

Person County Capital Improvement Plan FY 2019-2023

Approved



Heidi York, County Manager
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April 23, 2018

Person County, North Carolina

Capital Improvement Plan

Table of Contents

Manager's Letter to the Board of Commissioners	1-2
Objectives and Procedures for the CIP	3
Criteria for Project Priority	4
Completed and Ongoing Projects	5-6
Approved Projects	7-8
Projects Not Approved	9
Funding Schedule	10-13
Set Aside Funds for Future Years	14
Graph-Revenue Sources.....	15
Graph-Projects by Function.....	16
Graph-Projects by Type	17
Person County's Debt Service	18-20
Future Debt Service Payments	21



PERSON COUNTY

OFFICE OF THE COUNTY MANAGER

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April 23, 2018

Dear Person County Residents:

I am pleased to present Person County's Fiscal Years 2019-2023 Capital Improvement Plan (CIP). The CIP is an important planning tool for our County and is intended to reflect the Board of County Commissioners' priorities for capital needs and spending over the next five years. In addition to projects for Person County Government, this plan also incorporates the needs of our partner agencies- including Person County Schools and Piedmont Community College (PCC) - 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, however there are no identified needs for either entity in this proposed CIP. The County has taken a proactive approach in managing both the costs and timing of maintenance projects; namely roofs and windows through implementation of a comprehensive roofing assessment for all county buildings and schools as well as a windows replacement plan for Person County Schools.

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 current Fiscal Year 2017-2018, spending for capital projects was scaled back (\$2M) to adjust for the large appropriation made the previous fiscal year (\$8.5M). The County's first phase of our Fiber Construction Project was the largest project funded which included engineering, construction, and consulting fees (\$902,892). For the upcoming Fiscal Year 2018-2019, spending is increasing significantly to include a large financing for the Public Safety Communication Towers and related equipment, as well as additional capital needs for Person County Schools. The total amount appropriated for capital projects next year is \$7.3M.

The financing mentioned above has already been approved by the Board of Commissioners and will provide \$4.4M in debt proceeds to fund Public Safety Communication Tower Construction (\$739,938); reimbursement of VIPER Radio Units for Volunteer Fire Departments and other public safety officers (\$951,765); VHF Equipment (\$1,174,459); Planning & Consulting (\$199,197); Administration & Issuance Costs of (\$69,536); HVAC System at Huck Sansbury Gym (\$95,000); South Elementary- valve replacement (\$180,000); Northern Middle School fire alarm upgrade (\$151,710); Stories Creek Elementary- cooling tower replacement (\$110,000); Helena Elementary- cooling tower replacement

(\$110,000); Early Intervention- new roof (\$207,000); and Northern Middle School HVAC rooftop units (\$411,395).

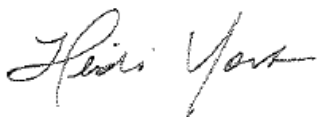
Other projects approved by the Board for funding in FY19 total \$2.9M all of which will be funded through pay-as-you-go funding, rather than financings. Projects approved for next Fiscal Year include the first phase of a County Information Technology Server Expansion (\$83,000); New Roof at Bushy Fork (\$52,523); Elevator Update at the Person County Office Building (\$86,015); \$100,000 in contingency funding to support the Public Safety Communication Towers project; the second phase of the County's Fiber Project (\$1,451,566); Seating Replacement at the Kirby Auditorium (\$110,273); and Bleacher Replacement at Huck Sansbury ball parks (\$70,000). For Piedmont Community College, \$422,479 will fund the Replacement of their Main Power Switch (\$113,450); New Telephone System (\$72,649); AC Unit and Generator for their Computer Server Room (\$74,640); and the first payment of five on a POD Building for the Early College (\$161,740/ total cost over five years \$473,752). There are two additional county projects that are funded outside of the General Fund: Library Renovations for \$136,329 which will be paid through the Library Development Trust Fund and then implementation of required Stormwater Best Management Practices which will be funded through the County's collected Stormwater Fees in the amount of \$230,000.

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. Debt Service is estimated to minimally increase by \$42,438 for FY19; however, Person County's Public Safety Communication System & Various Improvements Project will add over \$5.5M in outstanding debt, resulting in a 42% increase over the current year's outstanding debt total. Although this seems like a large increase in our debt levels, the incorporation of debt for these projects allows the County to also fund our other capital needs on a pay-as-you-go basis. Person County will continue to evaluate financing as a viable option for funding our capital needs, but will proceed with caution as we monitor the County's dependence on debt and rising interest rates in the future.

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 2019-2023 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?

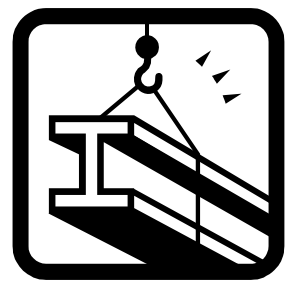
Operating Budget Impact

- 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:

- Roof Replacement – General Services Maintenance (\$35,537)
- Roof Replacement – Airport Terminal (\$40,770)
- Install A/C – Animal Services (\$82,500)
- Senior Center Project (\$2,285,000)
- Roxplex & Roofing Projects (\$1,884,000)
- Relocate IT Dept (\$97,000)
- Boiler Replacement (LEC)- \$85,000

Piedmont Community College

- Upgrade Campus HVAC (\$72,000)
- Emergency Communication System (\$117,000)

Public Schools

- Roof Replacement – North End Elementary (\$223,925)
- Chiller Replacement - PHS (\$300,000)
- Repave Bus Lot – Person High School (\$90,000)
- ADA Upgrades – Oak Lane Elementary (\$75,000)

Ongoing Projects

Person County Government:

Roof Replacements – Allensville, Helena, Hurdle Mills (\$114,582) – Allensville is complete. Helena and Hurdle Mills are bid out and construction will begin in March. Anticipating completion prior to July 2018.

Tax Appraisal Software (\$750,000) – This final price of this project is \$250,000. The Tax Office is testing the new software and plans to fully implement in FY19.

