

The background of the slide features a large, faint watermark of the Gloucester County Seal. The seal is circular and contains the text "GLOUCESTER COUNTY" at the top, "1651" on the right side, and "VERGINIA ESTAB." at the bottom. In the center of the seal is a crest depicting a plow and a sheaf of wheat, with a sun rising over a landscape.

Capital Improvement Plan Recommendation FY 2020 - 2024

**Presentation to the Gloucester County
Board of Supervisors
January 15, 2019**

J. Brent Fedors, County Administrator

Topics of Discussion

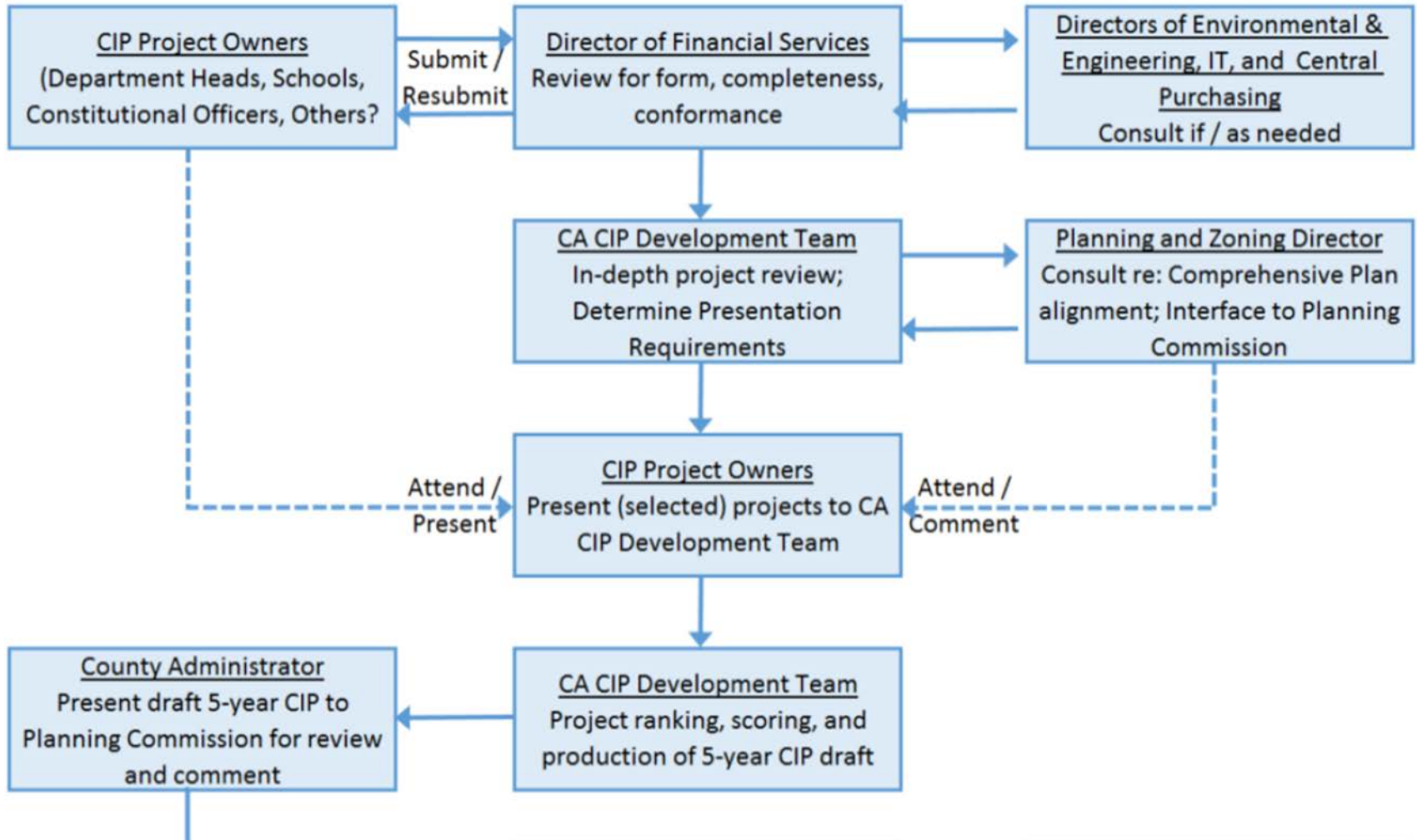
- Objectives
- Approach
- Project Scoring and Ranking
- Funding Options
- 5-Year PayGo / General Fund (Cash) CIP Recommendation
- 5-Year Bond / Financed CIP Recommendation
- FY 2020-24 CIP Summary Recommendation
- 5-Year Utilities PayGo / Enterprise Fund (Cash) CIP Recommendation
- FY 2020-24 CIP Timeline



