Proposed 2020-2024 Capital Improvements Program
Presentation Goals

Discuss the overarching trends in the proposed CIP

Review the CIP Fund cash flow projections & financial forecast

Highlight how the proposed CIP ties to City Council priorities

Discuss the impacts of the CIP’s financial constraints

Highlight uncertainties in the proposed program

Discuss the City’s current and projected debt

Overview projects and equipment programmed for 2020
CIP Approval Process

October
  Present & discuss proposed CIP

November
  Follow-up as needed on discussion items

December
  Adoption
Trends in the CIP

Very financially constrained

- Revenue is flat from 2019 to 2020
- Expenditure requests exceeded available revenue in all years

Revenues are not keeping up with expenditures demands

Investments primarily focused on maintaining existing infrastructure

- Maintenance and replacement schedules are extended to reduce expenditures

Debt levels are increasing
Overview of Proposed CIP

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>$10,463,000</td>
<td>$5,187,000</td>
<td>$2,681,000</td>
<td>$2,649,500</td>
<td>$2,820,500</td>
<td>$23,801,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>$1,365,000</td>
<td>$1,053,000</td>
<td>$1,381,600</td>
<td>$941,900</td>
<td>$1,813,100</td>
<td>$6,554,600</td>
</tr>
<tr>
<td>Total</td>
<td>$11,828,000</td>
<td>$6,240,000</td>
<td>$4,062,600</td>
<td>$3,591,400</td>
<td>$4,633,600</td>
<td>$30,355,600</td>
</tr>
</tbody>
</table>

2020-2024 CIP Project & Equipment Expenditures

- Projects
- Equipment
### City’s Share of Proposed CIP

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost</td>
<td>$11,828,000</td>
<td>$6,240,000</td>
<td>$4,062,600</td>
<td>$3,591,400</td>
<td>$4,633,600</td>
<td>$30,355,600</td>
</tr>
<tr>
<td>City Sources</td>
<td>$10,803,000</td>
<td>$5,915,000</td>
<td>$4,037,660</td>
<td>$3,566,400</td>
<td>$4,608,600</td>
<td>$28,930,660</td>
</tr>
<tr>
<td>% City Share</td>
<td>91.3%</td>
<td>94.8%</td>
<td>99.4%</td>
<td>99.3%</td>
<td>99.5%</td>
<td>95.3%</td>
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</tbody>
</table>

### City's Share of Project & Equipment Expenditures

![Graph showing the percentage of City's share from 2020 to 2024]
CIP Revenue Sources

- Income Tax: 66%
- MMVLT: 2%
- License Tax: 1%
- Debt Proceeds: 30%
- Other: 1%

Proposed 2020-2024 CIP
CIP Revenue Sources

CIP Fund - Major Revenue Sources

- Income Tax
- Debt Proceeds

<table>
<thead>
<tr>
<th>Year</th>
<th>Income Tax</th>
<th>Debt Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$5,218,000</td>
<td>$9,454,000</td>
</tr>
<tr>
<td>2021</td>
<td>$5,478,900</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>$5,615,873</td>
<td>$3,450,000</td>
</tr>
<tr>
<td>2023</td>
<td>$5,728,190</td>
<td></td>
</tr>
<tr>
<td>2024</td>
<td>$5,842,754</td>
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</tr>
</tbody>
</table>
CIP Revenue Sources

CIP Fund - Other Revenue Sources

- MMVLT
- License Tax
- Other

Revenue projections for years 2020 to 2024.
Expenditure Categories: CIP Fund

Proposed 2020-2024 CIP

- Projects: 56%
- Equipment: 16%
- Debt/Lease Pymts: 22%
- Admin: 6%
## CIP Fund Expenditures

### CIP Fund Expenditures by Category

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>$9,443,000</td>
<td>$5,187,000</td>
<td>$2,641,000</td>
<td>$2,649,500</td>
<td>$2,820,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>$1,365,000</td>
<td>$1,053,000</td>
<td>$1,381,600</td>
<td>$941,900</td>
<td>$1,813,100</td>
</tr>
<tr>
<td>Debt Service</td>
<td>$1,531,077</td>
<td>$1,821,077</td>
<td>$1,651,077</td>
<td>$2,011,077</td>
<td>$2,001,077</td>
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<tr>
<td>Administration</td>
<td>$477,000</td>
<td>$491,000</td>
<td>$506,000</td>
<td>$521,000</td>
<td>$537,000</td>
</tr>
</tbody>
</table>

### CIP Fund Expenditures by Category Graph

- **Projects**: Blue Line
- **Equipment**: Red Line
- **Debt/Lease Pymts**: Green Line
- **Admin**: Purple Line
# CIP Fund Revenue & Expenditures

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>$14,877,000</td>
<td>$12,816,077</td>
</tr>
<tr>
<td>2021</td>
<td>$5,983,900</td>
<td>$8,552,077</td>
</tr>
<tr>
<td>2022</td>
<td>$9,270,873</td>
<td>$6,179,377</td>
</tr>
<tr>
<td>2023</td>
<td>$5,933,190</td>
<td>$6,123,477</td>
</tr>
<tr>
<td>2024</td>
<td>$6,047,754</td>
<td>$7,171,677</td>
</tr>
</tbody>
</table>

