

Person County Capital Improvement Plan FY 2022-2026

Approved



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May 3, 2021

Person County, North Carolina

Capital Improvement Plan

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PERSON COUNTY

OFFICE OF THE COUNTY MANAGER

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May 3, 2021

Dear Person County Residents:

I am pleased to present Person County's Fiscal Years 2022- 2026 Capital Improvement Plan (CIP). The CIP is an important planning tool for our County, reflecting the Board of County Commissioners' priorities for large capital projects over the next five years. In addition to Person County Government, this plan also incorporates the needs of our partner agencies- including Person County Schools and Piedmont Community College - given that counties are statutorily responsible for the provision of educational facilities. We also include capital needs for two outside agencies for which the County owns the buildings: the Person County Museum of History and the Person County Senior Center, although there are no identified needs for either entity in this proposed CIP.

The development of this plan takes into account many factors including the current economic and fiscal climate, logistical and financial constraints, as well as competing demands and priorities for county funds. The most critical capital needs are those that address a life-safety issue. Once those needs are identified, we work towards a balance of needs and priorities within our logistical and financial constraints. This plan identifies the anticipated funding sources needed to meet these priorities. Although the projects in this plan span the next five years, the fiscal impacts extend far beyond. Projects that are financed incur debt service payments typically over a fifteen to twenty year period. Therefore, the full array of funding sources needed to support the projects as well as potential impacts to future operating budgets are also presented. The Board of Commissioners reviews the five year CIP every year, but only funds the projects on an annual fiscal year basis.

For the previous Fiscal Year, the Board of Commissioners did not fund a formal CIP. The intention was to present a comprehensive debt model during the summer and review capital spending needs later that fall, within the context of the newly created Capital Investment Fund. However, the COVID-19 pandemic and the 2020 Person County Government Cyber Incident, for which financial data became inaccessible for a period of time, put those plans on hold. Two major ongoing projects continued to move ahead: the Raleigh Regional Airport Hangar Construction Project (\$4.6M) and the continued Fiber Installation Project (\$3.2M). In addition, three critical projects were funded in the current year: two at Piedmont Community College and one for Person County Schools, for a total expenditure on new capital projects of \$535,073; well below the County's average CIP annual expenditure. FY21-22 gets us back on track with our capital spending plan, while we continue to fine tune the debt model to incorporate the needs of Person County Schools and Piedmont Community College. In the meantime, this Capital Improvement Plan prioritizes critical maintenance, safety, and efficiency needs for facilities, playing catch-up from deferred spending in the current Fiscal Year. The plan also implements the roofing and window replacement projects determined by the comprehensive roofing and window assessment studies. For the upcoming Fiscal Year 2021-2022, \$2,465,206 will come from the County's General Fund to support this CIP.

An important element of this CIP is the debt analysis summary and the table and graph showing the future debt service levels for Person County Government. Comparing Person County's debt service levels to counties benchmarked with our population size indicate that our debt ratio is below average. The

spreadsheets and graph illustrate Person County's ability to take on additional debt payments in the future. It is estimated that the County's total outstanding debt at June 30, 2021 will be \$10.5M. Future debt financings will be considered as we further develop the debt model.

Please keep in mind that this Capital Improvement Plan is just that- a plan- and while a great deal of effort and analysis have gone into this, it offers a starting point for annual comparisons, fiscal changes, unforeseen needs, and a place where public discussion can begin. The CIP will continue to be reviewed throughout the year, presenting any recommended changes to the Board for consideration. This review is critical as new information about our capital needs, our fiscal health, financing tools, and existing project scheduling arises.

Person County Government takes great care and pride in being fiscally responsible. This CIP demonstrates our commitment to provide not only sustainable infrastructure, but improvements and enhancements to our community and quality of life. County staff looks forward to working with the Board of County Commissioners and our community partners as we implement the Fiscal Year 2021-2022 Capital Improvement Plan.

Sincerely,

A handwritten signature in cursive script, appearing to read "Heidi York".

Heidi N. York
County Manager

Person County, North Carolina Capital Improvement Plan



Objectives of a CIP:

- Create a plan to organize long term capital needs in a manner to promote discussion regarding priority, feasibility, timing, potential costs, financing options and future budgetary effect.
- Limit projects to those costing \$50,000 and over in the plan.
- Present an overview of requests submitted by Person County departments, Piedmont Community College and Public Schools.
- Facilitate the exchange of information and coordination between the County, the community college and the schools on capital planning.

Steps in developing a CIP:

- Determine capital needs for all departments and certain County-funded agencies.
- Review priorities and assess proposed capital projects in relationship to these priorities.
- Make recommendations to the Board of County Commissioners on a project's timing, priority and possible financing options.

Categories of projects:

Person County Government
Piedmont Community College
Public Schools

- Each project includes a description, a timeline for construction and operating costs, and the current status.
- Also included are graphs that summarize revenue sources, projects by function, projects by type, and outstanding debt.

Person County, North Carolina Capital Improvement Plan



Criteria in determining project status:

Safety

- Is public health or safety a critical factor with regard to this project?
- What are the consequences if not approved?

Mandate

- Is the project required by legal mandates?
- Is the project needed to bring the County into compliance with any laws or regulations?

Timing and Linkages

- What is the relationship to other projects, either ongoing or requested?
- Does the project relate to a County-adopted plan or policy?