Public Safety Towers (\$3,134,895) -Construction of the Bushy Fork and Bethel Hill towers will be completed by May 2018. Installation of equipment should be complete by the end of 2018. Final connection to the fiber system is estimated to be complete by Feb. 2020.

Wireless Broadband Project (\$250,000) – Wireless installation on Mt. Tirzah tower is complete. Woodland tower installation will begin in March. Installation on Bethel Hill and Bushy Fork towers should be complete by Dec. 2018.

PCRC & Roofing Projects (\$2,360,000) – Roof is complete. Sprinkler system is 80% complete; bathrooms will begin in April with completion estimated to be by July 1, 2018. If additional funds remain, the parking lot will be paved.

Courthouse- new roof (\$120,741) – Engineering is complete, due to be bid out in April. Estimated completion date August 2018.

Fiber Project (\$3,076,106) - The contract is complete and equipment staging is taking place. The ground breaking ceremony is being scheduled. Estimated completion date is Dec. 2020.

Piedmont Community College:

New Roof- Bldg. D (\$183,297) - Engineering is complete and due to be bid out in April. Estimated completion is August 2018.

Acoustical Ceiling – Bldg. S (\$60,000) - PCC is reviewing the Information for Bid (IFB) from NC State Purchase and Contract and will determine the final date for the site visit.

Public Schools:

ADA Upgrades – North Elementary (\$150,000) -This project has been put on hold pending completion of the Facility Study audit.

New roof- School Maintenance – (\$202,893)- Bid complete in March and construction to begin in April. Completion estimated before July 1, 2018.

Facilities and Use Audit (\$120,000)- Preliminary findings from this report will be presented to the BOE in March. The final report should be available before July 2018.

Person County
Capital Improvement Plan
FY 2019-2023
Approved Projects

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION AND JUSTIFICATION
2019	IT	Server Expansion	83,000	Purchase and install two additional servers to improve resiliency of IT systems. Spans 2 years for a total cost of \$167,400.
	General Services	New roof- Bushy Fork	52,523	As recommended in the Roofing Study.
	General Services	PCOB elevator modernization	86,015	Replace elevator as the existing elevator manufacturer is no longer in existence and parts are no longer made.
	Parks and Rec	Huck Sansbury- HVAC system	95,000	Replace HVAC system in Huck Sansbury. Existing system is deteriorating and has had significant maintenance issues.
	Emergency Management	Public Safety Communication System upgrade	3,234,895	Construct two public safety towers and hang new communication equipment. Purchase VIPER radios for public safety departments.
	Economic Dev.	Fiber project	1,451,566	Construction costs for installation of 50+ miles of fiber to County facilities. Total cost is \$3M over three years.
	Parks and Rec	Kirby Auditorium- new seating	110,273	Replacement Lower Seating at Kirby Theater. Replacement parts are no longer available and seating has become a safety hazard.
	Parks and Rec	Huck Sansbury bleacher replacement	70,000	Install new bleachers with safety features, such as hand rails and walkways.
	Public Library	Library Renovations	136,329	Install new carpet, ceiling, and paint. Remodel bathrooms, purchase a 3D printer and new gallery furniture.
	Stormwater	Stormwater BMP	230,000	As required by State regulations to improve water quality, the County must implement projects that reduce pollution from stormwater runoff. The consultant is studying potential projects and identifying sites. At this time, the total estimated cost is \$3.8M; however, this amount and the timeline for implementation may vary greatly and depend upon decisions made at the State-level.
	PCC	Main Power Switch Replacement	113,450	Existing switch is outdated and replacement parts are unavailable.
	PCC	New Telephone System	72,649	Current system has been discontinued and is unreliable. Total project cost is 165,452 and spans three years.
	PCC	Early College- POD bldg	161,740	Construct a new building for the PECIL program. This building will be leased over 4 years for a total cost of \$473,752.
	PCC	Computer server room-AC unit and generator	74,640	Improved air flow is needed to safely house existing servers. A generator is needed to provide backup in the event of an outage.
	Public Schools	Valve replacement- South Elementary	180,000	Existing valves do not open and close properly, making cooling inefficient.
	Public Schools	Northern Middle- fire alarm upgrade	151,710	Replace the fire alarm system. Existing system does not meet current standards.
	Public Schools	Stories Creek Elem.- cooling tower replacement	110,000	The tower is corroding and rusting out. Many leaks have occurred which affects the proper operation of the cooling system for the school.
	Public Schools	Helena Elem.- cooling tower replacement	110,000	The tower is corroding and rusting out. Many leaks have occurred which affects the proper operation of the cooling system for the school.
	Public Schools	New roof- Early Intervention	207,000	As recommended in the Roofing Study.
	Public Schools	Northern Middle-HVAC rooftop units	411,395	Existing HVAC system is beyond its useful life.
2020	IT	Server Expansion	84,400	Purchase and install two additional servers to improve resiliency of IT systems. Spans 2 years for a total cost of \$167,400.
	General Services	New Roof- EMS- Barden Street	152,395	As recommended in the Roofing Study.
	General Services	New roof- EMS-Helena	105,500	As recommended in the Roofing Study.
	Economic Dev.	Fiber project	721,648	Construction costs for installation of 50+ miles of fiber to County facilities. Total cost is \$3M over three years.
	Parks and Rec	Bushy Fork light replacement	57,739	Ball field lights are old and use outdated technology. Replace with safer and brighter lighting.
	Parks and Rec	Athletic field light and pole upgrades	50,000	Ball field lights are 25+ years old and need to be upgraded.
	Airport	New hangar	200,000	Total cost is \$800,000. \$200K annual set-aside in the CIP for 4 years with construction in FY2023.