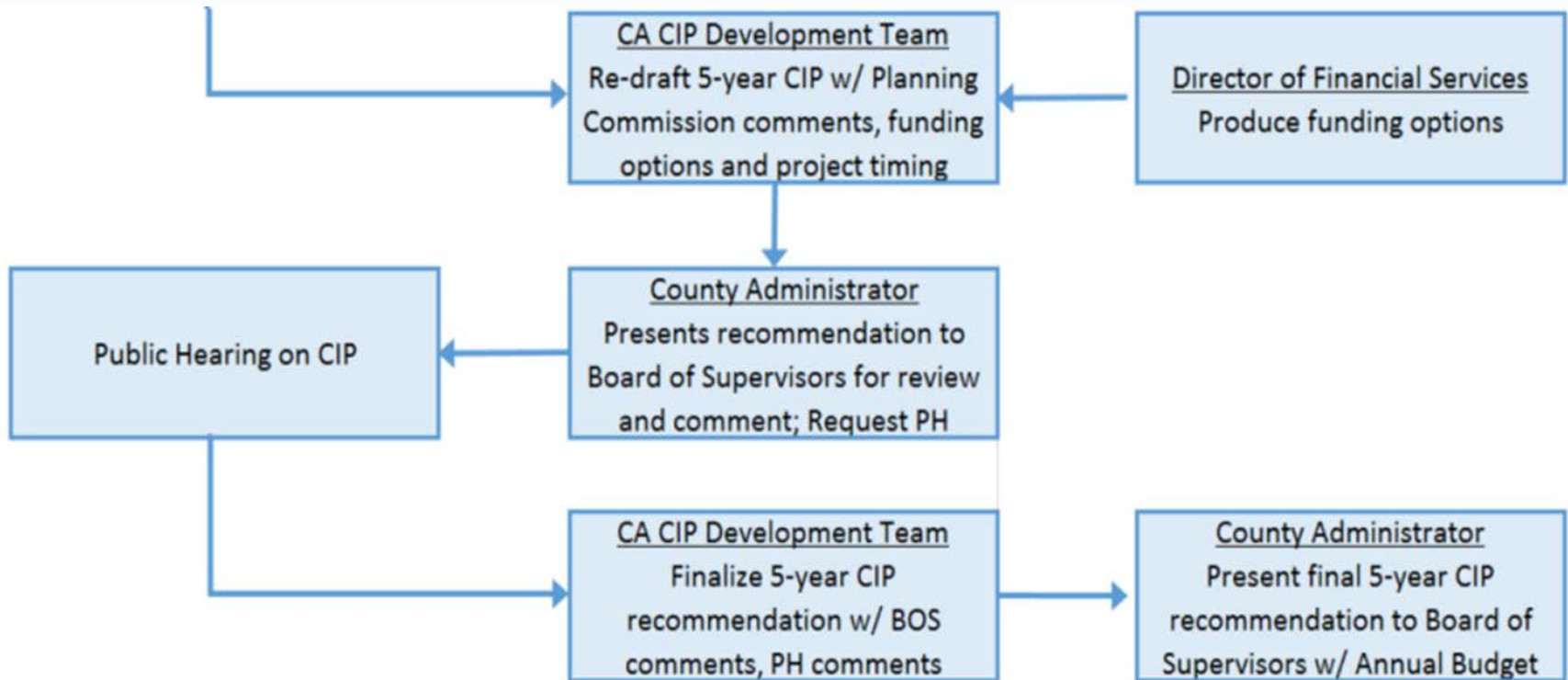
CIP Objectives

- ✓ Identify needs for capital improvement
- ✓ Document needs
- ✓ Assess alignment with BOS Strategy / Comp Plan
- ✓ Prioritize needs
- Evaluate funding options
- Balance needs with available funding
- Adopt a plan of action
- Appropriate funding
- Execute projects that meet the stated needs

FY 20-24 Process / Approach



FY 20-24 Process / Approach



Project Scoring / Prioritization

BOS Weighting	Criteria/Rating	9	6	3	0
2.71	Public Safety	Project is needed to address known existing health or safety hazard	Project is needed to alleviate anticipated/potential health or safety hazard	Project would promote or maintain health and safety	No health or safety impact associated with project
2.43	Legal Mandates	Project is required by law, regulation, or mandate, but can wait for the proposed FY	Project is required by agreement with another jurisdiction	Project would address anticipated mandates or other legal requirements	Project benefits Gloucester only or is otherwise not externally required
2.29	Protection of Capital	Project is critical to saving structural integrity of an existing facility, asset, or system	Project will repair or substantially extend the life of an existing facility, asset, or system	Project will improve an existing facility, asset, or system or defer/supplant future repair expenditure	No improvement to an existing facility, asset, or system or no existing asset involved
2.14	Consistency with Comprehensive or Other Plans	Project is directly consistent with the County's Comprehensive Plan or other adopted plans and policies	Project is somewhat consistent with County's Comprehensive Plan or other adopted plans and policies	Not applicable (Project is not addressed in the County's Comprehensive Plan or other adopted plans and policies)	Project is inconsistent with the County's Comprehensive Plan or other adopted plans and policies
1.43	Standard of Service	Project would make possible new services or projects	Project would improve or provide a higher standard of service	Project would maintain the current standard of service	Project could have negative impact on standard of service
1.71	Population Served	Project would benefit all citizens or areas	Project would benefit a large percentage (more than 50%) of citizens or areas	Project would benefit some citizens or areas (10%-50%)	Project would benefit only a small percentage of citizens or a particular area (less than 10%)
2.14	Public Support	Project has been identified as a need and has strong public support	Project has been identified as a need and has moderate public support	Project has been identified as need but lacks public support	Project has not been identified by citizenry as a need
2.00	Financing	Project revenues will support project expenses including initial capital investment or related debt service	Non-county revenues have been identified and applied for to substantially support the investment	Potential for non-county revenues exist to substantially support the capital investment	No non-county financing arrangements currently exist to substantially support the capital investment
2.14	Operating Budgets	Project will result in significant decreased operating/personnel costs and/or decreased debt service	Project will require minimal or no additional operating/ personnel costs, or debt service payments	Project will require some additional operating/personnel costs and/or debt service payments	Project will require significant additional in operating/ personnel costs and/or debt service payments







Scoring Scale

9	Number of criteria
x <u>9</u>	Maximum score per criteria
81	Maximum unweighted project score
x <u>2</u>	Nominal weighting (avg. of 1 and 3)
162	Maximum weighted project score for ranking purposes (<u>denominator</u>)
XX	Actual project scores will be used as the <u>numerator</u> for project ranking



CA Quartile Approach

-  Top – Highest priority
-  Upper Mid– Slightly lower priority
-  Lower Mid – Moderate priority
-  Low – Lower priority

Note high level of correlation across top quartile scores between CA, project owner, CIP team, and Planning Commission

Department	Project Title	Schools Ranking	Dept Quartile	CIPDT Quartile	Planning Commission Quartile	Average Quartile	CA Quartile2
Radio O&M	Public Service Radio Fire Station Alerting, HVAC & Electrical		4	4	4	4	4.00
Radio O&M	Public Service Radio NICE Call Recording Replacement		4	4	4	4	4.00
Radio O&M	Public Safety Radio Portable & Mobile Replacement		4	4	4	4	4.00
Radio O&M	Public Service Radio Tower and Microwave Upgrades		4	4	4	4	4.00
Schools	RENOVATION of Gloucester High School	1	4	3	2	4	4.00
Engineering	ADA Accessibility Improvements - County Complex		3	3	4	3	4.00
Buildings & Grounds	Arc Flash (New!)		3	3	4	3	4.00

Converting Scores to Ranking

Example: 911 Call Answering Equipment Upgrade

143.9	Actual project score (<u>numerator</u>)
/ <u>162</u>	Maximum weighted score (<u>denominator</u>)
0.89	Raw ranking (89% of maximum score)
x <u>10</u>	Maximum ranking scale value (1 to 10)
8.9	Final project ranking on a 1 to 10 scale

Note: CA Recommendation accounts for, but does not strictly follow project rankings



Funding Options

- Potential CIP Funding Sources (CIP Manual p.13)
 - Facilities Maintenance Repair & Replacement Fund (FMRR) – non-CIP items only
 - Unassigned Fund Balance
 - Grants, donations
 - Debt (bonds, bond anticipation notes (BANs), etc.)
 - Cash proffers (used only for capacity enhancements)
- Potential CIP Funding Approach
 - Unassigned Fund Balance, Committed Fund Balances, grants, and donations for non-bondable projects
 - BANs or cash float to start bondable projects pre-bond issuance
 - Bond financing with debt service payable in FY21 for major projects
 - Cash proffer balance for appropriate projects



Projected Fund Balance Capacity

- End of FY 19 / beginning of FY20 Unassigned Fund Balance Estimate:
 - \$17.3M (excl. FY19 YE results)
- Fund Balance Policy (14-16%) target range:
 - \$14.9M - \$17.0M
- Unassigned Fund Balance available for use:
 - \$0.3M - \$2.4M (\$1.35M midpoint)
- CA recommended target
 - \$1.6M Unassigned Fund Balance to support FY20 PayGo CIP



