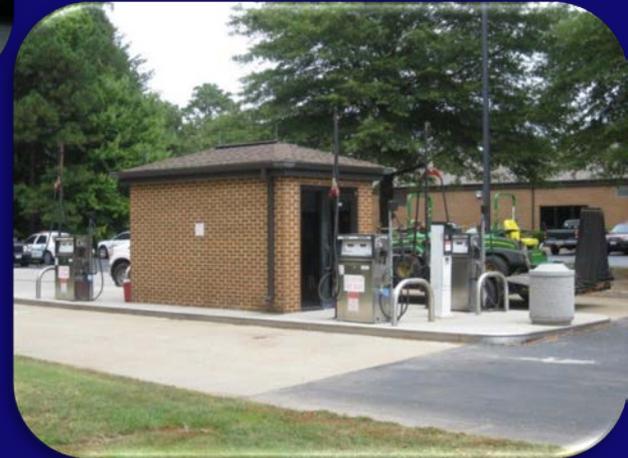
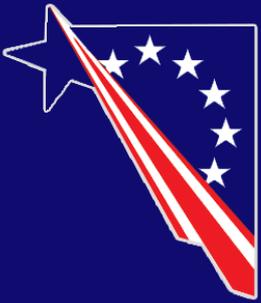




Capital Improvements Program

Fiscal Years 2018-2023
Preliminary Discussion





What is a CIP?

What are Capital Projects?

- Capital Improvements Program (Plan) is a multi-year plan for repair or replacement of existing local government infrastructure and construction or acquisition of new facilities or equipment
- York's adopted CIP covers 6 years; first year represents funding commitments reflected in the adopted Budget; Years 2 to 6 represent a "plan" that serves to identify future needs and initiatives
- Capital Projects are those which have a multi-year useful life and a cost generally in excess of \$50,000



Categories

General Fund Projects

- Administrative/Management/
Education & Education Services
- Public Safety – Sheriff's Office
- Public Safety – Fire & Life Safety
- Public Safety – Communications
- Public Works
- Community Services

Other Funds

- Vehicle Maintenance
- Stormwater / Drainage
- Solid Waste Management
- Sewer Extensions / Rehabs



Process

Phase 1

- Departments / Agencies submitted CIP requests to Finance Department

Phase 2

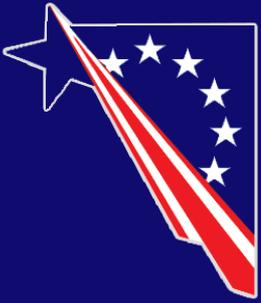
- CIP Committee reviewed, evaluated and prioritized requests
- Committee's recommendations reported to County Administrator

Phase 3

- County Administrator / senior staff review and preliminary adjustments
- Preliminary "Senior Staff Fiscally Constrained – First Cut" presented to BOS, School Division and Planning Commission

Phase 4

- County Administrator continues review and development of recommended CIP with input from BOS, Schools, and PC and with refined information on Operating Budget outlook
- County Administrator presents recommended CIP in conjunction with overall FY 2018 Budget proposal (early March)
- Budget Work Sessions / PC Certification of Comp Plan Consistency
- Budget and CIP adopted concurrently (May 2)



Committee Evaluation

- Committee evaluation and discussion factors included:
 - Legal Requirement
 - How Critical
 - Health and safety issue – (*MDTs – Mobile Data Terminals*)
 - Maintenance issue – (*backlog of deferred maintenance*)
 - Capacity issue – (*new elementary school*)
 - Supports Strategic Priorities
 - Prior or ongoing commitment
 - Widespread benefit
 - Operating budget impact

Fiscal Years 2018 – 2023 Capital Improvements Program

“First Cut” Working Draft

SUMMARY

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total Programmed	Total Requested
COUNTY	8,917,000	6,376,000	9,590,000	6,685,000	9,235,000	10,023,000	50,826,000	102,768,190
Last Year's CIP	10,884,000	5,256,000	8,807,000	5,070,000	11,235,000		47,827,000	
SCHOOLS	9,000,000	17,500,000	15,000,000	9,000,000	7,500,000	9,650,000	67,650,000	67,650,000
Last Year's CIP	15,000,000	17,500,000	9,000,000	9,000,000	7,500,000		67,000,000	
TOTAL	17,917,000	23,876,000	24,590,000	15,685,000	16,735,000	19,673,000	118,476,000	170,418,190

