



# 2022-2028 Recommended CIP

*2 November 2020*

# What is the CIP?

Capital Improvements Program/Plan

The county's long-term plan for important improvements

The beginning of the budget process

- The operating effects of the Approved CIP will inform the budget process
- The required debt service contribution will be set
- The required capital reserve contribution will be set



# County's Process

County staff presents a recommended capital improvements program (CIP) on November 2; copies of the document will be available once access to county data is available. Copies will be available in the County Clerk's office and will be placed on the county website.

**Public input is an important goal** of the Board of Commissioners; the public hearing is **November 16**

Following public input Commissioners will hold a work session on **December 9** beginning at 9:00am to review plan in detail

Staff's goal is an adopted **revised plan on December 21**



# Overall Strategy

Find the best way to schedule and fund critical needs

Be cautious with debt-funded projects until impact of significant future projects and of future growth (e.g. Chatham Park) is known

- Construction of additional school
- Shared western intake and water plant
- County complex master plan
- New Sheriff's Office Building

Continue a capital reserve for pay-as-you-go projects, instead of relying on an annual appropriation



# Funding Strategy

Fund large, needed facilities through debt:

- School debt to be repaid from **impact fees**, lottery proceeds, and debt reserve
- Other debt to be repaid from **9.2 cents** on tax rate going into reserve
- Debt model is based on these funding sources

Fund smaller needs through pay-go capital reserve, funded up front



# Despite Funding Strategy

The economy and the weather impact construction costs

If bids come in well over budget, the debt model and capital reserve will be impacted.



# Changes from Last Year - Schools

## **New Central Services Building:**

Budget increase due to final design for new site including warehouse and updated construction estimates [+3,857,945]

## **Shift Funding for Mobile Classrooms:**

No funding anticipated in FY22 so budgeted funds will shift a year and continue to FY 2026



# Changes from Last Year - County Buildings



## Shift funding for Detention Center Generator

- Project to be complete FY2024

## Emergency Operations Center Expansion

- Increase budget due to final design including warehouse space and updated construction cost estimates [+3,873,651]



# New Projects

## Chatham County Detention Center

- Complete final cell blocks
- FY 2028 [+4,000,000]

## Northeast District Park

- Athletic Field Lighting FY 2024 [+200,000]

## County Capital Maintenance and Replacement

- Consolidate ongoing capital maintenance/replacement into single project
  - [+7,943,357]



# New Future Projects

## Sheriff

- Northeast Substation: Lease or build or new substation in Northeast Chatham County to better serve the growing population
- Boat Storage Facility: Build or lease a facility near Jordan Lake to provide storage and quick response time for emergency needs



# A Word about AAA

The county's diligent planning contributed to the bond rating:

AAA from Standard and Poor's

Aa1 from Moody's

These ratings mean that the county is in a very competitive position in the debt market, as demonstrated in our recent borrowing:

- Interest rate 1.5665%



# Next Steps

Public hearing on November 16 (regular meeting)

Work session on December 9, 2020 at 9:00am

- If you have questions that you want addressed in depth at the work session, please email us and we will be sure to prepare it for you

Adoption at regular meeting on December 21 (depending on outcome of work session)