Person County
Capital Improvement Plan
FY 2019-2023
Approved Projects

YEAR	DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION AND JUSTIFICATION
	Stormwater	Stormwater BMP	1,785,000	As required by State regulations to improve water quality, the County must implement projects that reduce pollution from stormwater runoff. The consultant is studying potential projects and identifying sites. At this time, the total estimated cost is \$3.8M; however, this amount and the timeline for implementation may vary greatly and depend upon decisions made at the State-level.
	PCC	New Telephone System	46,402	Current system has been discontinued and is unreliable. Total project cost is 165,452 and spans three years.
	PCC	Early College- POD bldg	78,003	Construct a new building for the PECIL program. This building will be leased over 4 years for a total cost of \$473,752.
	PCC	New Roof- Covered walkways	52,146	As recommended in the Roofing Study.
	PCC	New Roof- Bldg. L	117,414	As recommended in the Roofing Study.
	PCC	Building S- Generator	73,000	Purchase a generator to provide back up power in the event of a crisis.
	Public Schools	Southern Middle -fire alarm system	160,000	Replace the fire alarm system. Existing system does not meet current standards.
	Public Schools	Woodland Elem.- window replacement	313,500	As recommended in the Window Replacement Study.
2021	General Services	New roof- Library	79,003	As recommended in the Roofing Study.
	General Services	New roof- Grounds Maintenance	82,994	As recommended in the Roofing Study.
	General Services	New Roof- Helena Gym	206,934	As recommended in the Roofing Study.
	General Services	New roof- Animal Services complex	190,537	As recommended in the Roofing Study.
	General Services	New roof- Mayo Park	96,482	As recommended in the Roofing Study.
	Parks and Rec	Athletic field light and pole upgrades	49,500	Ball field lights are 25+ years old and need to be upgraded.
	Airport	New hangar	200,000	Total cost is \$800,000. \$200K annual set-aside in the CIP for 4 years with construction in FY2023.
	Stormwater	Stormwater BMP	1,785,000	As required by State regulations to improve water quality, the County must implement projects that reduce pollution from stormwater runoff. The consultant is studying potential projects and identifying sites. At this time, the total estimated cost is \$3.8M; however, this amount and the timeline for implementation may vary greatly and depend upon decisions made at the State-level.
	PCC	New Telephone System	46,401	Current system has been discontinued and is unreliable. Total project cost is 165,452 and spans three years.
	PCC	Early College- POD bldg	78,003	Construct a new building for the PECIL program. This building will be leased over 4 years for a total cost of \$473,752.
	Public Schools	New Roof- Southern Middle- outside bldgs.	152,889	As recommended in the Roofing Study.
2022	General Services	New roof -Elections/IT	113,155	As recommended in the Roofing Study.
	General Services	New roof- Inspections	107,969	As recommended in the Roofing Study.
	Parks and Rec	Athletic field light and pole upgrades	55,000	Ball field lights are 25+ years old and need to be upgraded.
	Airport	New hangar	200,000	Total cost is \$800,000. \$200K annual set-aside in the CIP for four years with construction in FY2023.
	PCC	Early College- POD bldg	78,003	Construct a new building for the PECIL program. This building will be leased over 4 years for a total cost of \$473,752.
	PCC	Chiller units	500,000	Two chillers need to be replaced as existing system is at the end of its useful life.
	Public Schools	New Roof- North End Elem.	119,315	As recommended in the Roofing Study.
2023	General Services	New roof - Inspections	104,448	As recommended in the Roofing Study.
	Rec, Arts & Parks	Athletic field light and pole upgrades	52,000	Ball field lights are 25+ years old and need to be upgraded.
	Airport	New hangar	200,000	Total cost is \$800,000. \$200K annual set-aside in the CIP for 4 years with construction in FY2023.

Person County
Capital Improvement Plan
FY 2019-2023
Projects Not Approved

DEPT	PROJECT TITLE	TOTAL COST	PROJECT DESCRIPTION/REASON FOR NOT RECOMMENDING
Public Schools	Earl Bradsher painting	60,000	Waiting on results from feasibility study to determine when to request for this to be completed. Schools considered this to be a lower priority compared to their other requests.

Person County
Capital Improvement Plan (CIP)
2019-23
Approved - Funding Schedule

Sources of Revenue:	Current Year 2017-18	Budget Year 2018-19	Planning Year 2019-20	Planning Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	TOTAL REVENUE SOURCES
Revenues:							
General Fund Contribution	1,681,353	2,105,856	2,052,147	1,432,743	1,398,442	906,126	9,576,667
CIP Project Fund Balance	220,000	330,000	160,000	-	250,000	475,000	1,435,000
PARTF Grant	135,470	-	-	-	-	-	135,470
Library Development Trust Fund	-	136,329	-	-	-	-	136,329
Stormwater Fees	-	230,000	1,785,000	1,785,000	-	-	3,800,000
Public Safety Comm System, County & School Building Improvements-Fund Balance	-	100,000	-	-	-	-	100,000
Debt Proceeds - Public Safety Comm System, County & School Building Improvements	-	4,400,000	-	-	-	-	4,400,000
Total Sources of Revenue:	2,036,823	7,302,185	3,997,147	3,217,743	1,648,442	1,381,126	19,583,466
Project Costs for County:	Current Year 2017-18	Budget Year 2018-19	Planning Year 2019-20	Planning Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	TOTAL PROJECT COSTS
Information Technology:							
Relocate IT department	97,000	-	-	-	-	-	97,000
Server Expansion	-	83,000	84,400	-	-	-	167,400
Tax Office:							
Appraisals and Collections software	50,000	-	-	-	-	-	50,000
General Services:							
Boiler Replacement- LEC	85,000	-	-	-	-	-	85,000
New Roof - Courthouse	120,741	-	-	-	-	-	120,741
New Roof - Bushy Fork	-	52,523	-	-	-	-	52,523
PCOB elevator modernization	-	86,015	-	-	-	-	86,015
HVAC System - Huck Sansbury Gym	-	95,000	-	-	-	-	95,000
New Roof - EMS- Barden Street	-	-	152,395	-	-	-	152,395
New Roof - EMS- Helena	-	-	105,500	-	-	-	105,500
New Roof - Library	-	-	-	79,003	-	-	79,003
New Roof - Grounds Maintenance	-	-	-	82,994	-	-	82,994
New Roof - Helena Gym	-	-	-	206,934	-	-	206,934
New Roof - Animal Services complex	-	-	-	190,537	-	-	190,537
New Roof - Mayo Park	-	-	-	96,482	-	-	96,482
New Roof - Elections/IT	-	-	-	-	113,155	-	113,155
New Roof- Inspections	-	-	-	-	107,969	104,448	212,417
Emergency Management Services:							
Public Safety Communication System Upgrade							
Tower Construction	-	739,938	-	-	-	-	739,938
VIPER Radio Units	-	951,765	-	-	-	-	951,765
VHF Equipment	-	1,174,459	-	-	-	-	1,174,459
Planning & Consulting	-	199,197	-	-	-	-	199,197
Administration Expenses	-	500	-	-	-	-	500
Issuance Costs	-	69,036	-	-	-	-	69,036
Contingency Funding	-	100,000	-	-	-	-	100,000