Pay-Go / Cash Project Plan

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average (/10) Ranking
Radio O&M	Public Service Radio Fire Station Alerting, HVAC & Electrical	4	0	8.9	8.2	5.6	7.6
Radio O&M	Public Service Radio NICE Call Recording Replacement	4	0	8.9	8.5	5.3	7.6
Radio O&M	Public Service Radio Tower and Microwave Upgrades	4	0	8.9	8.2	5.0	7.4
Engineering	ADA Accessibility Improvements - County Complex	4	0	6.8	6.9	5.7	6.4
B&G	Arc Flash (New!)	4	0	7.2	6.2	5.6	6.4
Schools	HVAC Replacement at Peasley & Bethel	4	2	8.0	4.7	4.8	5.8
Schools	Roofing Replacement/Coating Achilles and Botetourt	4	8	7.6	5.1	4.7	5.8
Schools	Lighting Replacement - Botetourt, Bethel, Achilles, and TC Walker	3	4	10.0	6.4	4.2	6.8
PR&T	Restrooms and Concessions Building -Woodville Park	3	0	7.5	7.0	3.5	6
Schools	School Bus Replacement Program (5 per year)	3	7	7.2	5.6	5.1	5.9
Schools	Playground Equipment Replacement at Various Elementary Schools	3	6	6.5	5.2	3.5	5.1
Sheriff	Toughbook Replacements (New!)	3	0	4.1	5.0	5.3	4.8
IT	ERP Software (Replace Fin Plus, Community Plus, etc)	3	0	5.2	3.5	4.8	4.5
Animal Control	Animal Control Office at Shelter Location	3	0	4.5	4.5	4.1	4.4
PR&T	Athletic Field Regrading - Woodville (New!)	3	0	5.3	4.4	3.1	4.3
B&G	Law Enforcement Generator Replacement (Jail) (New!)	3	0	3.3	3.7	5.6	4.2
PR&T	Irrigation System - Woodville Park	3	0	4.6	4.7	2.5	3.9
Engineering	Asphalt Paving & Overlay-Justice Dr & Law Enforcement Parking Lot	3	0	3.4	3.4	4.5	3.8
PR&T	Paving & Striping of Parking Lots-Variou	2	0	6.7	5.4	3.9	5.3
PR&T	Ark Park Road Improvement	2	0	6.4	5.0	3.6	5
PR&T	Athletic Field and Parking Lot Lighting (Woodville & Abingdon)	2	0	5.6	5.6	3.3	4.8
Comm. Eng.	Cable Communications Program	2	0	5.4	5.1	3.8	4.8
Engineering	Hutchinson House Demolition/Stabilization	2	0	5.8	2.9	3.6	4.1
Engineering	Asphalt Paving & Overlay-2002 Courthouse Pking Lot	2	0	3.4	3.4	4.5	3.8



Pay-Go / Cash Project Plan

Department	Project Title	Total Cost	Year One FY2020	Year Two FY2021	Year Three FY2022	Year Four FY2023	Year Five FY2024	Year Six and Beyond
Radio O&M	Public Service Radio Fire Station Alerting, HVAC & Electrical	216,700					216,700	
Radio O&M	Public Service Radio NICE Call Recording Replacement	54,000	54,000					
Radio O&M	Public Service Radio Tower and Microwave Upgrades	389,400			389,400			
Engineering	ADA Accessibility Improvements - County Complex	47,000	47,000					
B&G	Arc Flash (New!)	210,000		210,000				
Schools	HVAC Replacement at Peasley & Bethel	1,499,109	220,000	339,109		500,000	440,000	
Schools	Roofing Replacement/Coating Achilles and Botetourt	666,000	441,000	225,000				
Schools	Lighting Replacement - Botetourt, Bethel, Achilles, and TC Walker	870,275	129,176	328,823	314,276	98,000		
PR&T	Restrooms and Concessions Building -Woodville Park	578,000				578,000		
Schools	School Bus Replacement Program (5 per year)	2,619,097	493,319	508,118	523,362	539,063	555,235	
Schools	Playground Equipment Replacement at Various Elementary Schools	613,174		179,834	216,670	216,670		
Sheriff	Toughbook Replacements (New!)	0						
IT	ERP Software (Replace Fin Plus, Community Plus, etc)	667,000			667,000			
Animal Control	Animal Control Office at Shelter Location	197,182	197,182					
PR&T	Athletic Field Regrading - Woodville (New!)	255,000	255,000					
B&G	Law Enforcement Generator Replacement (Jail) (New!)	57,000	57,000					
PR&T	Irrigation System - Woodville Park	146,887	146,887					
Engineering	Asphalt Paving & Overlay-Justice Dr & Law Enforcement Parking Lot	124,000	124,000					
PR&T	Paving & Striping of Parking Lots-Variou	1,725,361	190,728	477,238		224,132	447,229	386,034
PR&T	Ark Park Road Improvement	107,016					107,016	
PR&T	Athletic Field and Parking Lot Lighting (Woodville & Abingdon)	1,370,000	10,000		490,000		370,000	500,000
Comm. Eng.	Cable Communications Program	300,000		100,000		100,000		100,000
Engineering	Hutchinson House Demolition/Stabilization	115,000				115,000		
Engineering	Asphalt Paving & Overlay-2002 Courthouse Pking Lot	168,000				168,000		



Debt Policy Benchmarking

Entity	VACo Region	Ratings			Local Revenue ⁽¹⁾		Debt per Capita		Debt to Assessed Value			Debt Service to Expenditures			10 Year Payout Ratio		
		Moody's	S&P	Fitch	Budget (\$M)	Population ⁽¹⁾	In Place	Level	In Place	Level	Basis	In Place	Level	Basis	In Place	Level	Basis
1 Gloucester ⁽²⁾	2				58	36,983	<input checked="" type="checkbox"/>	1,700	<input checked="" type="checkbox"/>	3.0%	Net Debt (non-Utility) & Assessed Value	<input checked="" type="checkbox"/>	10.0%	General Government Expenditures			
Regional Budget and Population Peers																	
2 Louisa	7				74	34,316											
3 Isle of Wight	1	Aa2	AA	AA	72	37,074			<input checked="" type="checkbox"/>	4.0%	Total taxable value of real & personal property.	<input checked="" type="checkbox"/>	12.0%	Non-self-supporting debt. General Govt. Exp. + Schools Less Local Cont. & Cap. Proj.			
4 Mecklenburg	4				67	31,347											
5 Orange	7	Aa2	AA+		56	33,777			<input checked="" type="checkbox"/>	2.5%	Direct net (tax-supported) debt & assessed value of taxable property.	<input checked="" type="checkbox"/>	12.0%	Direct D/S. Total governmental funds expenditures (including Schools).	<input checked="" type="checkbox"/>	55%	Tax-Supported.
6 Accomack	1				52	33,330			<input checked="" type="checkbox"/>	2.5%	Net Debt & Estimated Taxable Value.	<input checked="" type="checkbox"/>	12.0%	Governmental Fund Expenditures.	<input checked="" type="checkbox"/>	55%	Tax-Supported.
7 Powhatan	5	Aa2	AA+		49	28,696			<input checked="" type="checkbox"/>	4.0%	Net tax-supported debt & assessed value of taxable property.	<input checked="" type="checkbox"/>	12.0-15.0%	Total Govt. Fund & school fund operating expenditures (net of local transfer).	<input checked="" type="checkbox"/>	50%	Tax-Supported. Shall be this level by end of 5-year CIP.
8 Prince George	1	Aa2		AA+	48	36,656			<input checked="" type="checkbox"/>	3.5%	Tax-supported direct net debt & estimated market value of taxable property.	<input checked="" type="checkbox"/>	10.0%	General Fund expenditures net of interfund transfers & inclusive of School expenditures.	<input checked="" type="checkbox"/>	55%	Tax-Supported.
9 Caroline	7	Aa2			48	29,704			<input checked="" type="checkbox"/>	3.0%	Total AV of real & personal property.	<input checked="" type="checkbox"/>	12.0-15.0%	General Fund & School Operating Revenue Net of Local Transfer.	<input checked="" type="checkbox"/>	60%	Total Outstanding Principal should reach this level by end of 5-year CIP.
10 King George	7	Aa2	AA+	AA	47	24,724			<input checked="" type="checkbox"/>	3.5%	Tax-supported debt & total assessed value.	<input checked="" type="checkbox"/>	10.0-12.0%	Tax-supported D/S. General Fund op. exp., op. transfers, School op. exp., & D/S.			
11 Goochland	5	Aaa	AAA		46	22,312			<input checked="" type="checkbox"/>	2.75%	Net Debt & Estimated Market Value of Taxable Property.	<input checked="" type="checkbox"/>	12.0%	Total General Fund Exp. inclusive of transfers to other funds.			
12 Fluvanna	5	Aa2	AA		42	26,133			<input checked="" type="checkbox"/>	3.5%	Tax-supported debt & taxable value of property.	<input checked="" type="checkbox"/>	12.0%	Debt for which primary source of payment is General Fund rev.Total Govt. Fund op. rev.			
13 Dinwiddie	4	Aa3	AA		41	28,363			<input checked="" type="checkbox"/>	5.0%	Internal Benchmark.	<input checked="" type="checkbox"/>	10.0%	Internal Benchmark.			
14 New Kent	3				37	20,895			<input checked="" type="checkbox"/>	4.5%	Direct net debt & Estimated Market Value of Taxable Property.	<input checked="" type="checkbox"/>	12.0%	Direct net debt service. Total Governmental Fund Expenditures.	<input checked="" type="checkbox"/>	50%	Direct debt.