Economic Impact

- Will this project promote economic development or otherwise raise the standard of living for our citizens?

Efficiencies

- Will this project increase productivity or service quality, or respond to a demand for service?
- Are there any project alternatives?

Service Impact

- Will this project provide a critical service or improve the quality of life for our citizens?
- How will this project improve services to citizens and other service clients?
- How would delays in starting the project affect County services?

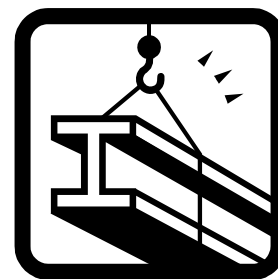
Operating Budget Impact

- What is the possibility of cost escalation over time?
- Will this project reduce annual operating costs in some manner?
- What would be the impact upon the annual operating budget and future operating budgets?

Debt Management

- What types of funding sources are available?
- How reliable is the funding source recommended for the project?
- How would any proposed debt impact the County's debt capacity?
- Does the timing of the proposed construction correspond to the availability of funding?

Person County, North Carolina Capital Improvement Plan



Completed Projects

Person County Government:

- Server Expansion - \$266,599
- Courthouse-new roof - \$121,870
- Various park buildings-new roof - \$123,244
- Grounds Maintenance-new roof - \$85,891
- Animal Services-new roof - \$179,936
- Board of Elections-new roof - \$50,544

Piedmont Community College:

- Building S Generator - \$92,400
- Information Technology Upgrades - \$96,835
- Campus safety and security lighting - \$64,822
- Feasibility Study - \$62,740
- Building D-new roof - \$172,265

Public Schools

- Early Intervention-new roof - \$168,323
- School Maintenance-new roof - \$182,948
- South Elementary Window Replacements - \$167,973

Ongoing Projects

Person County Government:

Permitting Software (\$292,356) – In final phase of implementation...expecting to be fully transitioned and operational by June 2021.

Enhanced Camera System-LEC (\$80,000) – Fiber is being run to exterior cameras. Encountered some issues with hardware, but anticipating this project to be complete by May 2021.

Wireless Broadband Project (\$250,000) – Wireless installation on Mt. Tirzah and Woodland is complete. Bethel Hill and Bushy Fork towers were scheduled for FY20 and FY21, respectively. However, an extension was approved through March 31, 2022.

Fiber Project (\$3,160,550) – All fiber routes between the datacenter and the towers are complete. Connectivity to individual buildings along the route is expected to be completed by June 30, 2021.

Executive Hangar Construction (\$4,616,330) – Design and bid process has been completed. The construction contract has been executed, and project completion is anticipated by April 2022.

Piedmont Community College:

Early College- POD Building- (\$556,740) – Construction of a new building for the PECIL program has been completed. The County is contributing to PCC in 5 annual installments for a total cost of \$556,740. FY2022 represents the 3rd payment with the last payment to occur in FY2024.

Telephone System replacement- (\$197,433) – Telephone system was replaced for a total project cost of \$197,433. The County is contributing to PCC in 4 annual installments. The payment for FY22 is the final installment.

Public Schools:

Southern Middle School-Fire Alarm upgrade (\$200,000) – Project has just begun.

Oak Lane Chiller (\$150,000) – Quotes have been received and installation will be soon underway.

PHS ADA Improvements (\$398,481) – Project completion is anticipated by May 2021.

