674
Portland	207	\$495,995	\$2,902,491	\$21,457,339	\$14,024,246	\$8,199,137
<b>High Schools Subtotal</b>		<b>\$825,407</b>	<b>\$14,811,739</b>	<b>\$66,607,397</b>	<b>\$30,894,497</b>	<b>\$16,915,134</b>
<b>Other Buildings</b>						
District Office / Bayside Learning	227	\$47,083	\$588,555	\$3,329,624	\$2,946,547	\$1,177,419
Central Kitchen	239	\$0	\$100,621	\$1,083,033	\$452,520	\$174,095
<b>Subtotal</b>		<b>\$47,083</b>	<b>\$689,176</b>	<b>\$4,412,657</b>	<b>\$3,399,067</b>	<b>\$1,351,515</b>
<b>General District Items</b>						
General District Items*	246	\$0	\$6,337,065	\$0	\$0	\$0
* Non-building specific items from PPS 5-yr CIP						
<b>TOTAL</b>		<b>\$1,563,049</b>	<b>\$37,344,463</b>	<b>\$152,270,626</b>	<b>\$71,716,453</b>	<b>\$58,527,077</b>
						<b>\$321,421,668</b>

- Notes:
1. All prices presented here are Opinions of Probable Costs. Refer to Methodology and Basis of Costs earlier in this section for assumptions, exclusions, qualifications, and clarifications used to develop these costs.
  2. For a more detailed breakdown of recommendations and associated costs for each building and Plan Year, refer to the Capital Plan Scope of Work for each building later in this section.