(1) For comparative purposes, the Local Revenue and population data was obtained for rated and non-rated Virginia Counties for FY 2017 from the Auditor of Public Accounts; Local Revenue excludes revenues from State and Federal sources.

(2) Prior to the August 12, 2015 Refunding of the EDA Lease Revenue Refunding Bonds, Series 2006, the County's Lease Revenue Bonds were rate AA/AA- by S&P and Fitch, respectively. The County was not rated by Moody's.

Proposed Debt Policy Limits



Summary | Capacity Limits by Term

Term In Years	Limiting Ratio	Debt Capacity ⁽¹⁾	Annual Debt Service	Incremental Cost ⁽²⁾
15	Debt to Assessed Value	99,892,524	9,301,373	22.15 ¢
20	10 Year Payout	62,540,882	4,912,616	11.70 ¢
30	10 Year Payout	23,205,224	1,552,822	3.70 ¢

Estimated Capacity ⁽¹⁾	Proj. FY 20 Levels ⁽³⁾	Current Policy	Bronze Level	15 Years 4.50%	20 Years 4.75%	30 Years 5.25%
Debt to Assessed Value	0.75%	3.0%	3.0%	99,892,524	99,892,524	99,892,524
Annual Debt Service				9,301,373	7,846,604	6,684,501
Debt Service to Expenditures	4.4%	10.0%	15.0%	131,094,884	155,400,016	182,416,366
Annual Debt Service Capacity				12,206,744	12,206,744	12,206,744
Debt Per Capita	893	1,700	N/A			
Annual Debt Service						
10 Year Payout	80.4%	N/A	50.0%	Unlimited	62,540,882	23,205,224
Annual Debt Service				N/A	4,912,616	1,552,822

(1) Debt Capacity is estimated based upon issuing debt in FY 2020 with full annual level debt service payments commencing in FY 2021.

(2) The incremental cost is based upon the Value of a Penny of \$420,000 as provided by County Staff; does not include growth.

(3) Calculated as of FY 2020; assumes the County does not issue additional debt prior to FYE 2019.

Davenport recommends eliminating Debt per Capita policy and adding 10 Year Payout policy

Debt Service Scenario Evaluation

- In order to provide the County with perspective on additional Debt Capacity and Debt Affordability the following scenarios have been analyzed:
 - Scenario 1:** Recommended CIP; no Gloucester High School (“GHS”) projects.
 - Scenario 2:** Recommended CIP; Renovation of GHS as Requested in CIP [i.e. **One (1) Phase**]
 - Scenario 3:** Recommended CIP; Renovation of GHS in **Two (2) Phases**
 - Scenario 4:** Recommended CIP; Renovation of GHS in **Three (3) Phases**
 - Scenario 5:** Recommended CIP; Renovation of GHS in **Four (4) Phases**
 - Scenario 6:** Recommended CIP; New Construction of GHS.

Scenario	Description	Fiscal Year														Total
		2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
1	Recommended CIP No GHS Projects	1,689,916	6,419,700	-	-	4,800,000	-	-	3,224,630	4,465,646	-	-	-	-	-	20,599,892
2	Recommended CIP GHS Renovation 1 Phase	8,879,916	59,392,025	15,134,950	-	4,800,000	-	-	3,224,630	4,465,646	-	-	-	-	-	95,897,167
3	Recommended CIP GHS Renovation 2 Phases	6,959,916	31,379,738	24,960,038	-	19,586,843	14,786,843	-	3,224,630	4,465,646	-	-	-	-	-	105,363,653
4	Recommended CIP GHS Renovation 3 Phases	5,869,916	26,217,225	19,797,525	-	14,432,923	9,632,923	-	3,224,630	22,610,935	18,145,289	-	-	-	-	119,931,365
5	Recommended CIP GHS Renovation 4 Phases	11,939,916	16,669,700	-	-	13,650,000	8,850,000	-	3,224,630	20,515,646	16,050,000	-	-	22,250,000	22,250,000	135,399,892
6	Recommended CIP GHS New Construction	12,619,916	86,946,475	24,215,552	-	4,800,000	-	-	3,224,630	4,465,646	-	-	-	-	-	136,272,219

- For each of the above scenarios, the following assumptions have been utilized:
 - Issued: Fall of Fiscal Year
 - 1st Interest Payment: Fiscal Year Following Issuance
 - 1st Principal Payment: Fiscal Year Following Issuance
 - Term: 30 Years⁽¹⁾
 - Structure: Level Debt Service
 - Planning Interest Rates: 5.25%⁽¹⁾

4-Phase Reno costs same as a new high school

⁽¹⁾ For the purposes of this analysis, all projects other than the Public Safety Radio Portable & Mobile Replacement Project (the “Radio Project”) will be financed over 30 Years. The Radio Project will be financed over 15 Years at an interest rate of 4.25%.