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Economic Development							
Fiber project							
Engineering	284,755	474,661	233,788	-	-	-	993,204
Construction	604,937	963,705	474,660	-	-	-	2,043,302
Consulting	13,200	13,200	13,200	-	-	-	39,600
Recreation, Arts & Parks:							
Kirby Auditorium - seating replacements	-	110,273	-	-	-	-	110,273
Huck Sansbury bleachers replacement	-	70,000	-	-	-	-	70,000
Bushy Fork light replacement	-	-	57,739	-	-	-	57,739
Athletic fields- light replacement	-	-	50,000	49,500	55,000	52,000	206,500
Airport Construction Projects:							
Additional airport hangar construction	-	-	200,000	200,000	200,000	200,000	800,000
Public Library:							
Library Renovations	-	136,329	-	-	-	-	136,329
Stormwater:							
Stormwater BMP	-	230,000	1,785,000	1,785,000	-	-	3,800,000
Set-asides for future projects	100,000	-	-	-	-	-	100,000
Total County Projects:	1,355,633	5,549,601	3,156,682	2,690,450	476,124	356,448	13,584,938

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2019-23
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Project Costs for PCC:	Current Year 2017-18	Budget Year 2018-19	Planning Year 2019-20	Planning Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	TOTAL PROJECT COSTS
Piedmont Community College (PCC):							
Acoustical Ceiling	60,000	-	-	-	-	-	60,000
New roof - Building D	183,297	-	-	-	-	-	183,297
Main Power Switch Replacement	-	113,450	-	-	-	-	113,450
New Telephone System	-	72,649	46,402	46,401	-	-	165,452
Early College- POD Building	-	161,740	78,003	78,003	78,003	78,003	473,752
Computer Server room- AC unit and generator	-	74,640	-	-	-	-	74,640
New Roof-Covered Walkways	-	-	52,146	-	-	-	52,146
New Roof- Building L	-	-	117,414	-	-	-	117,414
Building S- Generator	-	-	73,000	-	-	-	73,000
Chiller units	-	-	-	-	500,000	-	500,000
Set-asides for future projects	-	-	-	250,000	-	-	250,000
Total PCC Projects:	243,297	422,479	366,965	374,404	578,003	78,003	2,063,151
Project Costs for Public Schools:	Current Year 2017-18	Budget Year 2018-19	Planning Year 2019-20	Planning Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	TOTAL PROJECT COSTS
Public Schools:							
New bleachers - NMS	85,000	-	-	-	-	-	85,000
New Roof-School Maintenance	202,893	-	-	-	-	-	202,893
Facilities and Use Audit	120,000	-	-	-	-	-	120,000
South Elementary - valve replacement	-	180,000	-	-	-	-	180,000
Northern Middle - fire alarm upgrade	-	151,710	-	-	-	-	151,710
Stories Creek Elementary - cooling tower replacement	-	110,000	-	-	-	-	110,000
Helena Elementary - cooling tower replacement	-	110,000	-	-	-	-	110,000
New Roof - Early Intervention	-	207,000	-	-	-	-	207,000
Northern Middle - HVAC rooftop units	-	411,395	-	-	-	-	411,395
Southern Middle-fire alarm upgrade	-	-	160,000	-	-	-	160,000
Woodland Elementary - window replacements	-	-	313,500	-	-	-	313,500
New roof - Southern Middle - outside buildings and canopies	-	-	-	152,889	-	-	152,889
New roof - North End Elementary	-	-	-	-	119,315	-	119,315
New roof - North Elementary	-	-	-	-	-	946,675	946,675
Set-asides for future projects	30,000	160,000	-	-	475,000	-	665,000
Total Public Schools Projects:	437,893	1,330,105	473,500	152,889	594,315	946,675	3,935,377
Total Project Costs:	2,036,823	7,302,185	3,997,147	3,217,743	1,648,442	1,381,126	19,583,466

Person County
Capital Improvement Plan (CIP)
2019-23
Approved - Funding Schedule

Sources of Revenue for Operating Impact Costs:	Current Year 2017-18	Budget Year 2018-19	Planning Year 2019-20	Planning Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	TOTAL REVENUE SOURCES
General Fund Revenues	8,322	323,577	465,075	593,020	578,980	659,408	2,628,382
Recycling sales (due to efficiency)	-	-	11,168	11,168	11,168	-	33,504
Recycling program service fees	-	-	17,920	44,800	44,800	-	107,520
Total Sources of Revenue for Operating Impact Costs:	8,322	323,577	494,163	648,988	634,948	659,408	2,769,406