Person County
Capital Improvement Plan
FY 2022-2026
Approved Projects

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION AND JUSTIFICATION
2022	Information Technology	Construct room addition to existing IT building	129,800	Add a 12' x 16' room to the existing IT building for the purpose of a server room. With the fiber project nearing completion, there is increased use of the server room and a need for additional space and security.
	General Services	LEC Replace water valves/upgrade actuators	55,500	Upgrade pneumatic actuators on 11 air handlers to electronic controls and replace the chilled and hot water valves on 4 air handlers. Parts are becoming obsolete and current systems are not efficient.
	General Services	New Roof - Helena (old) Gym	253,287	As recommended in the Roofing Study.
	Recreation, Arts & Parks	ADA Accessibility Safety Surfacing	142,721	ADA accessible routes to park amenities will be addressed at various park sites including Huck Sansbury, Longhurst, Allensville, Hurdle Mills, Mt. Tirzah, Bushy fork, Bethel Hill, Helena, and older playgrounds at Mayo Park.
	Recreation, Arts & Parks	ADA Parking Areas	60,000	ADA accessible parking will be addressed at various park sites including Huck Sansbury, Longhurst, Allensville, Hurdle Mills, Mt. Tirzah, Bushy fork, Bethel Hill, Helena, and older playgrounds at Mayo Park.
	Recreation, Arts & Parks	Athletic Field Light/Pole Upgrades	50,000	All ballfields in Person County have light systems that are 25+ years old. The lights need to be upgraded for safety and preventative maintenance.
	PCC	New Telephone System	9,600	Current system has been discontinued and is unreliable. Total project cost is \$197,433 and spans 4 years. The payment for this year is the final installment.
	PCC	Early College- POD bldg	79,000	Construct a new building for the PECIL program. This building will be leased over 5 years for a total cost of \$556,740. The payment for this year is the 3rd lease installment.
	PCC	Environmental Controls for Buildings	325,000	An HVAC Environmental Control System will allow staff to monitor and regulate temperature and humidity in all Person campus buildings. Mildew remediation of furniture, filters, walls, and equipment is becoming a pervasive problem without the ability to automatically monitor humidity levels. Additionally, COVID has increased the need to incorporate outside air for improved overall circulation for the health of students and employees.
	Public Schools	North Elementary - Chiller Replacement	150,000	Chiller is 20 years old and has maintenance concerns. Refrigerant is no longer produced.
	Public Schools	North End Elementary - Chiller Replacement	125,000	Chiller is 20 years old and has maintenance concerns. Refrigerant is no longer produced.
	Public Schools	Stories Creek Elementary - Heat Pumps Replacement	140,000	Heat pumps are 20 years old and has maintenance concerns. Refrigerant is no longer produced.
	Public Schools	Earl Bradsher Elementary - HVAC Units Replacement	115,000	HVAC units are 20 years old and has maintenance concerns. Refrigerant is no longer produced.
	Public Schools	New Roof - Oak Lane Elementary	778,868	As recommended in the Roofing Study.
	Public Schools	New Roof (metal) - South Elementary	51,430	As recommended in the Roofing Study.
2023	General Services	New Roof - EMS	193,402	As recommended in the Roofing Study.
	General Services	New Roof - Helena EMS/Sheriff Satellite Station	149,278	As recommended in the Roofing Study.
	General Services	New Roof - Inspections	289,194	As recommended in the Roofing Study.
	General Services	New Roof - Emergency Communications (911)	109,564	As recommended in the Roofing Study.
	General Services	New Roof - Mayo Park Buildings	143,399	As recommended in the Roofing Study.
	Recreation, Arts & Parks	Rock Complex Playground Equipment	55,000	This facility is highly used by citizens and tourists. A playground would help to increase activity and the attractiveness of the facility.
	Recreation, Arts & Parks	Outdoor Multi-Purpose Courts	63,000	Suggested park locations: Olive Hill, Allensville, Hurdle Mills, Bushy Fork, and Bethel Hill to provide additional recreational opportunities throughout the County. This is an inexpensive low maintenance way to provide recreational space. Space can also be used for additional organized programs, including basketball, quick start tennis, 4 square, hop scotch, summer camp game space, badminton tournaments, and much more.
	Recreation, Arts & Parks	Athletic Field Light/Pole Upgrades	50,000	All ballfields in Person County have light systems that are 25+ years old. The lights need to be upgraded for safety and preventative maintenance.
	Recreation, Arts & Parks	Playground and Park Improvements	60,000	Playground equipment updates are needed to ensure public safety and ADA accessibility at all park playgrounds. ADA accessibility and routes will be addressed at park sites including: Longhurst, Allensville, Hurdle Mills, Mt. Tirzah, Bushy Fork, Bethel Hill, Helena, and older playgrounds at Mayo Park. Updates ensure safety to the public and reduce deferred maintenance costs.

Person County
Capital Improvement Plan
FY 2022-2026
Approved Projects

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION AND JUSTIFICATION
	PCC	Early College- POD bldg	79,000	Construct a new building for the PECIL program. This building will be leased over 5 years for a total cost of \$556,740. The payment for this year is the 4th lease installment.
	PCC	Repair HVAC Roof Water Lines	78,000	Repair/Replace insulation and sheathing that protects rooftop HVAC water lines from freezing. Multi-layer protection of exposed lines on all roofs is critical to prevent freezing pipelines on roofs, which is likely to lead to flooding, cracks, and subsequent needed repairs.
	PCC	Chiller units	250,000	Replace old, maintenance intensive, and unreliable chiller units, corresponding pumps and cooling tower. Ensure new piping matches chiller and pump setup. Existing units are beyond useful life and three have been rebuilt this year. Likelihood of emergency repairs high and new units will be more efficient.
	PCC	New Roof- Building L & covered walkways	260,543	As recommended in the Roofing Study.
	Public Schools	South Elementary - Tile Floor Replacement	87,000	Replace the tile flooring at the entrance foyer. The floor tile is in bad shape and starting to release from the floor.
	Public Schools	Southern Middle School - Bleachers Replacement	145,000	Bleachers are old, do not have safety requirements, and do not provide ADA access.
	Public Schools	New Roof - North End Elementary (sectors C,D,E)	164,655	As recommended in the Roofing Study.
2024	Recreation, Arts & Parks	Converting Old Landfill to Park	73,000	Renovate into park and green space to include: multipurpose trails (hiking, biking, running, walking), open field space (for programming), Disk Golf Course, BMX biking course, mountain bike course, skate track/area. There is also a possibility for shooting events and Archery range. Many landfills are turned into recreation and green space.
	Recreation, Arts & Parks	Athletic Field Light/Pole Upgrades	55,000	All ballfields in Person County have light systems that are 25+ years old. The lights need to be upgraded for safety and preventative maintenance.
	Recreation, Arts & Parks	Playground and Park Improvements	60,000	Playground equipment updates are needed to ensure public safety and ADA accessibility at all park playgrounds. ADA accessibility and routes will be addressed at park sites including: Longhurst, Allensville, Hurdle Mills, Mt. Tirzah, Bushy Fork, Bethel Hill, Helena, and older playgrounds at Mayo Park. Updates ensure safety to the public and reduce deferred maintenance costs.
	PCC	Early College- POD bldg	79,000	Construct a new building for the PECIL program. This building will be leased over 5 years for a total cost of \$556,740. The payment for this year is the 5th lease installment.
	PCC	Chiller units	250,000	Replace old, maintenance intensive, and unreliable chiller units, corresponding pumps and cooling tower. Ensure new piping matches chiller and pump setup. Existing units are beyond useful life and three have been rebuilt this year. Likelihood of emergency repairs high and new units will be more efficient.
2025	Public Schools	New Roof - South Elementary	1,580,136	As recommended in the Roofing Study.
	General Services	New Roof - Law Enforcement Center	963,316	As recommended in the Roofing Study.
	General Services	New Roof - Library	85,515	As recommended in the Roofing Study.
	Recreation, Arts & Parks	Huck Sansbury - Playground ADA Safety Surfacing	205,330	Replace the wood chip safety surfacing to a more permanent ADA accessible safety surface. The Huck Sansbury playground is the highest used playground in the county and serves the greatest number of citizens with accessibility needs. It would be more cost-effective to remove the existing safety surfacing and replace with a more permanent surface instead of continuing adding additional safety woodchips each year.
	Recreation, Arts & Parks	Athletic Field Light/Pole Upgrades	52,000	All ballfields in Person County have light systems that are 25+ years old. The lights need to be upgraded for safety and preventative maintenance.
	Public Schools	New Roof (canopies) - Southern Middle School	121,544	As recommended in the Roofing Study.
2026	General Services	New Roof - Mayo Park Maintenance Building	60,777	As recommended in the Roofing Study.
	Recreation, Arts & Parks	Athletic Field Light/Pole Upgrades	55,000	All ballfields in Person County have light systems that are 25+ years old. The lights need to be upgraded for safety and preventative maintenance.
	Public Schools	New roof - Woodland Elementary	993,381	As recommended in the Roofing Study.