Fiscal Years 2018 – 2023 Capital Improvements Program

“First Cut” Working Draft

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Administrative Services						
Video Services Studio / York Hall Equipment Replacements		120,000	80,000	150,000	200,000	
Building Replacement (Study, Renovations, Building(s))			1,000,000	1,000,000	300,000	2,000,000
Voting Machines Replacement						375,000
Management Services						
Highway and Other Transportation Improvements		500,000		500,000		
Financial Software Replacement		800,000	200,000			
General Economic Development Activities	250,000	500,000	500,000	500,000	500,000	500,000
Education and Education Services						
Yorktown Library Expansion	150,000		3,900,000			

- Quality Economic Development
- Effective and Outstanding Communications and Civic Engagement
- Excellent Customer Service
- Quality Educational Opportunities

Fiscal Years 2018 – 2023 Capital Improvements Program “First Cut” Working Draft

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Public Safety – Sheriff’s Office						
York-Poquoson Courthouse X-ray Machine Replacement					55,000	
Sheriff’s Mobile Data Terminals		900,000				
Emergency Response Team Equipment Replacement			30,000			
Automated External Defibrillator (AED) Replacement					115,000	
Mobile Command Center Replacement		250,000				

- **Exemplary Public Safety**
- **Excellent Customer Service**
- **Effective and Outstanding Communications and Civic Engagement**

Fiscal Years 2018 – 2023 Capital Improvements Program “First Cut” Working Draft

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Public Safety – Fire & Life Safety						
Replacement of Patient Stretchers and Stairchairs			100,000	100,000		
Back-up Power – Emergency Shelter and Disaster Support	125,000	125,000	125,000	125,000	125,000	125,000
Fire Apparatus Replacement	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Grafton Fire Station Replacement	4,175,000					
Mobile Data Terminals (MDT)	225,000					
Biomedical Equipment	112,000	112,000	112,000	112,000	112,000	112,000

- **Exemplary Public Safety**
- **Excellent Customer Service**
- **Effective and Outstanding Communications and Civic Engagement**

Fiscal Years 2018 – 2023 Capital Improvements Program “First Cut” Working Draft

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Public Safety – Emergency Communications / Radio Maintenance						
Regional Radio System	500,000	500,000	500,000	500,000	500,000	
E-911 Subscriber Mobile and Portable Radio Replacements				4,000,000	3,000,000	
Nice recorder Replacement				75,000		
CCTV – 911 Center			10,000			
County Fire Alarm System	75,000	68,000	68,000	68,000	68,000	
Dispatch Console Furniture Replacement						56,000
County Security Alarm System	100,000					

- **Exemplary Public Safety**
- **Excellent Customer Service**
- **Effective and Outstanding Communications and Civic Engagement**

Fiscal Years 2018 – 2023 Capital Improvements Program

“First Cut” Working Draft

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Public Works						
Yorktown Trolley Replacement			300,000			
Tennis / Basketball Court Repair		76,000				
Roof Repair / Replacement	300,000					
HVAC Replacement	375,000	300,000	500,000	300,000	100,000	250,000
Parking Lot Repair	100,000	100,000	100,000	100,000	100,000	100,000
Building Maintenance / Repair	300,000	300,000	300,000	300,000	325,000	325,000
Disability Compliance	140,000	100,000	40,000	40,000	30,000	30,000
Major Grounds Maintenance / Repair	35,000	45,000	30,000	50,000	50,000	50,000
Grounds Maintenance Machinery & Equipment Replacement	75,000	50,000	50,000	50,000	50,000	100,000
Underground Utilities				1,000,000	1,000,000	1,000,000
Security in Public Buildings	30,000	30,000	30,000	30,000	30,000	

Quality Economic Development
Excellent Customer Service
Exemplary Public Safety
Environmental Stewardship

Fiscal Years 2018 – 2023 Capital Improvements Program “First Cut” Working Draft

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Community Services						
Parks and Recreation Investments						500,000
National Park Service Picnic Area Improvements	350,000					
Permanent Performance Area – Riverwalk Landing			125,000			
Tourism Information, Dockmaster Office, Restrooms				250,000		