Operating Impact Costs:	Current Year 2017-18	Budget Year 2018-19	Planning Year 2019-20	Planning Year 2020-21	Planning Year 2021-22	Planning Year 2022-23	TOTAL PROJECT COSTS
<i>Tax Office: Appraisals and Collections software</i>							-
New maintenance contract	8,322	8,322	8,322	8,322	8,322	8,322	49,932
<i>Fiber Maintenance</i>							-
Maintenance and Repair	-	13,066	13,066	13,066	13,066	13,066	65,330
Equipment and Warranty	-	32,200	41,500	5,100	5,100	5,100	89,000
Pole Rental	-	1,500	1,500	1,500	1,500	1,500	7,500
<i>Public Safety & Broadband Towers Project</i>							-
Debt Service payments	-	250,389	349,175	540,400	526,360	512,320	2,178,644
Lights maintenance	-	12,000	12,000	12,000	12,000	12,000	60,000
Electricity & Fuel	-	4,400	4,400	4,400	4,400	4,400	22,000
Insurance	-	1,700	1,700	1,700	1,700	1,700	8,500
<i>Airport Hanger Construction</i>	-	-	1,500	1,500	1,500	-	4,500
<i>PCC Telephone System</i>							
Maintenance upgrade	-	-	-	-	-	40,000	40,000
<i>PCC Early College- POD Building</i>							
Custodial employee	-	-	33,000	33,000	33,000	33,000	132,000
Maintenance and custodial supplies	-	-	8,000	8,000	8,000	8,000	32,000
Utilities	-	-	20,000	20,000	20,000	20,000	80,000
Total Operating Impact Costs:	8,322	323,577	494,163	648,988	634,948	659,408	2,769,406

Note: Item highlighted below is a project associated with a proposed debt financing.

2018-19 Public Safety & Broadband Towers Project

The County is scheduled to enter into an installment purchase contract for \$4.4M on May 10, 2018 to finance a portion of the construction of two public safety communication towers and purchase and installation of related facilities and equipment, rooftop HVAC units and fire alarm system replacements for Northern Middle School, installation of a new HVAC system for the Huck Sansbury Gym, roofing replacement for Early Intervention and Family Services, cooling tower replacements for Helena and Stories Creek Elementary Schools, and heating and cooling unit valve replacements at South Elementary School. These costs are listed in Planning Year 2018-19 since the work for the majority of these projects will not begin until FY 2019.

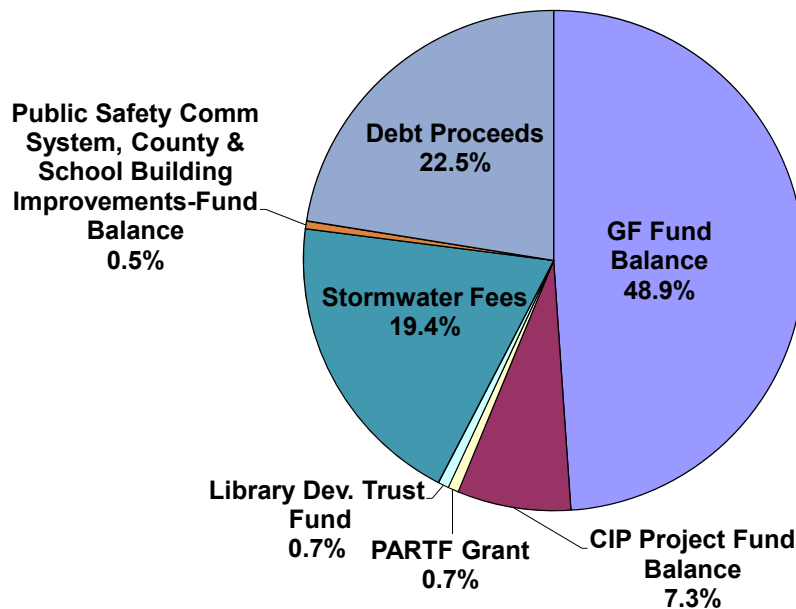
Set-Aside Funds for Future Years

Note: The County implements a best practice approach for distributing the costs of capital projects to minimize the impact in any one fiscal year. This is accomplished by incrementally funding expensive projects over multiple fiscal years. The projects listed below are funded through set-aside funds leading up to the year in which the project will be completed, thus reducing the burden in that year. This is a proactive approach to planning and funding future capital needs as well as maximizing cash flow capacity.

	Set-Aside Amount	Fiscal Year that project is recommended to take place	Remaining Cost
Current & Prior Years			
Fiber Construction Project	\$ 130,000	2018-2019	\$ 2,043,214
Budget Year 2018-2019			
Southern Middle-Fire Alarm Upgrade	\$ 160,000	2019-2020	\$ -
Planning Year 2019-2020			
(No set asides proposed in this year)	\$ -		
Planning Year 2020-2021			
PCC-Chiller Units	\$ 250,000	2021-2022	\$ 250,000
Planning Year 2021-2022			
New Roof-North Elementary	\$ 475,000	2022-2023	\$ 471,675
Planning Year 2022-2023			
(No set asides proposed in this year)	\$ -		