Person County
Capital Improvement Plan
FY 2022-2026
Projects Not Approved

DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION/REASON FOR NOT RECOMMENDING
PCC	Advanced Tech STEM building	25,000,000	PCC will be presenting the results from their feasibility study to the Board of Commissioners in the near future. If the Board supports this project, this information will be forwarded to the County's Debt Consultants for review and analysis to be part of the new debt model.

Person County
Capital Improvement Plan (CIP)
2022-26
Approved - Funding Schedule

Sources of Revenue:	Current Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	Planning Year 2023-24	Planning Year 2024-25	Planning Year 2025-26	TOTAL REVENUE SOURCES
Revenues:							
General Fund contribution	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313
Total Sources of Revenue:	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313
Project Costs for County:	Current Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	Planning Year 2023-24	Planning Year 2024-25	Planning Year 2025-26	TOTAL PROJECT COSTS
Information Technology:							
Construct room addition to existing IT building	-	93,800	-	-	-	-	93,800
Engineering & Planning	-	6,000	-	-	-	-	6,000
Contingency	-	10,000	-	-	-	-	10,000
UPS for new server room	-	20,000	-	-	-	-	20,000
General Services:							
New Roof - Helena (old) Gym	-	253,287	-	-	-	-	253,287
LEC Replace water valves/upgrade actuators	-	55,500	-	-	-	-	55,500
New Roof - EMS (Barden St.)	-	-	193,402	-	-	-	193,402
New Roof - Helena EMS/Sheriff Satellite Station	-	-	149,278	-	-	-	149,278
New Roof - Inspections	-	-	289,194	-	-	-	289,194
New Roof - Emergency Communications (911)	-	-	109,564	-	-	-	109,564
New Roof - Mayo Park Buildings	-	-	143,399	-	-	-	143,399
New Roof - Law Enforcement Center	-	-	-	-	963,316	-	963,316
New Roof - Library	-	-	-	-	85,515	-	85,515
New Roof - Mayo Park Maintenance Building	-	-	-	-	-	60,777	60,777
Recreation, Arts & Parks:							
ADA Accessibility Safety Surfacing	-	142,721	-	-	-	-	142,721
ADA Parking Areas	-	60,000	-	-	-	-	60,000
Athletic Field Light/Pole Upgrades	-	50,000	50,000	55,000	52,000	55,000	262,000
Playground Equipment Upgrades	-	-	60,000	60,000	-	-	120,000
Rock Complex Playground Equipment	-	-	55,000	-	-	-	55,000
Outdoor Multi-Purpose Courts	-	-	63,000	-	-	-	63,000
Converting Old Landfill to Park	-	-	-	73,000	-	-	73,000
Huck Sansbury - Playground ADA Safety Surfacing	-	-	-	-	205,330	-	205,330
Total County Projects:	-	691,308	1,112,837	188,000	1,306,161	115,777	3,414,083