Debt Impact (Proposed Policy Limits)

Decline in Debt Service Captured for Future Debt Service

Scenario Description	Scenarios											
	1		2		3		4		5		6	
	Recommended CIP No GHS		Recommended CIP GHS Renovation 1 Phase		Recommended CIP GHS Renovation 2 Phases		Recommended CIP GHS Renovation 3 Phases		Recommended CIP GHS Renovation 4 Phases		Recommended CIP New GHS	
Fiscal Year												
1 2020	\$	1,689,916	\$	8,879,916	\$	6,959,916	\$	5,869,916	\$	11,939,916	\$	12,619,916
2 2021		6,419,700		59,392,025		31,379,738		26,217,225		16,669,700		86,946,475
3 2022		-		15,134,950		24,960,038		19,797,525		-		24,215,552
4 2023		-		-		-		-		-		-
5 2024		4,800,000		4,800,000		19,586,843		14,432,923		13,650,000		4,800,000
6 2025		-		-		14,786,843		9,632,923		8,850,000		-
7 2026		-		-		-		-		-		-
8 2027		3,224,630		3,224,630		3,224,630		3,224,630		3,224,630		3,224,630
9 2028		4,465,646		4,465,646		4,465,646		22,610,935		20,515,646		4,465,646
10 2029		-		-		-		18,145,289		16,050,000		-
11 2030		-		-		-		-		-		-
12 2031		-		-		-		-		-		-
13 2032		-		-		-		-		22,250,000		-
14 2033		-		-		-		-		22,250,000		-
15 Total Projects Debt Funded	\$	20,599,892	\$	95,897,167	\$	105,363,653	\$	119,931,365	\$	135,399,892	\$	136,272,219
16 Total Proposed Debt Service	\$	39,307,770	\$	190,467,653	\$	209,471,699	\$	238,716,497	\$	269,769,689	\$	271,520,892
17 Current Debt Ratio Policies (Worst Shown)	Policy											
18 Debt to Assessed Value	3.0%	0.9%	2.4%	2.4%	2.5%	2.5%	3.3%					
19	Years out of Compliance	-	-	-	-	-	4					
20 Debt Service to Expenditures	10.0%	4.7%	9.2%	9.2%	9.0%	9.0%	11.5%					
21	Years out of Compliance	-	-	-	-	-	8					
22 Debt per Capita*	\$1,700	\$1,032	\$2,974	\$3,047	\$3,250	\$3,378	\$4,058					
23	Years out of Compliance	-	17	20	23	24	23					
24 Proposed Debt Ratios Policies (Worst Shown)	Policy											
25 Debt to Assessed Value [Bronze]	3.0%	0.9%	2.4%	2.4%	2.5%	2.5%	3.3%					
26	Years out of Compliance	-	-	-	-	-	4					
27 Debt Service to Expenditures [Bronze]	15.0%	4.7%	9.2%	9.2%	9.0%	9.0%	11.5%					
28	Years out of Compliance	-	-	-	-	-	-					
24 10 Year Payout Ratio [Bronze]	50.0%	47.3%	35.1%	32.9%	30.0%	28.5%	30.5%					
25	Years out of Compliance	4	15	16	18	18	15					
26 Tax Equivalent Impact	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*
27 FY 2021	0.26 ¢	0.63 ¢	1.39 ¢	9.03 ¢	1.09 ¢	6.25 ¢	0.92 ¢	5.09 ¢	1.86 ¢	3.40 ¢	1.97 ¢	13.50 ¢
28 FY 2022	0.55 ¢	- ¢	8.73 ¢	- ¢	4.40 ¢	- ¢	3.60 ¢	- ¢	2.12 ¢	- ¢	12.98 ¢	- ¢
29 FY 2023	- ¢	- ¢	2.14 ¢	- ¢	3.69 ¢	- ¢	2.91 ¢	- ¢	- ¢	- ¢	3.49 ¢	- ¢
30 FY 2024	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
31 FY 2025	- ¢	- ¢	- ¢	2.15 ¢	0.98 ¢	5.66 ¢	0.26 ¢	3.82 ¢	- ¢	1.83 ¢	- ¢	3.82 ¢
32 FY 2026	- ¢	- ¢	- ¢	- ¢	2.17 ¢	- ¢	1.42 ¢	- ¢	1.34 ¢	- ¢	- ¢	- ¢
33 FY 2027	- ¢	- ¢	- ¢	- ¢	0.50 ¢	- ¢	0.53 ¢	- ¢	0.66 ¢	- ¢	- ¢	- ¢
34 FY 2028	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
35 FY 2029	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	2.85 ¢	- ¢	2.50 ¢	- ¢	- ¢
36 FY 2030	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	2.74 ¢	- ¢	2.06 ¢	- ¢	- ¢	- ¢
37 FY 2031	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	0.14 ¢	- ¢	- ¢	- ¢
38 FY 2032	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
39 FY 2033	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	0.45 ¢	3.46 ¢	- ¢	- ¢
40 FY 2034	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	4.22 ¢	- ¢	- ¢	- ¢
41 Total Equivalent Impact ⁽⁴⁾	0.81 ¢	0.63 ¢	12.26 ¢	11.18 ¢	12.83 ¢	11.91 ¢	12.37 ¢	11.76 ¢	12.85 ¢	11.19 ¢	18.44 ¢	17.31 ¢
42												
43 Upfront FY 2021 Equivalent Impact		0.63 ¢		9.99 ¢		9.51 ¢		8.91 ¢		8.08 ¢		15.29 ¢

No 30 year debt scenario meets the proposed 10 Year Payout Ratio limit

*Davenport recommends removing this policy.

RE Rate Impact (Total vs. Incremental)