Person County Capital Improvement Plan
Approved - Revenue Sources
FY 2019 - 2023

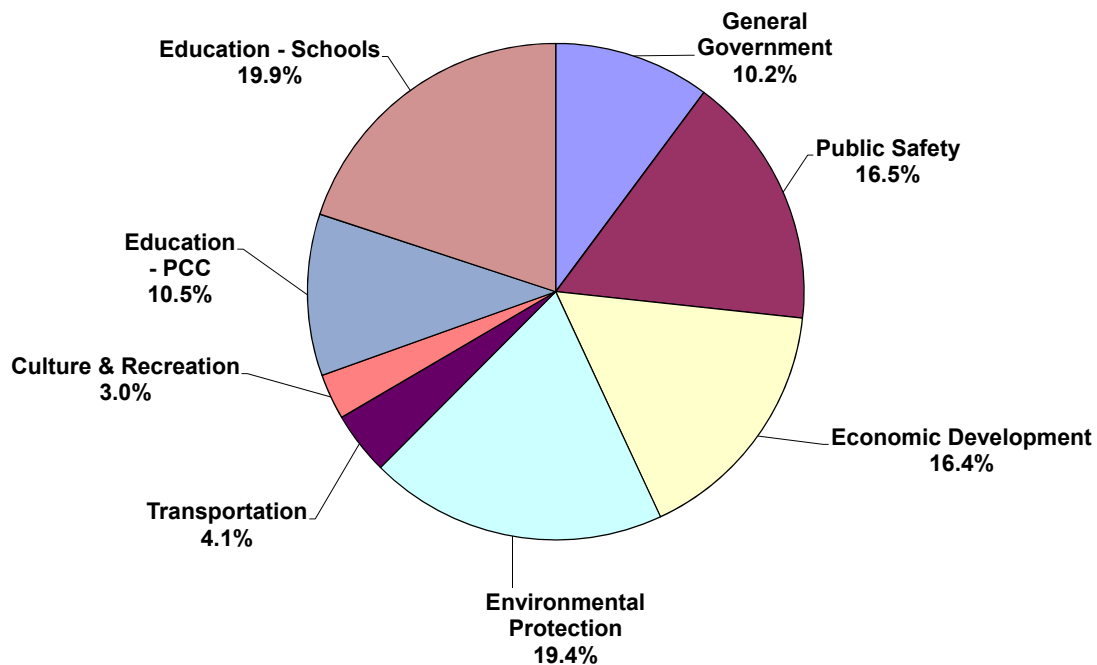
Total % Revenue Sources								
Description	Current Year	2019	2020	2021	2022	2023	Totals	% of Total
General Fund Contribution	1,681,353	2,105,856	2,052,147	1,432,743	1,398,442	906,126	9,576,667	48.9%
CIP Project Fund Balance	220,000	330,000	160,000	-	250,000	475,000	1,435,000	7.3%
PARTF Grant	135,470	-	-	-	-	-	135,470	0.7%
Library Development Trust Fund	-	136,329	-	-	-	-	136,329	0.7%
Stormwater Fees	-	230,000	1,785,000	1,785,000	-	-	3,800,000	19.4%
Public Safety Comm System, County & School Building Improvements-Fund Balance	-	100,000	-	-	-	-	100,000	0.5%
Debt Proceeds - Public Safety Comm System, County & School Building Improvements	-	4,400,000	-	-	-	-	4,400,000	22.5%
Totals	2,036,823	7,302,185	3,997,147	3,217,743	1,648,442	1,381,126	19,583,466	100.0%



Person County Capital Improvement Plan
Approved - by Function
FY 2019 - 2023

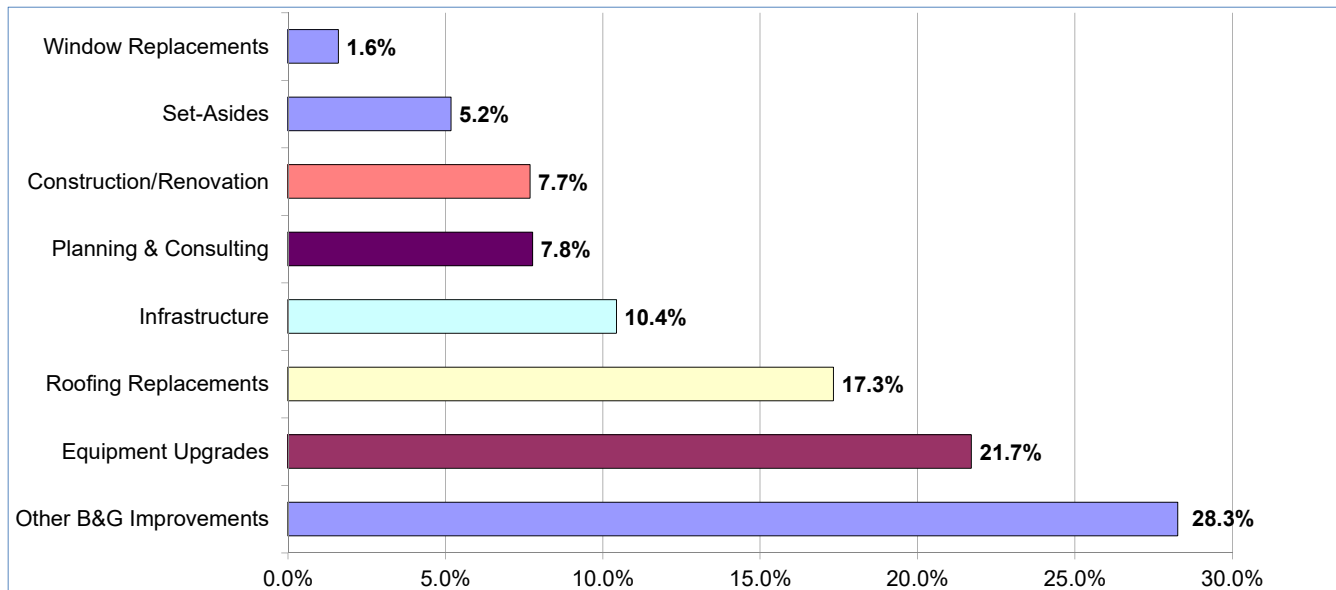
Total % CIP Projects by Function

Description	Current Year	2019	2020	2021	2022	2023	Totals	% of Total
General Government	352,741	316,538	342,295	655,950	221,124	104,448	1,993,096	10.2%
Public Safety	-	3,234,895	-	-	-	-	3,234,895	16.5%
Economic Development	1,032,892	1,451,566	721,648	-	-	-	3,206,106	16.4%
Environmental Protection	-	230,000	1,785,000	1,785,000	-	-	3,800,000	19.4%
Transportation	-	-	200,000	200,000	200,000	200,000	800,000	4.1%
Culture & Recreation	-	316,602	107,739	49,500	55,000	52,000	580,841	3.0%
Education - PCC	243,297	422,479	366,965	374,404	578,003	78,003	2,063,151	10.5%
Education - Schools	407,893	1,330,105	473,500	152,889	594,315	946,675	3,905,377	19.9%
Totals	2,036,823	7,302,185	3,997,147	3,217,743	1,648,442	1,381,126	19,583,466	100.0%