- Quality Economic Development
- Effective and Outstanding Communications and Civic Engagement
- Excellent Customer Service



Internal Services Funds and Enterprise Funds Projects

	2018	2019	2020	2021	2022	2023
VEHICLE MAINTENANCE FUND						
Equipment Upgrades	150,000		100,000			
Fuel Sites Upgrade	1,100,000	550,000	550,000			
SOLID WASTE FUND						
Rear Packer Truck Replacements	230,000					

- Environmental Stewardship
- Excellent Customer Service

	2018	2019	2020	2021	2022	2023
STORMWATER FUND						
Tabb Lakes/King's Bottom				100,000	400,000	
Victory Industrial Park/RT 17 Culverts	350,000					
Goodwin Neck/Rosewood	200,000	550,000				
Marlbank Cove Ravine					150,000	500,000
Poquoson River Headwaters	600,000					
Stream Restoration - Larkin Woods				100,000	450,000	
Queens Lake - Ravines						150,000
Siege Lane - Prevention of Flooding	100,000	50,000	150,000			
Middlewood Lane					400,000	
Equipment Replacement	80,000	120,000	120,000	55,000		
Brightwood Stream Restoration			150,000	600,000		
Charles Brown Park Stream Restoration	150,000	600,000				
NNWW – Lackey BMP (stormwater pond)			200,000			
Panther Paw Stream Restoration				100,000	400,000	

- **Environmental Stewardship**
- **Quality Economic Development**
- **Excellent Customer Service**

	2018	2019	2020	2021	2022	2023
SEWER FUND						
Allen's Mill Area		500,000	3,200,000			
National Lane Area	100,000	550,000				
Dare/Jethro Lane Area		450,000				
Kentucky Farms Area		400,000	2,600,000			
Sinclair Drive Area	800,000					
Schenck Estates Area					700,000	5,000,000
Big Bethel Area				800,000	2,500,000	
Whites Road / Faulkner Drive						500,000
Payne's Road		275,000				
Sewer Line Rehabilitation	500,000	1,700,000	1,800,000	1,800,000	2,000,000	2,000,000
Pump Station Rehabilitation	300,000	700,000	700,000	700,000	700,000	800,000
SCADA Automated Control Monitoring System Replacement			2,000,000			
Excavator Replacement		250,000				
Tandem Dump Truck Replacement		250,000				
Emergency Generator Replacement	125,000	125,000	125,000	125,000	150,000	150,000
Backhoe Replacement			100,000			
Utilities Building - Goodwin Neck Road Ops Center			500,000	4,000,000		

- Environmental Stewardship
- Excellent Customer Service

School Capital Projects – FY 2018	FY 2018
Coventry Elementary – windows & security vestibule	375,000
Coventry Elementary – metal roof replacement	1,200,000
Coventry Elementary – Replace HVAC in classroom additions	700,000
Dare Elementary – Enclose breezeway	300,000
Dare Elementary – Replace gym floor	70,000
Mount Vernon Elementary – Enclose breezeway	350,000
Mount Vernon Elementary – Repave bus loop and parking lot	130,000
Tabb Elementary – Replace windows and doors	600,000
Tabb Elementary – Metal roof replacement	1,050,000
Grafton High – Replace HVAC	3,500,000
Grafton Complex – Reorient main offices for security	150,000
Grafton Complex – Replace cooling towers	375,000
Temporary – Modular classrooms	200,000
Total School Capital Projects – FY 18	9,000,000

- **Quality Educational Opportunities**
- **Exemplary Public Safety**
- **Environmental Stewardship**

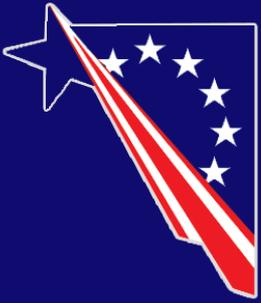
**** NOTE: \$23 M proposed for new elementary school in FY 2019 / 2020**