**Person County
Capital Improvement Plan (CIP)
2022-26
Approved - Funding Schedule**

Project Costs for PCC:	Current Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	Planning Year 2023-24	Planning Year 2024-25	Planning Year 2025-26	TOTAL PROJECT COSTS
Piedmont Community College (PCC):							
Telephone System Replacement	57,592	9,600	-	-	-	-	67,192
Early College - POD Building	79,000	79,000	79,000	79,000	-	-	316,000
Enviro controls for buildings	-	325,000	-	-	-	-	325,000
Repair HVAC Roof Water Lines	-	-	78,000	-	-	-	78,000
Chiller units	-	-	250,000	250,000	-	-	500,000
 New Roof- Building L & covered walkways	 -	 -	 260,543	 -	 -	 -	 260,543
Total PCC Projects:	136,592	413,600	667,543	329,000	-	-	1,546,735
Project Costs for Public Schools:	Current Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	Planning Year 2023-24	Planning Year 2024-25	Planning Year 2025-26	TOTAL PROJECT COSTS
Public Schools:							
North, NE, Woodland, Oak Lane - ADA improvements	398,481	-	-	-	-	-	398,481
North Elementary - Chiller Replacement	-	150,000	-	-	-	-	150,000
North End Elementary - Chiller Replacement	-	125,000	-	-	-	-	125,000
Stories Creek Elementary - Heat Pumps Replacement	-	140,000	-	-	-	-	140,000
Earl Bradsher Elementary - HVAC Units Replacement	-	115,000	-	-	-	-	115,000
New Roof - Oak Lane Elementary	-	778,868	-	-	-	-	778,868
New Roof (metal) - South Elementary	-	51,430	-	-	-	-	51,430
South Elementary - Tile Floor Replacement	-	-	87,000	-	-	-	87,000
Southern Middle School - Bleachers Replacement	-	-	145,000	-	-	-	145,000
New Roof - North End Elementary (sectors C,D,E)	-	-	164,655	-	-	-	164,655
New Roof - South Elementary	-	-	-	1,580,136	-	-	1,580,136
New Roof (canopies) - Southern Middle School	-	-	-	-	121,544	-	121,544
New Roof - Woodland Elementary	-	-	-	-	-	993,381	993,381
Total Public Schools Projects:	398,481	1,360,298	396,655	1,580,136	121,544	993,381	4,850,495
Total Project Costs:	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313

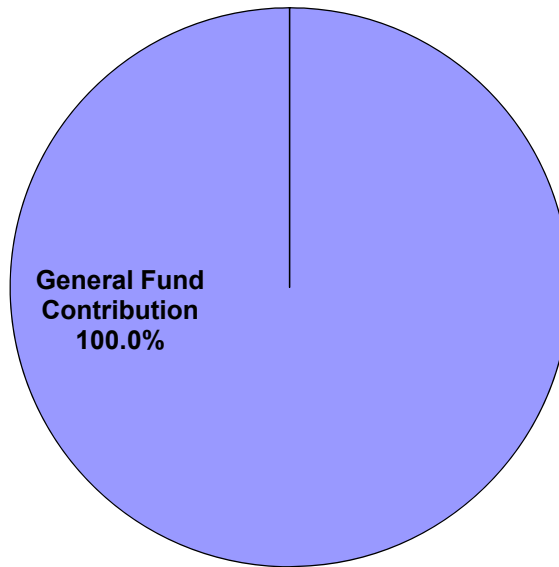
**Person County
Capital Improvement Plan (CIP)
2022-26
Approved - Funding Schedule**

Sources of Revenue for Operating Impact Costs:	Current Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	Planning Year 2023-24	Planning Year 2024-25	Planning Year 2025-26	TOTAL REVENUE SOURCES
General Fund Revenues	61,000	61,000	61,000	66,000	66,000	66,000	381,000
Total Sources of Revenue for Operating Impact Costs:	61,000	61,000	61,000	66,000	66,000	66,000	381,000

Operating Impact Costs:	Current Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	Planning Year 2023-24	Planning Year 2024-25	Planning Year 2025-26	TOTAL PROJECT COSTS
<i>Converting Old Landfill to Park</i>							
Maintenance	-	-	-	5,000	5,000	5,000	15,000
<i>PCC Early College- POD Building</i>							
Custodial employee	33,000	33,000	33,000	33,000	33,000	33,000	198,000
Maintenance and custodial supplies	8,000	8,000	8,000	8,000	8,000	8,000	48,000
Utilities	20,000	20,000	20,000	20,000	20,000	20,000	120,000
Total Operating Impact Costs:	61,000	61,000	61,000	66,000	66,000	66,000	381,000

Person County Capital Improvement Plan
Approved - Revenue Sources
FY 2022 - 2026

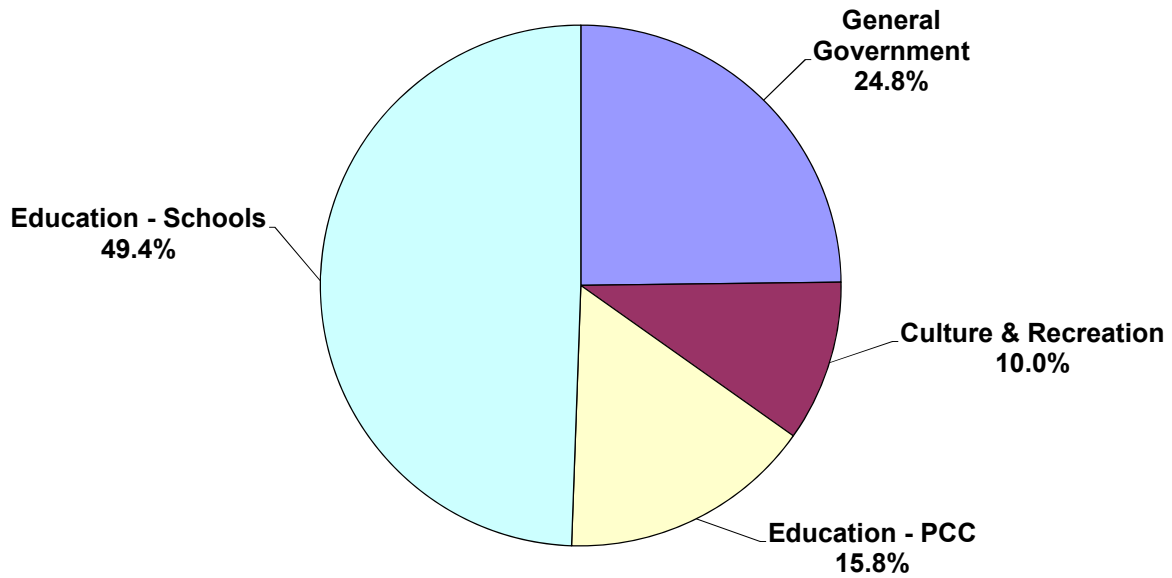
Total % Revenue Sources								
Description	Current Year	2022	2023	2024	2025	2026	Totals	% of Total
General Fund Contribution	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313	100.0%
Totals	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313	100.0%