Person County Capital Improvement Plan
Approved - by Type
FY 2019 - 2023

Total % CIP Projects by Type								
Description	Current Year	2019	2020	2021	2022	2023	Totals	% of Total
Other B&G Improvements	145,000	1,321,308	1,785,000	1,785,000	500,000	-	5,536,308	28.3%
Equipment Upgrades	135,000	3,442,986	471,541	95,901	55,000	52,000	4,252,428	21.7%
Roofing Replacements	506,931	259,523	427,455	808,839	340,439	1,051,123	3,394,310	17.3%
Infrastructure	604,937	963,705	474,660	-	-	-	2,043,302	10.4%
Planning & Consulting	417,955	856,594	246,988	-	-	-	1,521,537	7.8%
Construction/Renovation	97,000	298,069	278,003	278,003	278,003	278,003	1,507,081	7.7%
Set-Asides	130,000	160,000	-	250,000	475,000	-	1,015,000	5.2%
Window Replacements	-	-	313,500	-	-	-	313,500	1.6%
Totals	2,036,823	7,302,185	3,997,147	3,217,743	1,648,442	1,381,126	19,583,466	100.0%



Person County's Debt Service

Current Debt Service

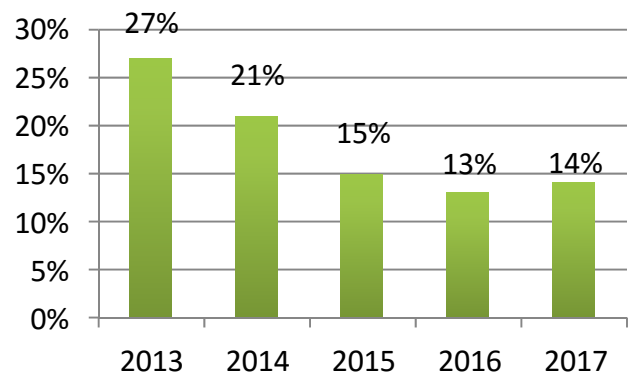
Project	Description	Term	Int Rate %	Outstanding Balance	Last Pyt Fiscal Year
2006 Various Roofing/Paving Projects	Re-roofing, paving and repaving certain school, community college and other public facilities; re-floor the gymnasium; construct new tennis courts at Person High School.	15 years	3.86%	1,281,155	2021
2010 Courthouse Renovation & Various Roofing (BAB's)	Engineering and construction costs associated with the renovation of the Courthouse and some various re-roofing for certain school, community college and other public facilities; financed through Build America Bonds (BAB's) yielding a 35% refund of the interest payments.	10 years	4.08%	795,900	2021
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%	2,373,785	2028
2015 Capital Lease (Elections Equipment)	Upgrade of voting equipment; financed as a capital equipment lease for a 5 year term.	5 years	6.07%	98,485	2020
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%	1,721,900	2029
2016 Roxplex & Various Roofing Projects	Acquisition and improvements to 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.	15 years	2.22%	1,662,084	2026
2016 Capital Lease (E911 Radios and Console Furniture)	Replacement of radios and console furniture designed and programmed specifically for use by the E911 Communications Center.	5 years	7.186%	294,986	2020
2016 Capital Lease (E911 Telephone Equipment)	Upgrade of telephone equipment for operations at E911 Communications Center.	5 years	5.555%	238,348	2021
2017 Person County Senior Center Project	Acquisition and improvements of existing facility (formerly "Total Fitness Center") to be future location of Person County Senior Center.	5 years	5.555%	2,546,938	2032
		TOTAL DEBT SERVICE OUTSTANDING		<u>\$11,013,581</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 below:

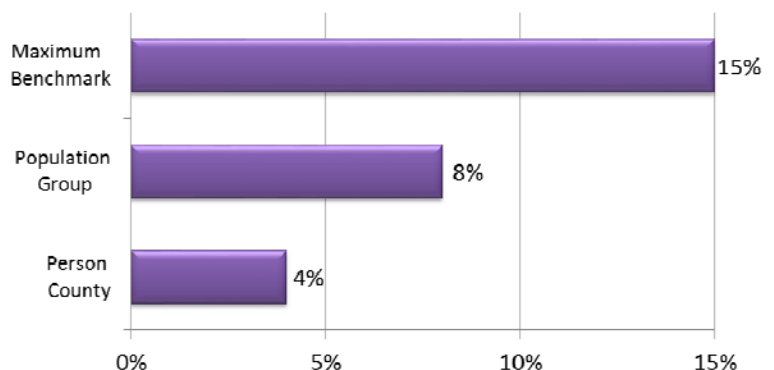
- Debt to Assets Ratio:** Measures leverage, the extent to which total assets are financed with long-term debt. The debt-to-assets ratio is calculated as long-term debt divided by total assets. A high debt to assets ratio may indicate an over-reliance on debt for financing assets, and a low ratio may indicate a weak management of reserves. At FY 2016, the debt to assets ratio for Person County was 13%, while other 20 counties with similar populations show an average of 41%. Person County was the 5th highest county for the amount of total assets reported in comparison to these other counties, but rated the 3rd 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 declined from 27% in FY 2013 to 14% in FY 2017. This reduction can likely be attributed to the addition of school assets held as collateral for County financings in previous years that were added to the County's asset totals beginning in the financial report for FY2017. Auditors determined that these assets should be included on the County's Statement of Net Position since the properties belong to the County during the life of the debt. This change causes Total Assets to sharply increase, resulting in a further reduced Debt to Assets Ratio. Another variable causing this downward trend is the large \$2M yearly pay down of the 2008 Refinanced Debt for the 1999 & 2000 Elementary School Construction and Law Enforcement Center debt (last payment made in FY 2015). However, as interest rates are forecasted to increase, and new debt is issued, it is anticipated that this percentage will level out and begin to climb. We begin to see that in FY 2017 where it increases by 1% from 13% to 14%. The Senior Center financing in FY 2017 and the conveyance of several school properties back to the Public Schools that were held as collateral for debt financings that had been paid off causes a slight increase in FY 2017 in the Debt to Assets Ratio. 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
2013	27%
2014	21%
2015	15%
2016	13%
2017	14%



- 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 dropped to 4% which is half of the population group's ratio of 8% for FY 2016 (Person County's ratio holds at 4% for FY 2017). The large debt reduction in FY 2015 far exceeded the new debt issued in fiscal years 2015-2017, causing a downward spike in the County's outstanding debt. However, the new debt for the Senior Center causes the debt service ratio to slightly increase in FY 2017, and is anticipated to increase again in FY 2018 for the Public Safety Communication System Upgrade and County and School building improvements. To what extent it rises depends on how much expenditures increase over the next two years. As it stands now, Person County is in a favorable position to take on more debt if you compare the debt service ratio levels to our peer counties. A consistent debt ratio level indicates a stronger management of financing resources in relation to the amount that is available for other services.