Fiscal Years 2018 – 2023 Capital Improvements Program “First Cut” Working Draft

Projects in Last Year’s CIP but NOT Included	Last Year’s Programmed Amount
Replace Direct Charge Sheriff’s Vehicles (Asset Forfeitures)	108,000
Crime Prevention Trailer Replacement	21,000
Bypass Road Corridor Fire Station Design	1,200,000
Old Wormley Creek Boat Landing Improvements	100,000
Back Creek Park Boat Landing Improvements	100,000
Smith Landing Boat Launch Dredging	165,000
Yorktown Fishing Pier Improvements	125,000
Athletic Field Synthetic Turf Conversion	800,000

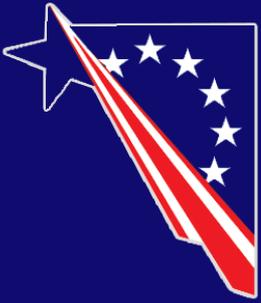
Fiscal Years 2018 – 2023 Capital Improvements Program “First Cut” Working Draft

Other Projects Requested But Not Included	Requested Amount
Courthouse Video Security Equipment	300,000
CCTV – Yorktown Waterfront	100,000
KERI Door System	60,000
CCTV – MAC Sports Complex	100,000
9-1-1 Telephone System Replacement	1,100,000
Wayfinding Signs Replacement	300,000
Dirt Street Improvement Program	190,000
Passenger Shuttle Bus (PRT Programs)	100,000
New Quarter Park Kayak / Canoe Launching Facility	342,500



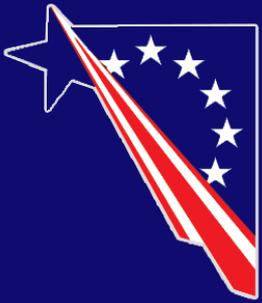
CIP Operating Impacts Debt Service & Transfers

Using Senior Staff Fiscally Constrained FY2018 – FY2023 CIP
February 7, 2017



Funding Plan for CIP

1. Board's Debt Policy
2. Sources for CIP Funding
3. Planning CIP based on Board Policy
4. Projection of Debt Policy Compliance of 6-Year CIP
5. Affordability



Debt Policy

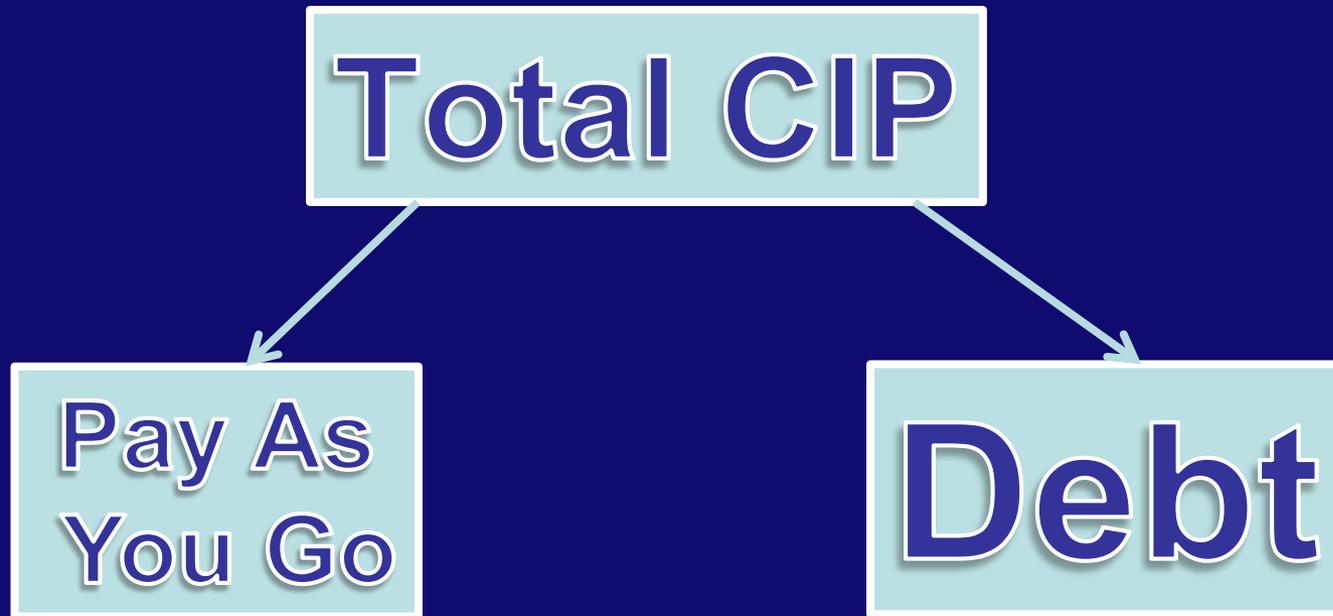
Tax Supported Debt

Board Policy 14-26:

- Prohibits use of long-term debt or tax revenue anticipation notes (TRANS) to fund current operations
- Emphasizes pay-as-you-go capital funding
- Term of debt will not exceed useful life of assets financed
- Annual debt service expenditures for all General Fund supported debt should not exceed 10% of the total General Fund expenditure budget
- Outstanding principal of General Fund supported debt will not exceed 3.0% of net assessed valuation of taxable property



Paying for CIP



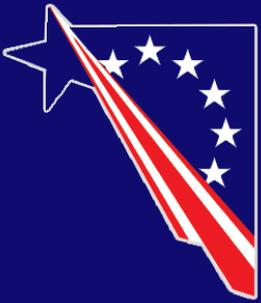


Sources of Funds

General Fund Projects

- Operating Budget
 - Annual Debt Service
 - Operating Budget Transfer
 - Year-end Carryover Funds
- Grants/Matching Funds Programs
- Reserves
- Other (Proffers)

Enterprise Funds (Supported by user fees)



Debt Policy –

Emphasize “Pay-As-You-Go” Funding

6 Year Totals for FY18-FY23:

\$ 4,050,000 - \$675,000/Year Current General Fund
Transfer to CIP

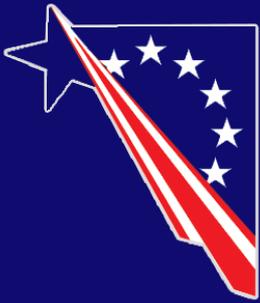
\$ 3,000,000 - \$500,000/Year Increase in General Fund
Transfer to CIP

\$ 6,526,000 - Year-end Carryovers

\$ 3,900,000 - Use of CIP Reserve over 6 Years

\$ 350,000 - Estimated Grant Funding

\$17,826,000 - Pay-As-You-Go Funding



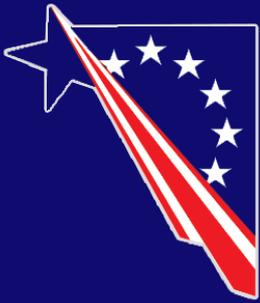
Debt Policy

Term of debt will not exceed useful life of assets financed

Plan for Financing County Projects:

Building Replacement (Study, Building & Renovation)	\$4,300,000	
Mobile Command Center Replacement	250,000	
Fire Apparatus Replacement	9,000,000	
Grafton Fire Station Replacement	4,175,000	
E911 Subscriber Mobile & Portable Radio Replacement	7,000,000	
Yorktown Library Expansion	4,050,000	
Underground Utilities	3,000,000	
Parks and Recreation Investments	500,000	
National Park Service Beach Picnic Area Improvements	350,000	
Permanent Performance Area	125,000	
Tourism Information, Dockmaster Office and Restroom	250,000	
Total Projects to be Financed	<u>\$33,000,000</u>	65%
Pay-As-You-Go Funding	<u>\$17,826,000</u>	35%
Total County CIP (Senior Staff Fiscally Constrained FY2018-FY2023)	<u>\$50,826,000</u>	100%

Schools' projects to be reviewed for useful lives.

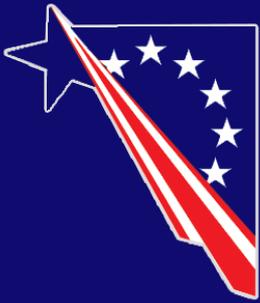


Debt Policy-

Debt Service as % of General Fund Expenditures

	Existing Debt Service – FY2017 (Million)	FY2018-2023 CIP (Millions)
Current Debt Service	\$9.5	\$16.3
Debt Service as % of FY17 General Fund Budget (\$135.6 Million)	7.0%	
Debt Service as % of FY23 General Fund Budget, assumes 3% revenue growth rate (\$161.9 Million)		10.0%