No other revenue sources are being proposed at this time in the attempt to fully fund the County's new Capital Investment Fund.

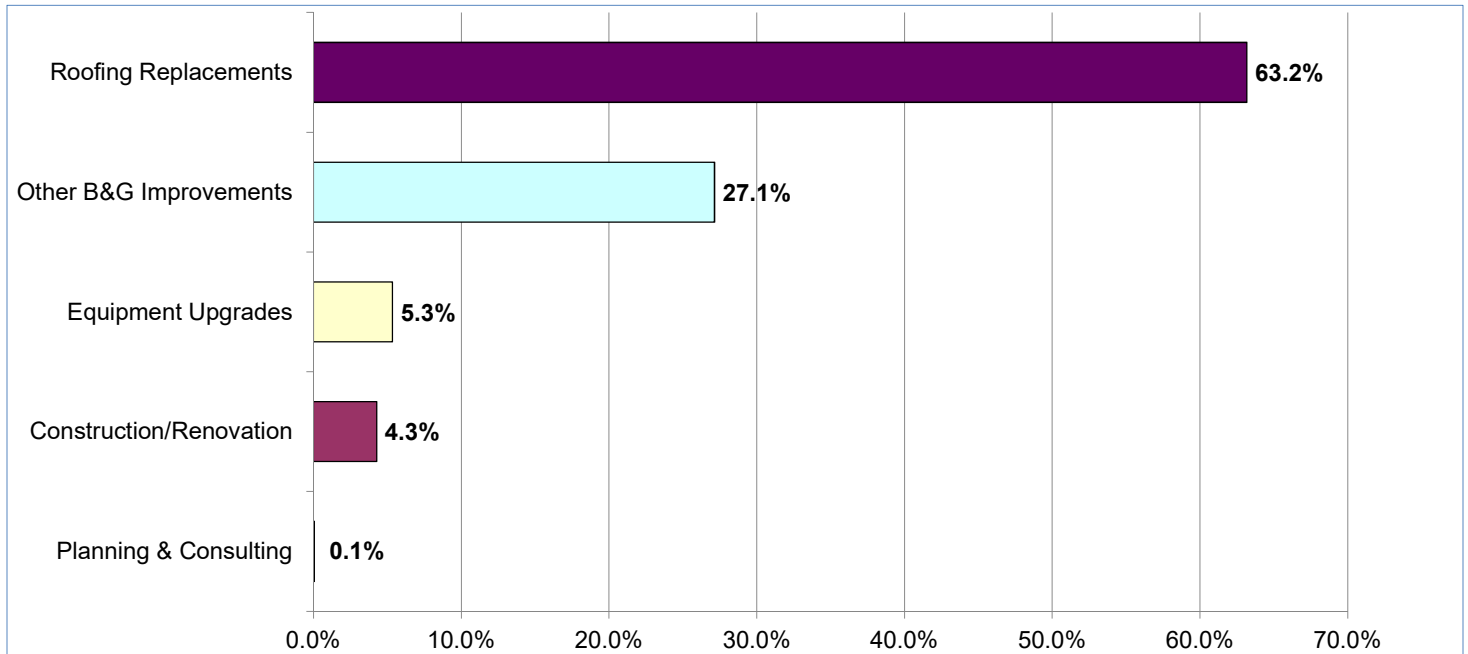
Person County Capital Improvement Plan
Approved - by Function
FY 2022 - 2026

Total % CIP Projects by Function								
Description	Current Year	2022	2023	2024	2025	2026	Totals	% of Total
General Government	-	438,587	884,837	-	1,048,831	60,777	2,433,032	24.8%
Culture & Recreation	-	252,721	228,000	188,000	257,330	55,000	981,051	10.0%
Education - PCC	136,592	413,600	667,543	329,000	-	-	1,546,735	15.8%
Education - Schools	398,481	1,360,298	396,655	1,580,136	121,544	993,381	4,850,495	49.4%
Totals	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313	100.0%



