

**Item Title:** Wake County Public School System FY 2024 Capital Reallocation for Parkside Elementary

**Specific Action Requested:**

Staff recommends that the Board of Commissioners approves the following requests from the Board of Education for appropriations and reallocations in the Seven Year Capital Improvement Program:

1. Appropriate a total of \$67,950,596 construction funding for Parkside Middle/Wake EC of Information & Biotechnologies
2. Reallocate a total \$35,000,000 from Parkside Middle/Wake EC of Information & Biotechnologies into Swift Creek Elementary
3. Reallocate a total \$2,514,788.47 from Hilltop Needmore ES into Public Infrastructure.

**Item Summary:**

**Purpose:** The Board of Commissioners is statutorily responsible to fund the school system's capital projects and approves all appropriations and reallocations of funds.

**Background:** On August 1<sup>st</sup>, 2023, the Board of Education passed a resolution requesting funding for their FY 2024-2030 Capital Improvement Program from the Board of Commissioners. On June 6, 2023, the Board of Commissioners adopted the FY 2024 Budget, which included a total of \$365,547,912 in planned funding for WCPSS capital projects in FY 2024.

This item appropriates \$67,950,596 in debt funding for construction of Parkside Middle/Wake EC of Information & Biotechnologies.

The item also includes \$37,154,788.47 of reallocations within the Continuous CIP Program to make school budgets whole and correct the application of reimbursements for Public Infrastructure improvements.

The Board of Education passed a resolution requesting these actions on August 15<sup>th</sup>, 2023.

**Board Goal:** This action supports Education Goal 4: Maintain a long-term funding plan for capital needs at the Wake County Public School System and Wake Technical Community College.

Fiscal Impact: This resolution appropriates a total \$67,950,596 and reallocates a total of \$37,154,788 in debt funding for the Wake County Public School System’s capital program. The associated future debt service is included in the County's financial model.

**Additional Information:**

The Board of Education is requesting that funds be reallocated and appropriated within the Seven Year CIP as follows:

**New Schools**

<b>WCPSS Seven Year Capital Improvement Program - FY 2024 Projects</b>				
<b>Project</b>	<b>Current Budget (All Programs)</b>	<b>Proposed Reallocations</b>	<b>Proposed New Appropriations</b>	<b>New Proposed Budget</b>
<b>New Schools</b>				-
Parkside MS/Wake EC of Information & Biotechnologies	115,898,041.00	(35,000,000.00)	67,950,596.00	148,848,637.00
Hilltop Needmore ES	67,388,048.00	(2,514,788.47)		64,873,259.53
<b><i>New Schools Projects Subtotal</i></b>	<b>183,286,089.00</b>	<b>(37,514,788.47)</b>	<b>67,950,596.00</b>	<b>213,721,896.53</b>

**Major Renovations**

<b>WCPSS Seven Year Capital Improvement Program - FY 2024 Projects</b>				
<b>Project</b>	<b>Current Budget (All Programs)</b>	<b>Proposed Reallocations</b>	<b>Proposed New Appropriations</b>	<b>New Proposed Budget</b>
<b>Major Renovations</b>				
Swift Creek Elementary	17,407,056.00	35,000,000.00		52,407,056.00
<b><i>Major Renovations Total</i></b>	<b>17,407,056.00</b>	<b>35,000,000.00</b>	<b>-</b>	<b>52,407,056.00</b>

**Ongoing Program Components**

<b>WCPSS Seven Year Capital Improvement Program - FY 2024 Projects</b>				
<b>Project</b>	<b>Current Budget (All Programs)</b>	<b>Proposed Reallocations</b>	<b>Proposed New Appropriations</b>	<b>New Proposed Budget</b>
<b>On-Going Program Components</b>				-
Public Infrastructure	797,033.00	2,514,788.47	-	3,311,821.47
<b><i>On-Going Program Components Subtotal</i></b>	<b>797,033.00</b>	<b>2,514,788.47</b>	<b>-</b>	<b>3,311,821.47</b>

**WCPSS Seven Year CIP Total**

<b>WCPSS Seven Year Capital Improvement Program - FY 2024 Projects</b>				
<b>Project</b>	<b>Current Budget (All Programs)</b>	<b>Proposed Reallocations</b>	<b>Proposed New Appropriations</b>	<b>New Proposed Budget</b>
New Schools Projects Subtotal	183,286,089.00	(37,514,788.47)	67,950,596.00	213,721,896.53
Major Renovations Total	17,407,056.00	35,000,000.00	-	52,407,056.00
On-Going Program Components Subtotal	797,033.00	2,514,788.47	-	3,311,821.47
<b><i>Total</i></b>	<b>201,490,178.00</b>	<b>-</b>	<b>67,950,596.00</b>	<b>269,440,774.00</b>

**APPROPRATIONS**

This item appropriates \$67,950,596 of new debt funding for the construction of Parkside Middle / Wake EC of Information & Biotechnologies, a new school that will serve as a combined middle school and early college high school. Parkside is located in Morrisville and is expected to open in 2025.

## **REALLOCATIONS**

The \$37,154,788.47 of reallocations within the Continuous CIP Program make whole planned budgets for school budgets and correct the application of reimbursements for the Public Infrastructure.

This item reallocates a total of \$35,000,000 from Parkside MS/Wake EC of Information & Biotechnologies into Swift Creek elementary. This planned reallocation is a follow-up adjustment to a reallocation made in FY23. The FY23 adjustment moved funding from the Swift Creek Elementary School Project to the Parkside Middle/Wake EC of Information & Biotechnologies Project for project cash flow purposes. This reallocation reverses the prior action now that permanent appropriations are available for the Parkside Middle/Wake EC of Information & Biotechnologies Project.

This item also reallocates \$2,514,788.47 from Hilltop Needmore Elementary School in Public Infrastructure. This reallocation is an administrative action to reflect how public infrastructure reimbursements are recorded to school project budgets.

## **Staff Comments**

Staff recommends approval of the appropriations and reallocations as requested. The actions are in accordance with the planned funding schedule and accounted for in the County's financial model.

## **Attachments:**

1. Resolution
2. Board of Education Resolution