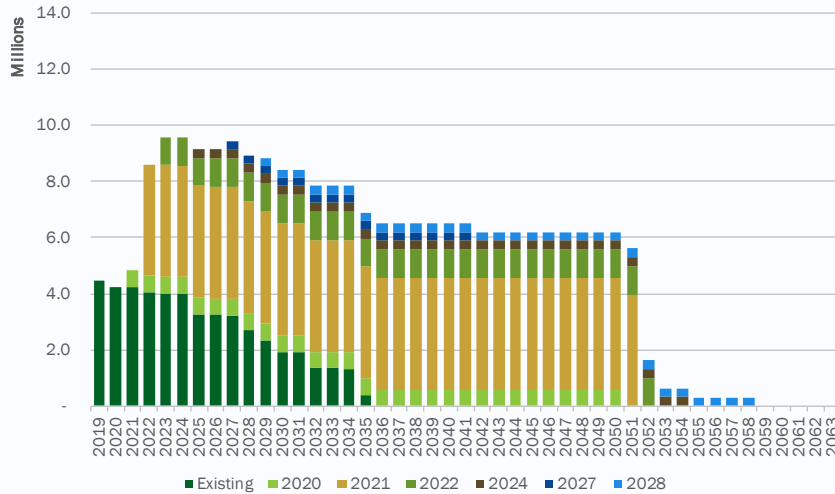
Scenario Description	Scenarios											
	1 Recommended CIP No GHS		2 Recommended CIP GHS Renovation 1 Phase		3 Recommended CIP GHS Renovation 2 Phases		4 Recommended CIP GHS Renovation 3 Phases		5 Recommended CIP GHS Renovation 4 Phases		6 Recommended CIP New GHS	
Fiscal Year	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*	Natural	*Targeted*
1 Total Projects Debt Funded	\$ 20,599,892		\$ 95,897,167		\$ 105,363,653		\$ 119,931,365		\$ 135,399,892		\$ 136,272,219	
2												
3 Decline In Debt Service Not Captured for Future Debt Service												
4 FY 2021	0.26 ¢	1.00 ¢	1.39 ¢	9.41 ¢	1.09 ¢	6.63 ¢	0.92 ¢	5.46 ¢	1.86 ¢	3.77 ¢	1.97 ¢	13.87 ¢
5 FY 2022	0.99 ¢	- ¢	9.17 ¢	- ¢	4.84 ¢	- ¢	4.05 ¢	- ¢	2.56 ¢	- ¢	13.43 ¢	- ¢
6 FY 2023	- ¢	- ¢	2.21 ¢	- ¢	3.76 ¢	- ¢	2.98 ¢	- ¢	- ¢	- ¢	3.56 ¢	- ¢
7 FY 2024	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
8 FY 2025	0.65 ¢	1.25 ¢	0.34 ¢	4.03 ¢	2.65 ¢	7.68 ¢	1.93 ¢	5.80 ¢	1.79 ¢	3.83 ¢	0.16 ¢	5.70 ¢
9 FY 2026	0.02 ¢	- ¢	- ¢	- ¢	2.17 ¢	- ¢	1.41 ¢	- ¢	1.38 ¢	- ¢	- ¢	- ¢
10 FY 2027	0.63 ¢	- ¢	0.51 ¢	- ¢	0.51 ¢	- ¢	0.54 ¢	- ¢	0.57 ¢	- ¢	0.45 ¢	- ¢
11 FY 2028	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
12 FY 2029	0.57 ¢	0.98 ¢	0.25 ¢	0.54 ¢	0.20 ¢	1.15 ¢	2.91 ¢	5.41 ¢	2.72 ¢	5.02 ¢	0.08 ¢	- ¢
13 FY 2030	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	2.56 ¢	- ¢	2.26 ¢	- ¢	- ¢	- ¢
14 FY 2031	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
15 FY 2032	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
16 FY 2033	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	0.12 ¢	2.31 ¢	5.46 ¢	- ¢	- ¢
17 FY 2034	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	3.28 ¢	- ¢	- ¢	- ¢
18 Total Equivalent Impact ⁽⁴⁾	3.12 ¢	3.23 ¢	13.87 ¢	13.98 ¢	15.22 ¢	15.47 ¢	17.30 ¢	16.80 ¢	18.74 ¢	18.08 ¢	19.64 ¢	19.58 ¢
19												
20 Upfront FY 2021 Equivalent Impact	2.49 ¢		12.57 ¢		13.06 ¢		13.71 ¢		13.71 ¢		17.98 ¢	
21												
22 Decline In Debt Service Captured for Future Debt Service												
23 FY 2021	0.26 ¢	0.63 ¢	1.39 ¢	9.03 ¢	1.09 ¢	6.25 ¢	0.92 ¢	5.09 ¢	1.86 ¢	3.40 ¢	1.97 ¢	13.50 ¢
24 FY 2022	0.55 ¢	- ¢	8.73 ¢	- ¢	4.40 ¢	- ¢	3.60 ¢	- ¢	2.12 ¢	- ¢	12.98 ¢	- ¢
25 FY 2023	- ¢	- ¢	2.14 ¢	- ¢	3.69 ¢	- ¢	2.91 ¢	- ¢	- ¢	- ¢	3.49 ¢	- ¢
26 FY 2024	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
27 FY 2025	- ¢	- ¢	- ¢	2.15 ¢	0.98 ¢	5.66 ¢	0.26 ¢	3.82 ¢	- ¢	1.83 ¢	- ¢	3.82 ¢
28 FY 2026	- ¢	- ¢	- ¢	- ¢	2.17 ¢	- ¢	1.42 ¢	- ¢	1.34 ¢	- ¢	- ¢	- ¢
29 FY 2027	- ¢	- ¢	- ¢	- ¢	0.50 ¢	- ¢	0.53 ¢	- ¢	0.66 ¢	- ¢	- ¢	- ¢
30 FY 2028	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
31 FY 2029	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	2.85 ¢	- ¢	2.50 ¢	- ¢	- ¢
32 FY 2030	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	2.74 ¢	- ¢	2.06 ¢	- ¢	- ¢	- ¢
33 FY 2031	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	0.14 ¢	- ¢	- ¢	- ¢
34 FY 2032	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢
35 FY 2033	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	0.45 ¢	3.46 ¢	- ¢	- ¢
36 FY 2034	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	- ¢	4.22 ¢	- ¢	- ¢	- ¢
37 Total Equivalent Impact ⁽⁴⁾	0.81 ¢	0.63 ¢	12.26 ¢	11.18 ¢	12.83 ¢	11.91 ¢	12.37 ¢	11.76 ¢	12.85 ¢	11.19 ¢	18.44 ¢	17.31 ¢
38												
39 Upfront FY 2021 Equivalent Impact	0.63 ¢		9.99 ¢		9.51 ¢		8.91 ¢		8.08 ¢		15.29 ¢	

⁽⁴⁾ Totals above may not foot due to rounding.

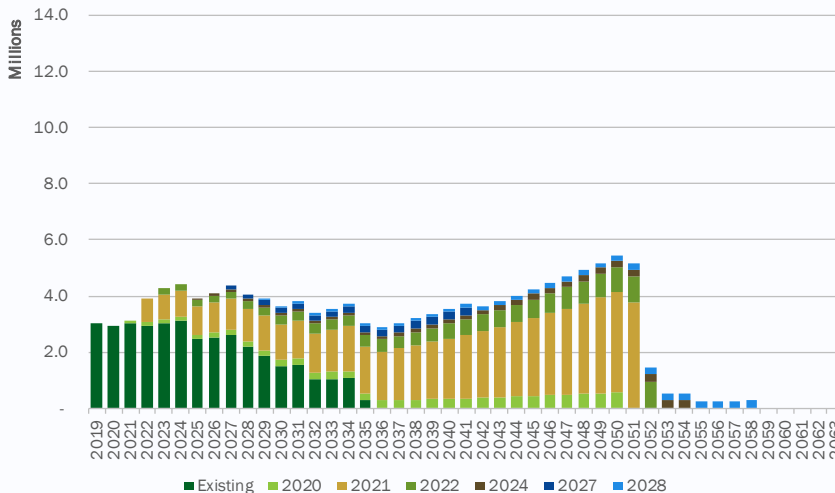
Debt Service Required to Support

Scenario 2 – GHS Renovation (All at once)

- Proposed Debt Service



- Proposed Principal



- Financing Assumptions

Key Borrowing Assumptions

1st Principal & Interest
Amortization
Term
Interest Rate:

Year Following Issuance
Level Debt Service
30 Years
5.25%

Borrowing Amounts

FY 2020	\$8,879,916
FY 2021	59,392,025
FY 2022	15,134,950
FY 2024	4,800,000
FY 2027 ⁽¹⁾	3,224,630
FY 2028	4,465,646

Total Projects Debt Funded
Total Proposed Debt Service

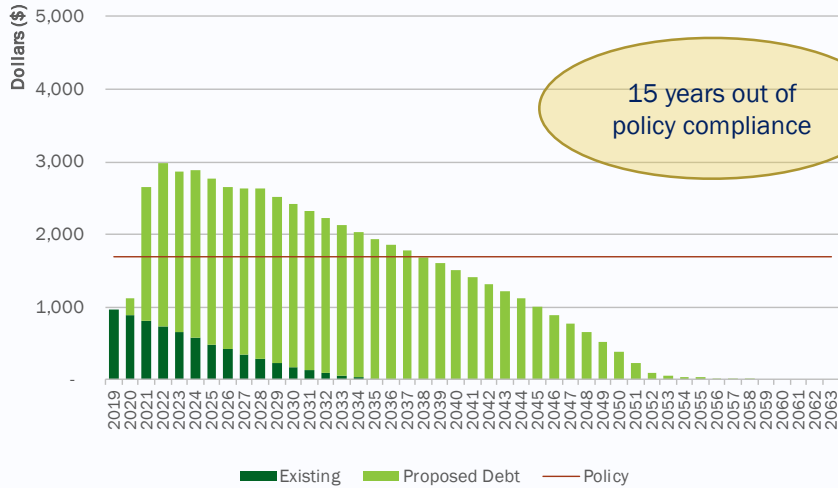
\$95,897,167
\$190,467,653

⁽¹⁾ For the purposes of this analysis, all projects other than the \$3,224,630 Radio Project will be financed over 30 Years. The Radio Project in FY 2027 will be financed over 15 Years at an interest rate of 4.25%.