Person County Capital Improvement Plan
Approved - by Type
FY 2022 - 2026

Total % CIP Projects by Type								
Description	Current Year	2022	2023	2024	2025	2026	Totals	% of Total
Planning & Consulting	-	6,000	-	-	-	-	6,000	0.1%
Construction/Renovation	79,000	182,800	79,000	79,000	-	-	419,800	4.3%
Equipment Upgrades	57,592	79,600	165,000	115,000	52,000	55,000	524,192	5.3%
Other B&G Improvements	398,481	1,113,221	623,000	323,000	205,330	-	2,663,032	27.1%
Roofing Replacements	-	1,083,585	1,310,035	1,580,136	1,170,375	1,054,158	6,198,289	63.2%
Totals	535,073	2,465,206	2,177,035	2,097,136	1,427,705	1,109,158	9,811,313	100.0%



Person County's Debt Service

Current Debt Service

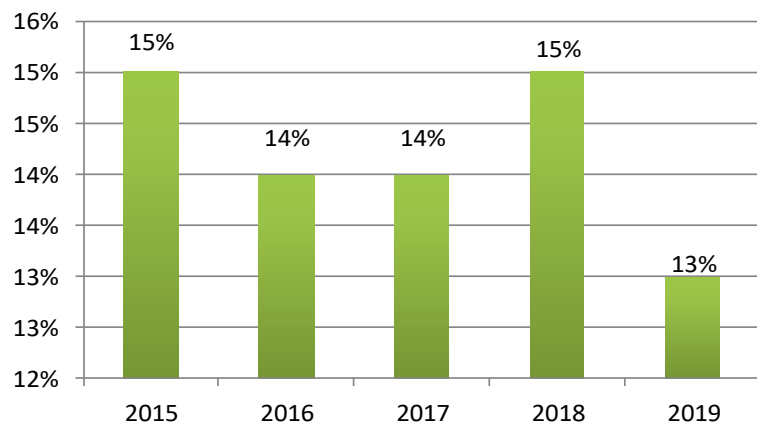
Project	Description	Term	Interest Rate %	Outstanding Balance	Last Pyt Fiscal Year
2012 SMS & portion of PHS Re-roofing (QSCB)	Re-roofing construction for Southern Middle School and a portion of Person High School; financed through a Qualified School Construction Bond (QSCB) yielding a 100% refund of the interest payments.	15 years	3.93%	1,544,148	2028
2015 PCRC & Various Roofing Projects	Purchase, renovation and re-roofing of the existing Person County Recycling Facility, and re-roofing construction for the Kirby Civic Auditorium and Earl Bradsher Preschool.	15 years	2.80%	1,306,400	2029
2016 Roxplex & Various Roofing Projects	Acquisition and improvements of Roxplex property; re-roofing construction to Huck Sansbury, South Elementary, Woodland Elementary, and Oak Lane Elementary; window replacements for North End Elementary, and a chiller replacement for Southern Middle School.	10 years	2.22%	1,075,349	2026
2017 Person County Senior Center Project	Acquisition and improvements of existing facility (formerly "Total Fitness Center") to be location of Person County Senior Center.	15 years	5.555%	1,936,067	2032
2018 Towers & Other Building Improvements	Construction of public safety communication towers; Huck Sansbury HVAC and improvements to various school buildings.	15 years	3.51%	4,371,288	2033
2019 Capital Lease (EMS Ambulances and Turnout Gear)	Purchase of three ambulances and associated turnout gear.	5 years	N/A	310,434	2023
		TOTAL DEBT SERVICE OUTSTANDING		<u>\$10,543,686</u>	

Current Debt Analysis

There are two standard ratios that measure debt service levels and the capacity for taking on additional debt. These ratios and their meaning for Person County are described as follows:

- **Debt to Assets Ratio**: Measures leverage, the extent to which total assets are financed with long-term debt. The debt-to-assets ratio is calculated as long-term debt divided by total assets. A high debt to assets ratio may indicate an over-reliance on debt for financing assets, and a low ratio may indicate a weak management of reserves. At FY 2019, the debt to assets ratio for Person County was 13%, while other 20 counties with similar populations reported an average of 35%. Person County was the 4th highest county for the amount of total assets reported in comparison to these other counties, but rated the 6th lowest Debt to Assets Ratio, as well as the 6th lowest long term debt amount. Results appear to indicate that Person County is minimally leveraged in debt compared to the population group average. As displayed in the chart below, Person County's debt to assets ratio has minimally declined from 15% in FY 2018 to 13% in FY 2019. This reduction is due to the yearly paydown of debt. A slight uptick in FY2018 is the result of issuing new debt for the Senior Center renovation and construction of Public Safety Communication Towers. Borrowing rates have significantly decreased due to the Federal Government's attempt to provide some economic relief in response to the latest Coronavirus pandemic. Although this provides a favorable environment for debt borrowing, most governmental units are conservatively holding off until impacts on their current liquidity can be determined. Due to existing conditions, as well as the fact that Person County's new debt consultants are in the process of completing the County's new debt model, there are no proposed debt issuances in this report. But strictly from a current reporting perspective on the County's debt to assets ratio, the data supports that the County is more than sufficiently leveraged to take on additional long-term debt. A gradual change or level trend indicates to credit agencies a more strategic approach to the management of the County's assets.

