



Proposed Capital Improvement Plan
FY2015-FY2019

Presented to
Board of County Commissioners
June 18, 2013

Presented by
Dena R. Diorio
Assistant County Manager
Mecklenburg County



Recap From May 21st Meeting

- Presented results of preliminary ranking

Entity	# Projects	Funding
CMS	14	\$245.7
CPCC	8	219.1
Total	22	\$464.8

Assumed \$135 million annually for 4 years

Did not include the previously ranked projects totaling \$78.3 million



Recap From May 21st Meeting

Next Steps

- Analyze land acquisition needs and phasing opportunities
- Analyze project distribution for geographic balance
- Analyze future pay-go capacity
- Determine referenda duration (3 or 4 years)
- Determine referenda size
- Finalize financing strategy
- June 18 BOCC adopt capital plan
- Referendum



Funding Analysis

	FY2015	FY2016	FY2017	FY2018	FY2019	5 Year Total
General Obligation Bonds	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000
PAYGO - 3 cents	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	165,000,000
Debt Service Fund - Excess Fund Balance	48,900,000	40,800,000	35,000,000	40,000,000	58,000,000	222,700,000
COPs Interest	9,000,000	-	-	-	-	9,000,000
2011A Bond Premium	6,300,000	-	-	-	-	6,300,000
2013 Bond Premium	11,000,000	-	-	-	-	11,000,000
	208,200,000	173,800,000	168,000,000	173,000,000	191,000,000	914,000,000



Debt Service Fund Policy

- County appropriates 21 cents on the property tax rate annually
- Fund balance target
Two years of “other revenue” or approximately \$100 million



Debt Service Fund - Other Revenue Sources

FY2014 Budget:

Sales Tax	\$38.9 million
Lottery	\$9.5 million
Bryton	\$3.1 million
QSCB Reimbursement	\$2.0 million
CPCC Reimbursement	\$1.2 million
ABC Profits	\$670,000
Interest Income	<u>\$150,000</u>
	\$55.5 million



Debt Service Fund Forecast

Fiscal Year	Total Debt Service	Other Revenues	Property Tax Revenue	Cumulative Fund Balance
2012	\$ 254,110,295	\$ 61,294,984	\$ 224,195,000	\$ 31,379,689
2013	255,588,000	52,766,000	237,919,500	66,477,189
2014	228,294,797	55,536,000	228,254,250	121,972,642
2015	244,628,305	55,536,000	228,254,250	161,134,587
2016	254,750,186	55,536,000	228,254,250	190,174,651
2017	246,926,050	55,536,000	228,254,250	227,038,851
2018	242,750,692	55,536,000	228,254,250	268,078,409
2019	228,945,031	55,536,000	228,254,250	322,923,628



FY2015 to FY2018 Proposed Capital Plan

Amount Allocated by Purpose

CMS*	\$327.8
CPCC	280.0
County Facilities*	174.7
Parks*	101.5
Libraries	<u>30.6</u>
	\$914.6 million

Includes \$78.3 million of previously ranked projects



FY2015 to FY2018 Proposed Capital Plan

- Cash flow driven model
- Allows for more projects to start sooner
- Assumes that project approved in one year will take more than one year to complete
- Example:
FY2015
Projects Approved - \$316 million
Projected cash flow - \$123 million



Proposed Capital Plan

- Moved land acquisition requests to the first year
- Used excess capacity to accelerate Parks, Libraries and County facility projects
- All CMS & CPCC projects are included in the plan
- Ensures geographic balance
- Ensures inclusion of all entities



Financing

- Four-year plan with five-year funding

- Bonds: Five year referendum

CMS \$290 million

CPCC \$210 million

\$500 million

- Paygo \$414 million



Next Steps

- Board provides direction to staff to prepare for November referendum
- July BOCC Meeting
 - 1) Adopt resolution making required findings
 - 2) Introduce bond orders
 - 3) Adopt resolution setting a public hearing
 - 4) Acknowledge application to the Local Government Commission
- Capital project ordinances presented to the Board at the start of each fiscal year