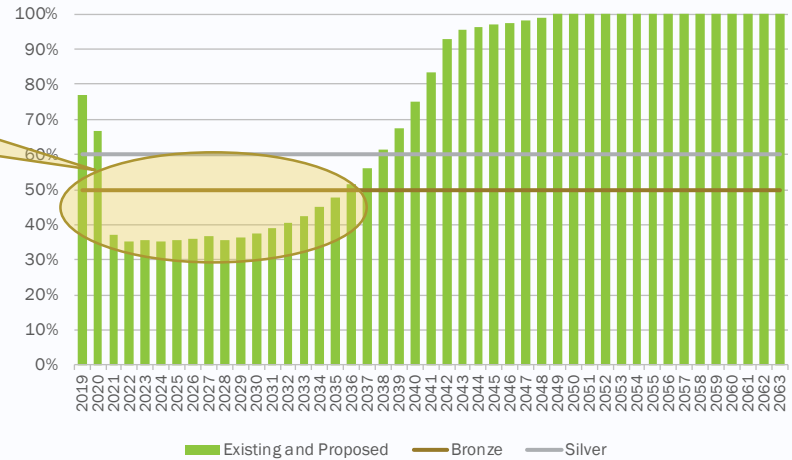
Debt Impact (Proposed Policy Limits)

Scenario 2 – GHS Renovation (All at once)

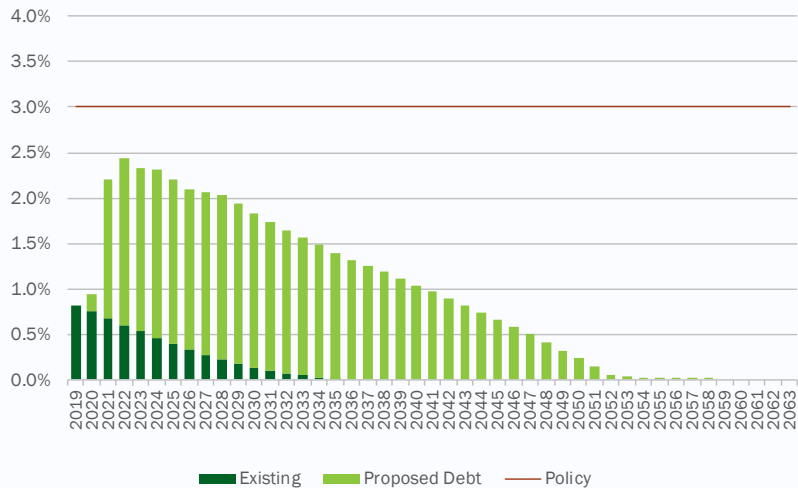
Debt per Capita



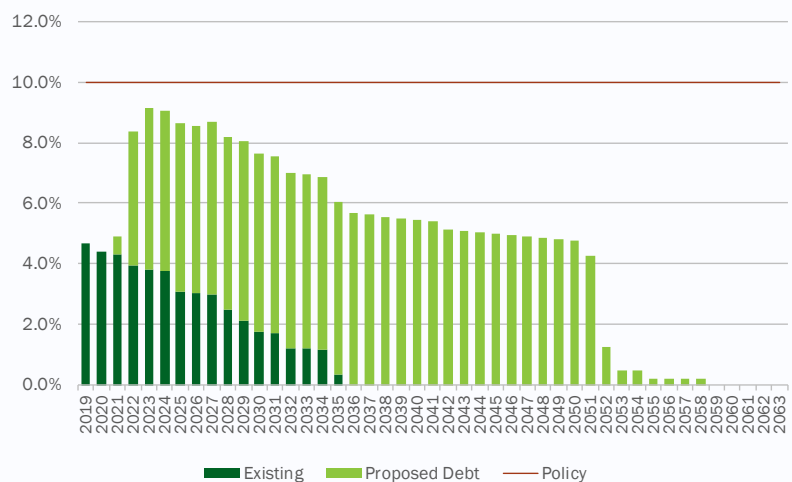
10 Year Payout



Debt to Assessed Value



Debt Service to Expenditures



Bond / Financed Project Plan

Scenario 2 – GHS Renovation (All at once)

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average Ranking
Radio O&M	Public Safety Radio Portable & Mobile Replacement	4	0	8.9	7.8	5.6	7.4
Schools	RENOVATION of Gloucester High School	4	1	9.4	6.2	4.0	6.5
Schools	Page Athletic Fields	4	5	8.5	3.3	3.2	5
Schools	Bus Compound Relocation	3	9	8.3	4.1	3.4	5.3
Schools	New Achilles Bus Loop	3	3	6.7	4.7	4.2	5.2
Libraries	Construction of County Library	3	0	5.0	5.0	2.6	4.2
PR&T	Support Facilities & Equipment-Woodville	2	0	5.7	4.4	2.7	4.3

Department	Project Title	Total Cost	Year One FY2020	Year Two FY2021	Year Three FY2022	Year Four FY2023	Year Five FY2024	Year Six and Beyond
Radio O&M	Public Safety Radio Portable & Mobile Replacement	3,224,630						3,224,630
Schools	RENOVATION of Gloucester High School (All at once)	75,297,275	7,190,000	52,972,325	15,134,950			
Schools	Page Athletic Fields	400,000	400,000					
Schools	Bus Compound Relocation	7,019,700	600,000	6,419,700				
Schools	New Achilles Bus Loop	789,916	789,916					
Libraries	Construction of County Library	4,800,000				288,000	4,512,000	
PR&T	Support Facilities & Equipment-Woodville	4,465,646						4,465,646
Total Financed		95,997,167	8,979,916	59,392,025	15,134,950	288,000	4,512,000	7,690,276
Borrowing Activity			8,979,916	59,392,025	15,134,950		4,800,000	7,690,276
Remaining Financing Capacity - Cumulative (\$23,205,224 Initial) (Bronze Policy Limited)			14,225,308	(45,166,717)	(60,301,667)	(60,301,667)	(65,101,667)	(72,791,943)

Major Funding Gap in 5 yr plan (Policy Limited)



Continuing the Debt Capacity Discussion...

