

Prince George County  
Discussion of FY2024  
CIP Process

July 12, 2022  
Report

# Prince George County CIP Process

- o Prince George County *typically* engages in an annual 10-year Capital Improvement Plan (CIP) Process
- o Annually appointed CIP Committee {1 BOS; 1 SB; 2 PC; 3 Citizen; 1 FEMS} & Staff Advisors {CDCC / Finance}
- o Department Heads and School Personnel are given opportunity to submit projects and update existing projects annually
- o Capital Project Definition
  - o Construction / purchase of a new asset > \$50,000 (useful life > 1 year)
  - o Upgrades to existing buildings, equipment, or assets that increase useful life and value of asset > \$50,000
  - o Remodel or repair of existing assets where costs > \$100,000

# Prince George County CIP Process

- o The Committee hears presentations on new projects and updates to existing projects
- o Projects are ranked by voting-members of the committee with respect to **urgency and significance** – all projects evaluated together [County (including Fire/EMS) and School] to provide committee’s position of what ranks higher;
- o Typically excludes Stormwater projects (debt is repaid with Stormwater fees) & Utilities Projects as most Utility projects are not completed with tax-supported debt [Utility Enterprise Fund]

Urgency	Significance
(n) <u>importance</u> requiring swift action	(n) <u>the quality of being worthy of attention: importance</u>
5=1 year	5=Extremely urgent and cannot be postponed
4=2-3 years	4=If postponed, will incur additional cost, decrease efficiency, reduce the level of County services or some other extremely adverse impact
3=4-5 years	3=Necessary within the next few years to meet anticipated needs for current or new programs or replacement of unsatisfactory facilities
2=6-7 years	2=A desirable project, but will not adversely affect current programs if temporarily postponed
1=7+years	1=Needed to meet future demands or expand programs, but can be deferred to a future year

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- Ranked list of projects, with estimated costs, are forwarded to Davenport & Company for modeling
- Davenport provides fiscal impact (tax rate impact) considering when existing debt is paid off
- Davenport provides report of whether issuing debt creates instances of non-compliance with the County's debt policies
- Assists with timeline of when projects can be done
- At times lower ranked projects might be moved up, or smaller projects grouped together, to allow for "logical" debt issuance
- After fine-tuning, CIP Committee Recommendations are submitted to the Planning Commission for Approval
- Planning Commission approved CIP recommendations forwarded to County Administrator for consideration in Proposed / Introduced Budget
- County Administrator may propose revisions to Committee's listing



# Prince George County CIP Process



- o CIP Projects as recommended are part of proposed / introduced budget, and ultimately are part of the adopted budget (however, projects are not funded at adoption)
- o Ultimate authority / approval rests with Board of Supervisors on what projects are funded, and for what projects debt is issued
- o Appropriation / funding of individual projects occurs throughout the year (with a reimbursement resolution\*), and debt is issued (usually once per year)

\*Reimbursement resolution – resolution that expresses board’s intent to issue debt in the future and repay itself for costs incurred with future debt proceeds



# Prince George County CIP Processes – FY2022 & FY2023

- o The FY2022 and FY2023 processes were suspended due to:
  - o potential fiscal impacts of COVID-19 {FY2022} and;
  - o limited debt capacity for new projects / updates until FY2027 (as evaluated in FY2021 cycle) {FY2022; FY2023}



# CIP FY2023 – In Adopted Budget

- o No Capital projects supported by General Fund **debt issuance** were included in the adopted FY2023 budget
- o Included in FY2023 Budget were:
  - o Utilities Projects - \$28.3 Million in debt issuance {to be repaid by Utilities fees}
    - o Blackwater regional interceptor and sewer facilities
    - o New 3 MGD wastewater pump station and force main
    - o County Vehicles (\$450,000) & School Buses (\$437,091) – cash funded by General Fund
    - o Courtroom Renovations – use of Fund Balance {Design Phase}
    - o New Convenience Station – use of Fund Balance {Design Phase}
  - o Ongoing are –
    - o Renovation / Expansion of County Garage (Series 2022)
    - o Electrical upgrades at Station 8 (2019 repurposed bond proceeds)
    - o Renovations to Jefferson Park FS (bid phase - 2019 repurposed bond proceeds)

# Future Projects (as ranked during FY21 Process)

Future Projects - Scenario 3C as modified		Category	Total Cost	FY Timing
Project Description	Category	Total Cost	FY Timing	
New Beazley Elementary School Design Phase	School	\$ 1,054,533	2027	No other projects until FY2027
New Beazley Elementary School	School	\$ 31,108,719	2027	
6 Stryker Power Lift Stretchers	Public Safety	\$ 232,192	2032	Fire Equipment?
Beazley Trailer Replacement	School	\$ 280,000	2032	
Courtroom Audio Visual Refresh	County	\$ 140,939	2032	
PGHS Trailer Replacement (2 of 2 needed)	School	\$ 140,000	2032	
South Trailer Replacement (3 of 3 needed)	School	\$ 210,000	2032	
PGHS Bleachers	School	\$ 306,803	2032	
Carson Sub-Station Comp 6 Renovations	Public Safety	\$ 840,000	2033	
Fire/EMS Opticom System	Public Safety	\$ 448,228	2033	Fire Equipment?
PGHS Auditorium	School	\$ 1,475,532	2033	
Temple Tennis Courts Re-Surfacing & Pickle Ball Court Conversion	County	\$ 172,380	2032	
PGEC Trailer Replacement (4 of 4 needed)	School	\$ 504,000	2033	
Wells Station Road Fire & EMS Station	Public Safety	\$ 3,100,000	2033	
Comprehensive High School - Renovations & Addition	School	\$ 62,941,477	2041	
Field Hockey Lighting	School	\$ 286,443	2033	
Field House Addition [Total less funds currently in CIP Fund]	School	\$ 281,708	2033	
Carson CC Baseball Field	County	\$ 90,000	2032	
Carson CC Playground	County	\$ 72,000	2032	
Turf Grass	School	\$ 1,000,000	2033	
Carson CC Pavilion	County	\$ 118,000	2033	
Parks & Rec Dog Parks	County	\$ 70,000	2033	
Police / Law Enforcement Vehicles	Public Safety	\$ 400,000	Annual	
School Buses	School	\$ 412,000	Annual	



# FY2024 CIP Process

- o Staff is requesting direction about whether to:
  - o Engage in CIP process for FY2024 budget? If yes, would start in August / September
- o Staff recommendation to defer FY2024 formal CIP process but to allow department heads to communicate any new projects and to update existing projects
  - o PROS:
    - o Limited ability to issue debt without a tax impact until FY2027 (devoted entirely to New Elementary School to replace Beazley Elementary); then nothing else until FY2032
    - o Allows volatile construction prices time to “level out”
    - o Allows RE market and overall economy time to “level out”
  - o CONS:
    - o No formal scoring / ranking of new projects
  - o Notes
    - o Can create unranked list for proffer purposes

# FY2024 CIP Process

o Questions / Discussion / Feedback