FY 2016	Debt Service Ratio
Person County	4%
Population Group	8%
Maximum Benchmark	15%



Proposed Debt Service

There is one proposed financing for FY 2019 that is actually scheduled to close on May 10, 2018. The costs for these projects are listed in Planning Year 2018-19 on the main funding grid since the work for the majority of these projects will not begin until FY 2019. No other financings are proposed at this time for FY 2019-2023. The detail for these projects are presented below:

➤ Public Safety Communication System Upgrade and Various County and School Building Improvements

The County is scheduled to enter into an installment purchase contract on May 10, 2018 to finance a portion of the construction of two public safety communication towers and purchase and installation of related facilities and equipment, rooftop HVAC units and fire alarm system replacements for Northern Middle School, installation of a new HVAC system for the Huck Sansbury Gym, roofing replacement for Early Intervention and Family Services, cooling tower replacements for Helena and Stories Creek Elementary Schools, and heating and cooling unit valve replacements at South Elementary School. The total proposed debt amount for this project is \$4,400,000 and is comprised of the following:

Towers Construction (Bushy Fork and Bethel Hill)	739,938
VIPER Radio Units	951,765
VHF Equipment	1,174,459
Planning & Consulting	199,197
Huck Sansbury Gym-HVAC	95,000
Northern Middle School Improvements:	
Rooftop Units replacement	411,395
Fire Alarm replacements	151,710
Early Intervention & Family Services-roof replacement	207,000
Helena Elementary School-cooling tower replacement	110,000
Stories Creek Elementary School-cooling tower replacement	110,000
South Elementary School-valve replacement	180,000
Administration expenses	500
Issuance costs	69,036
Total Financing	4,400,000

Future Debt Service Payments for Person County

Fiscal Year Ending June 30	2006 Various roofing/paving projects	2010 Courthouse Renovation & Various Roofing Projects	2012 School Roofing Projects for SMS & PHS (QSCB)	Capital Equipment Leases	2015 PCRC & Various Roofing Projects	2016 Roxplex & Various Roofing Projects	2017 Senior Center & Various Roofing Projects	Total Current Debt Service	Year to Year Change in Current Debt Service
2018	483,635	339,780	292,960	302,668	246,200	298,162	203,459	2,166,864	(53,920)
2019	442,471	327,540	284,753	302,668	141,300	252,612	207,569	1,958,912	(207,952)
2020	427,094	315,300	276,546	302,668	138,500	128,394	203,624	1,792,125	(166,787)
2021	411,591	153,060	268,338	26,483	135,700	205,730	199,678	1,400,580	(391,546)
2022	-	-	260,131	-	430,800	275,323	195,733	1,161,987	(238,593)
2023	-	-	251,924	-	221,000	310,457	191,787	975,168	(186,819)
2024	-	-	243,717	-	116,100	259,158	187,842	806,816	(168,352)
2025	-	-	235,509	-	113,300	154,163	183,897	686,868	(119,948)
2026	-	-	227,302	-	110,500	76,249	179,951	594,002	(92,866)
2027	-	-	219,095	-	107,700	-	176,006	502,801	(91,201)
2028	-	-	106,470	-	104,900	-	172,060	383,430	(119,370)
2029	-	-	-	-	102,100	-	168,115	270,215	(113,215)
2030	-	-	-	-	-	-	164,169	164,169	(106,045)
2031	-	-	-	-	-	-	160,224	160,224	(3,945)
2032	-	-	-	-	-	-	156,284	156,284	(3,940)
2033	-	-	-	-	-	-	-	-	(156,284)
Totals	\$ 1,764,790	\$ 1,135,680	\$ 2,666,745	\$ 934,487	\$ 1,968,100	\$ 1,960,246	\$ 2,750,398	\$ 13,180,446	\$ (2,220,784)

Above chart displays Person County's debt service schedule. New debt for the Person County Senior Center in 2017 causes overall increase of \$530K in total outstanding debt from \$12.6M to \$13.2M.

It is estimated that the Public Safety Tower Project will cause total outstanding debt to increase by more than \$5.5M (chart to the right). Actual debt is estimated to increase by \$42,438 for FY19.

Graph below represents County's outstanding debt service over 10 year period. Projection of \$18.7M at end of FY18 would be a 42% increase over the prior year.

Fiscal Year Ending June 30	Total Current Debt Service	2018 Public Safety Comm System & Various Improvements Project Debt	Total Proposed Debt Service	Adjusted Year to Year Change with Proposed Debt Service
2018	2,166,864	-	2,166,864	(53,920)
2019	1,958,912	250,389	2,209,301	42,438
2020	1,792,125	349,175	2,141,300	(68,001)
2021	1,400,580	540,400	1,940,980	(200,321)
2022	1,161,987	526,360	1,688,347	(252,633)
2023	975,168	512,320	1,487,488	(200,859)
2024	806,816	498,280	1,305,096	(182,392)
2025	686,868	484,240	1,171,108	(133,988)
2026	594,002	470,200	1,064,202	(106,906)
2027	502,801	381,818	884,619	(179,583)
2028	383,430	370,411	753,841	(130,778)
2029	270,215	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)
Totals	\$ 13,180,446	\$ 5,511,252	\$ 18,691,697	\$ (2,220,784)

(Millions)

Outstanding Debt Service