- 10 Year Payout ratio out of conformance even without GHS renovation
 - Reduction of project scope (and cost) without reduction of term does not help
- Reduce term to better conform to 10 Year Payout limit
 - 25 year term?
 - 20 year term?
 - Increases tax rate impact, but less than 1:1 (not linear)
- Reduce project scope to help manage tax rate impact
 - XX% reduction in scope (and cost) = XX% reduction in tax rate impact
- Ultimately, availability of funding is based on the Board's position relative to:
 - Policy election and conformance
 - Amount of tax rate increase



Not Contemplated in 5yr Plan

Department	Project Title	CA Quartile	Schools 1-9 Ranking	Dept Dir Wtd (/10) Ranking	CIP Team Wtd (/10) Ranking	Plan Com Wtd (/10) Ranking	Average Ranking
Schools	Roofing Replacement/Coating Achilles and Botetourt	2	8	7.6	5.1	4.7	5.8
Schools	Page Athletic Fields	2	5	8.5	3.3	3.2	5
B&G	County Garage Roof Replacement	2	0	4.1	4.4	4.7	4.4
B&G	Generator Installation - Building 2 (New!)	2	0	2.6	4.0	2.7	3.1
Schools	NEW CONSTRUCTION of Gloucester High School (New!)	1	1	9.4	4.5	2.5	5.5
PR&T	Community Center	1	0	4.9	4.7	2.6	4.1
PR&T	New Lodge-Beaverdam Park	1	0	4.2	2.9	3.2	3.4
B&G	Generator Installation - Building 1 (New!)	1	0	2.6	4.0	2.7	3.1

Also not contemplated: County backing of EDA land purchase for economic development initiatives;
Funding for County sponsored broadband expansion

Not Contemplated in 5yr Plan

Department	Project Title	Total Cost	Year One FY2020	Year Two FY2021	Year Three FY2022	Year Four FY2023	Year Five FY2024	Year Six and Beyond
Schools	Roofing Replacement/Coating Achilles and Botetourt	68,000	68,000	0				
Schools	Page Athletic Fields	97,200	97,200					
B&G	County Garage Roof Replacement	70,000	70,000					
B&G	Generator Installation - Building 2 (New!)	150,000						150,000
Schools	NEW CONSTRUCTION of Gloucester High School (New!)	109,300,000	10,930,000	76,510,000	21,860,000			
PR&T	Community Center	17,802,000						17,802,000
PR&T	New Lodge-Beaverdam Park	504,000						504,000
B&G	Generator Installation - Building 1 (New!)	100,000						100,000
Total not contemplated in FY20 - FY24 CIP		128,091,200	11,165,200	76,510,000	21,860,000	0	0	18,556,000

Also not contemplated: County backing of EDA land purchase for economic development initiatives;
Funding for County sponsored broadband expansion



FY20 CIP Summary (Excl. Utilities)

Department	Project Title	Year One FY2020	Funding
Radio O&M	Public Service Radio NICE Call Recording Replacement	54,000	Paygo
Schools	RENOVATION of Gloucester High School (All at once approach)	7,190,000	Debt/VP SA
Engineering	ADA Accessibility Improvements - County Complex	47,000	Paygo
Schools	HVAC Replacement at Peasley & Bethel	220,000	Paygo
Schools	Roofing Replacement/Coating Achilles and Botetourt	441,000	PayGo
Schools	Page Athletic Fields	400,000	Debt/VP SA
Schools	Lighting Replacement - Botetourt, Bethel, Achilles, and TC Walker	129,176	Paygo
Schools	School Bus Replacement Program (5 per year)	493,319	Paygo
Schools	Bus Compound Relocation	600,000	Debt/VP SA
Schools	New Achilles Bus Loop	789,916	Debt/VP SA
Animal Control	Animal Control Office at Shelter Location	197,182	Paygo
PR&T	Athletic Field Regrading - Woodville (New!)	255,000	Paygo
B&G	Law Enforcement Generator Replacement (Jail) (New!)	57,000	Paygo
PR&T	Irrigation System - Woodville Park	146,887	Paygo
Engineering	Asphalt Paving & Overlay-Justice Dr & Law Enforcement Parking Lot	124,000	Paygo
PR&T	Paving & Striping of Parking Lots-Variou s	190,728	Paygo
PR&T	Athletic Field and Parking Lot Lighting (Woodville & Abingdon)	10,000	Paygo
Total FY 2020 Non-Enterprise CIP (Excluding Prior Year Carryforwards)		11,345,208	



FY20 CIP Funding (Excludes Enterprise CIP)

FY20 CIP Proposed Funding Sources	
EPA Clean Diesel Grant (GCPS school busses)	\$ 100,000
Proffer Monies (Animal Control capacity addition)	\$ 125,000
Capital Committed Fund - Subsequent Expenditures (Reserve)	\$ 543,000
Use of Unassigned Fund Balance	\$ 1,597,292
VPSA Borrowing (GCPS projects)	\$ 8,979,916
Total FY20 CIP Funding	\$ 11,345,208
Difference (under)/over funded	\$ -



Utilities – Enterprise Funded

Department	Dept Dir Wtd (/10) Ranking	Project Title	Total Cost	Year One FY2020	Year Two FY2021	Year Three FY2022	Year Four FY2023	Year Five FY2024	Year Six and Beyond
Utilities	9.6	Replace Reverse Osmosis Membranes Ph2	100,000	100,000					
Utilities	9.5	Rebuild PS #13 (Courthouse South)	1,200,000						1,200,000
Utilities	9.4	Sawgrass Pointe Waterline Replacement (New!)	155,000		35,000	120,000			
Utilities	9.4	Kerns Avenue Waterline Replacement	130,000		55,000	75,000			
Utilities	9.3	Gloucester St and Clements Ave WL Improvement (New!)	135,000				35,000	100,000	
Utilities	9.3	Rehab/Repair PS #11 (Courthouse North) Phase II	1,000,000	250,000	250,000	250,000	250,000		
Utilities	9.2	Replace Water Treatment Plant Motor Control Center (New!)	350,000						350,000
Utilities	9.1	Rebuild PS #12 Summerville	600,000						600,000
Utilities	9.1	South St/Martin St/Carriage Ct (New!)	200,000						200,000
Utilities	9.0	Radio-Read Conversion	700,000	100,000	100,000	100,000	100,000	100,000	200,000
Utilities	9.0	Chiskiake Village Subdivision Waterline Replacement (New!)	360,000					60,000	300,000
Utilities	9.0	Bellehaven Subdivision Waterline Replacement (New!)	170,000					30,000	140,000
Utilities	9.0	Tillage Heights Subdivision Waterline Replacements (New!)	160,000						160,000
Utilities	9.0	Riverdale & Holly Cove Subdivision Waterlines (New!)	310,000						310,000
Utilities	9.0	Berkeley Point Subdivision Waterline Improvements (New!)	250,000						250,000
Utilities	9.0	Azalea Point Rd & Shane Rd Waterline Improvements (New!)	300,000						300,000
Utilities	9.0	Terrapin Cove Road Waterline Improvements (New!)	500,000						500,000
Utilities	8.8	George Washington Mem Highway Widening (Water) (New!)	100,000			50,000			50,000
Utilities	8.8	George Washington Mem Highway Widening (Sewer) (New!)	180,000			30,000			150,000
Utilities	8.6	Belroi Road/Roaring Springs Road Waterline (New!)	1,000,000						1,000,000
Utilities	8.5	Abandon/Demolish Radial Well Facility	65,000	65,000					
Utilities	8.0	Independence Road Waterline Improvements (New!)	120,000					32,000	88,000
Utilities	6.4	Utility Yard	1,500,000						1,500,000
Total Utilities (Enterprise Funded Through FY24)			9,585,000	515,000	440,000	625,000	385,000	322,000	7,298,000



FY20-24 CIP Timeline

Aug/Sept	Project Submission Development
Sept/Oct	CIP Pre-Draft Development
Oct 25	Project Submissions / Overviews to PC
Nov 8	Complete Project Overviews
Dec 6	Planning Commission CIP Response
Dec/Jan	CIP Draft Development
Jan 15	CA CIP Draft Recommendation to BOS
Feb 5	CIP Public Hearing (proposed)
March 4	CIP Final Recommendation to BOS





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