Policy = Annual debt service expenditures for all General Fund supported debt **should not exceed 10%** of the total General Fund expenditure budget



Debt Policy-

General Fund Supported Debt % of Taxable Assessed Values

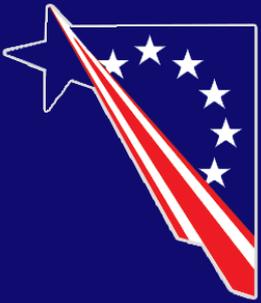
	Existing Principal (Million)	FY2018-2023 CIP – Projected Principal (Millions)
Principal	\$87.7	\$130.3
General Fund Supported Debt as % of Taxable Assessed Values	.9%	
Projected General Fund Supported Debt as % of Taxable Assessed Values (assumes 3% assessment growth rate)		1.2%

Policy – Outstanding principal of General Fund supported debt **will not exceed 3.0%** of net assessed valuation of taxable property



Planning for Affordability (Millions)

	Existing Debt Service	FY2018-2023 CIP	Increase in General Fund Expenditures
Current Debt Service	\$9.5	\$16.3	\$6.8



Summary - FY 2018 to 2023

Senior Staff Fiscally Constrained Version

	2018	2019	2020	2021	2022	2023	Total Senior Staff Fiscally Constrained	Total Requested
COUNTY	8,917,000	6,376,000	9,590,000	6,685,000	9,235,000	10,023,000	50,826,000	102,768,190
SCHOOLS	9,000,000	17,500,000	15,000,000	9,000,000	7,500,000	9,650,000	67,650,000	67,650,000
TOTAL	17,917,000	23,876,000	24,590,000	15,685,000	16,735,000	19,673,000	118,476,000	170,418,190



Plan for Funding - FY 2018 to 2023 CIP

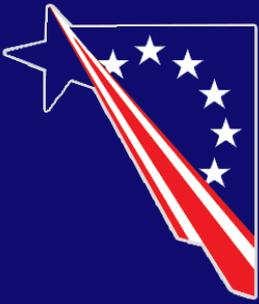
Pay-As-You-Go Funding from Operating Transfer, Carryovers, Grants and Use of Reserves

PayGo Funding	2018	2019	2020	2021	2022	2023	Total	% of Total
COUNTY	2,742,000	4,626,000	3,065,000	2,935,000	2,435,000	2,023,000	17,826,000	35%
SCHOOLS	0	0	0	0	0	0	0	0%
TOTAL	2,742,000	4,626,000	3,065,000	2,935,000	2,435,000	2,023,000	17,826,000	15%

Planned Debt Financing

	2018	2019	2020	2021	2022	2023	Total	% of Total
COUNTY	6,175,000	1,750,000	6,525,000	3,750,000	6,800,000	8,000,000	33,000,000	65%
SCHOOLS	9,000,000	17,500,000	15,000,000	9,000,000	7,500,000	9,650,000	67,650,000	100%
TOTAL	15,175,000	19,250,000	21,525,000	12,750,000	14,300,000	17,650,000	100,650,000	85%

Amounts financed will be reduced by School Projects not eligible for 20 year bond financing.



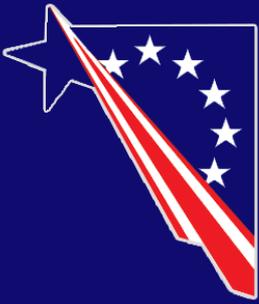
Projected CIP – Debt Service – FY2018 – FY2023 Senior Staff Fiscally Constrained CIP (in Millions)

	FY2017	FY2018	FY2019	FY2000	FY2021	FY2022	FY2023
Schools	\$6.5	\$7.1	\$7.3	\$8.1	\$9.7	\$11.0	\$11.9
County	3.0	4.0	4.3	4.8	4.9	4.1	4.4
Debt Service	\$9.5	\$11.1	\$11.6	\$12.9	\$14.6	\$15.1	\$16.3
Increase Debt Service		\$1.6	\$0.5	\$1.3	\$1.7	\$0.5	\$1.2
Funding from Reserve		<u>(1.0)</u>	<u>1.0</u>				
Impact on General Fund		<u>\$0.6</u>	<u>\$1.5</u>	<u>\$1.3</u>	<u>\$1.7</u>	<u>\$0.5</u>	<u>\$1.2</u>
General Fund Budget (3% Projection Factor)	\$135.6	\$139.7	\$143.8	\$148.2	\$152.6	\$157.2	\$161.9
Debt Capacity	7.0%	8.0%	8.1%	8.7%	9.6%	9.6%	10.0%