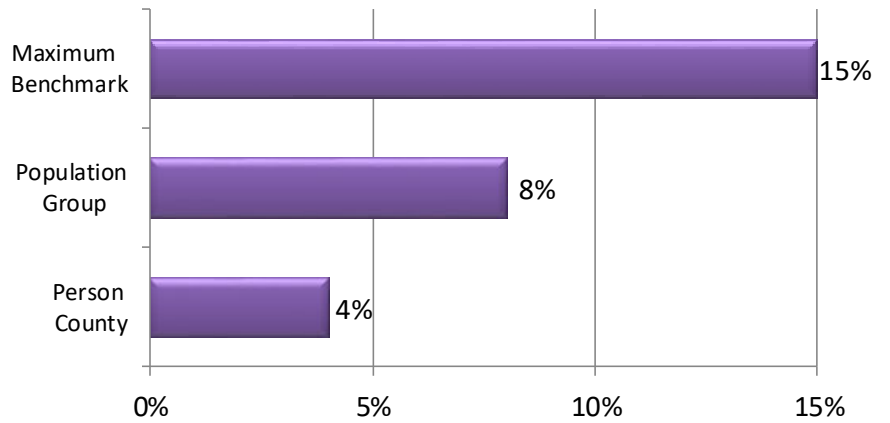
FY	Person County's Debt to Assets Ratio
2015	15%
2016	14%
2017	14%
2018	15%
2019	13%



- **Debt Service Ratio**: Measures financing obligations, provides feedback on service flexibility with the amount of expenditures committed to annual debt service. The debt service ratio is calculated as annual debt service divided by total expenses. General accounting guidance discourages this ratio from being higher than 15% for a maximum benchmark. Any percentage higher than this can severely hamper the County's service flexibility. Person County's debt service ratio held at 4% which is half of the population group's average ratio of 8% for FY 2019. Even though Person County issued new debt in FY2017 and FY2018, increases in expenditures for those two years offset the increase in debt service, causing the debt service ratio to hold flat. This level trend indicates a tight management of its debt service costs in relation to total expenditures. As it stands now, Person County is in a favorable position to take on more debt when comparing the debt

service ratio levels to its peer counties, although it is currently recommended to delay any decisions for borrowing debt until the County's new debt consultants can complete and present the debt model. A consistent debt ratio level indicates a stronger management of financing resources in relation to the amount that is available for other services.

FY 2019	Debt Service Ratio
Person County	4%
Population Group	8%
Maximum Benchmark	15%



Future Debt Service Payments

Fiscal Year Ending June 30	2012 School Roofing Projects for SMS & PHS (QSCB)	2015 PCRC & Various Roofing Projects	2016 Roxplex & Various Roofing Projects	2017 Senior Center & Various Roofing Projects	2018 Towers & Other Building Improvements Project	2019 EMS Ambulances Capital Lease	Total Current Debt Service	Year to Year Change in Current Debt Service
2022	260,131	430,800	275,323	195,733	526,360	155,217	1,843,564	(252,633)
2023	251,924	221,000	310,457	191,787	512,320	155,217	1,642,705	(200,859)
2024	243,717	116,100	259,158	187,842	498,280	-	1,305,096	(337,609)
2025	235,509	113,300	154,163	183,897	484,240	-	1,171,108	(133,988)
2026	227,302	110,500	76,249	179,951	470,200	-	1,064,202	(106,906)
2027	219,095	107,700	-	176,006	381,818	-	884,619	(179,583)
2028	106,470	104,900	-	172,060	370,411	-	753,841	(130,778)
2029	-	102,100	-	168,115	359,003	-	629,218	(124,623)
2030	-	-	-	164,169	347,596	-	511,765	(117,453)
2031	-	-	-	160,224	212,285	-	372,509	(139,256)
2032	-	-	-	156,284	106,143	-	262,426	(110,083)
2033	-	-	-	-	102,633	-	102,633	(159,794)
2034	-	-	-	-	-	-	-	(102,633)
2035	-	-	-	-	-	-	-	-
Totals	\$ 1,544,148	\$ 1,306,400	\$ 1,075,349	\$ 1,936,067	\$ 4,371,288	\$ 310,434	\$ 10,543,686	\$ (2,096,197)

Above chart displays Person County's current debt service schedule. It is estimated that the County's total outstanding debt at June 30, 2021 will be \$10.5M.

Future debt financings may be proposed once the new debt model is completed. Debt paydowns cause total outstanding debt to drop by approximately \$2.1M.

Graph below represents the County's outstanding debt service over 10 year period. Projection of \$10.5M at end of FY21 is a 17% reduction from the prior year.

Fiscal Year Ending June 30	Total Current Debt Service	No Proposed Debt Financings	Total Proposed Debt Service	Adjusted Year to Year Change with Proposed Debt Service
2022	1,843,564	-	1,843,564	(252,633)
2023	1,642,705	-	1,642,705	(200,859)
2024	1,305,096	-	1,305,096	(337,609)
2025	1,171,108	-	1,171,108	(133,988)
2026	1,064,202	-	1,064,202	(106,906)
2027	884,619	-	884,619	(179,583)
2028	753,841	-	753,841	(130,778)
2029	629,218	-	629,218	(124,623)
2030	511,765	-	511,765	(117,453)
2031	372,509	-	372,509	(139,256)
2032	262,426	-	262,426	(110,083)
2033	102,633	-	102,633	(159,794)
2034	-	-	-	(102,633)
2035	-	-	-	-
2036	-	-	-	-
Totals	\$ 10,543,686	\$ -	\$ 10,543,686	\$ (2,096,197)