Next Steps

- Planning Commission Briefing
- Planning Commission Certification of Comprehensive Plan Consistency
- Further Refinement as Operating Budget is Developed
- Presentation of County Administrator's Recommended CIP in Conjunction with FY 2018 Budget Proposal



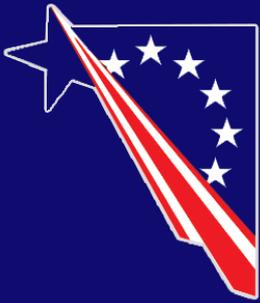
Capital Improvements Program

Fiscal Years 2018-2023
Preliminary Discussion





Supporting Slides

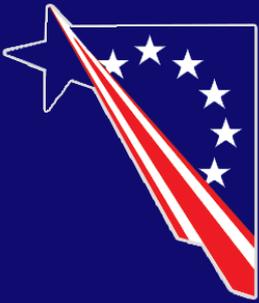


Historical Funding

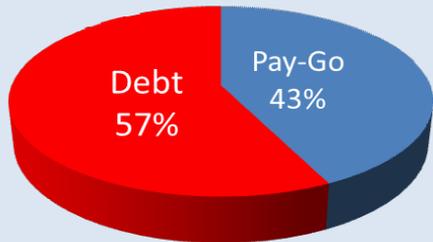
Since 2014, CIP requirements for Schools have doubled and the County's CIP has increased by 40%

Fiscal Year	Schools	County
2008	5,359,700	10,425,045
2009	3,626,000	5,199,010
2010	6,232,000	614,480
2011	3,600,000	1,542,873
2012	5,434,882	1,543,560
2013	3,653,000	2,164,225
2014	5,829,000	4,344,700
2015	12,780,000	4,057,500
2016	8,889,000	5,052,504
2017	9,000,000	6,575,000
TOTAL	64,403,582	41,518,897
10-Year Average	6.4M	4.2M

Excludes projects funded by internal service funds and enterprise funds



Planned Increase of Debt Funding



**FY2004-FY2013 CIP
Funding Sources
Last Bonding Rating
Update Jan 2014**



**FY2008-FY2017 CIP
Funding Sources
Most Recent 10
Years**



**FY2018-FY2023 CIP
Projected Funding
Sources**



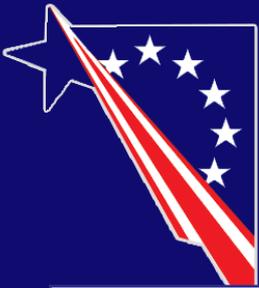
Challenge – Increased CIP Requirements Since Recession

Schools' Increase in CIP Requirements

- FY07 – FY14 CIP spending averaged \$4.9 million per year
- FY15-FY17 – increased average by of \$5.3 million to \$10.2 million per year
- FY18-FY23 – increased average by an additional \$1.1 million to \$11.3 million per year

County Increase in CIP Requirements

- FY07 – FY14 CIP spending averaged \$ 3.7 million per year
- FY15-FY17 – increased average by of \$1.5 million to \$5.2 million per year
- FY18-FY23 – increased average by an additional \$2.8 million to \$8.0 million per year



Overview

	FY 17 to FY 22 Approved	FY 18 to FY 23 Requested	FY 07 to FY 17 Average/Year
General Fund	\$47,827,000	\$50,826,000	
Average/Year	8.0M	8.5M	4.2M
Internal Service and Enterprise Funds			
Vehicle Maintenance/Replacement	2,143,212	2,450,000	
Proffer Projects	650,000	0	
Stormwater	5,485,000	6,825,000	
Solid Waste	465,000	230,000	
Sewer	34,275,000	39,975,000	
Schools	\$67,000,000	\$67,650,000	
Average/Year	11.2M	11.3.M	6.4M
TOTAL – All Requests	\$ 157,845,212	\$167,956,000	