### CIP Fund Revenue & Expenditures

![Graph showing the revenue and expenditures from 2020 to 2024.](image_url)
## Five Year Forecast – CIP Fund

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>$14,877,000</td>
<td>$5,983,900</td>
<td>$9,270,873</td>
<td>$5,933,190</td>
<td>$6,047,754</td>
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<tr>
<td>Total Expenditures</td>
<td>$12,816,077</td>
<td>$8,552,077</td>
<td>$6,179,677</td>
<td>$6,123,477</td>
<td>$7,171,677</td>
</tr>
<tr>
<td>Fund Balance (FB)</td>
<td>$5,379,139</td>
<td>$2,810,962</td>
<td>$5,902,158</td>
<td>$5,711,871</td>
<td>$4,587,948</td>
</tr>
<tr>
<td>FB as % of Expend.</td>
<td>42.0%</td>
<td>32.9%</td>
<td>95.5%</td>
<td>93.3%</td>
<td>64%</td>
</tr>
</tbody>
</table>

### CIP Fund Balance

- **Blue Line**: Fund Balance as a % of Expenditures
- **Red Line**: Target
Expenditure Categories: CIP Fund
(excluding bonded projects & equipment)

Proposed 2020-2024 CIP

- Projects: 40%
- Debt/Lease Pymts: 31%
- Equipment: 20%
- Admin: 9%
## CIP Fund Expenditures (excluding bonds)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projects</td>
<td>$2,198,000</td>
<td>$2,737,000</td>
<td>$2,141,000</td>
<td>$2,149,500</td>
<td>$2,320,500</td>
</tr>
<tr>
<td>Equipment</td>
<td>$1,365,000</td>
<td>$1,053,000</td>
<td>$1,381,600</td>
<td>$941,900</td>
<td>$1,088,100</td>
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<td>$2,001,077</td>
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<tr>
<td>Administration</td>
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<td>$491,000</td>
<td>$506,000</td>
<td>$521,000</td>
<td>$537,000</td>
</tr>
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### CIP Fund Expenditures by Category

- **Projects**
- **Equipment**
- **Debt/Lease Pymts**
- **Admin**
CIP Fund Revenue & Expenditures (excluding bonds)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$5,423,000</td>
<td>$5,983,900</td>
<td>$5,820,873</td>
<td>$5,933,190</td>
<td>$6,047,754</td>
</tr>
<tr>
<td>Expenditures</td>
<td>$5,571,077</td>
<td>$6,102,077</td>
<td>$5,679,677</td>
<td>$5,623,477</td>
<td>$5,946,677</td>
</tr>
</tbody>
</table>

CIP Fund Revenue & Expenditures
Five Year Forecast – CIP Fund
(excluding bonded revenue and expenditures)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
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<td>Total Revenue</td>
<td>$5,423,000</td>
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<td>$5,933,190</td>
<td>$6,047,754</td>
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<tr>
<td>Total Expenditures</td>
<td>$5,571,077</td>
<td>$6,102,077</td>
<td>$5,679,677</td>
<td>$5,623,477</td>
<td>$5,946,677</td>
</tr>
<tr>
<td>Fund Balance (FB)</td>
<td>$3,170,139</td>
<td>$3,051,962</td>
<td>$3,193,158</td>
<td>$3,502,871</td>
<td>$3,603,948</td>
</tr>
<tr>
<td>FB as % of Expend.</td>
<td>56.9%</td>
<td>50%</td>
<td>56.2%</td>
<td>62.3%</td>
<td>60.6%</td>
</tr>
</tbody>
</table>

**CIP Fund Balance**

- **Fund Balance as a % of Expenditures**
- **Target**
City Council Priorities

Wilson Bridge Road Corridor

McCord Park Improvements (2020)

Arterial improvements for West Wilson Bridge Road (2023)

Age Friendly

Primarily associated with the operating budget

Griswold Center Window Replacement (2021)

Griswold Center Fitness Equipment (2023)
City Council Priorities

McCord Park
Partial Funding for Implementation (2020)

Updated Office Buildings
Incentive programs funded in Operating Budget

Energy Efficiency
Police Building Improvements (2020)
Municipal Building, Fire Station, Planning & Building Facility, Service & engineering Building, Parks Maintenance Building, McConnell Arts Center (2021)
City Council Priorities

Bike/Ped Implementation

$100,000 annually in 2020 & 2021

$250,000 annually in 2022-2024

Electric Vehicle Charging

Reflected in 2019 operating expenditures
Debt

Long Term Debt per Capita

$0 $200 $400 $600 $800 $1,000 $1,200 $1,400


$12 $73 $753 $728 $701 $674 $596 $667 $635 $612 $575 $71 $637 $613 $567 $513 $506 $443 $803 $719 $1,245 $1,164 $1,299 $1,322 $1,257
Debt

2019 Expenditures Scheduled for Debt

State Infrastructure Bank (SIB) Loan (Northeast Gateway Project gap financing for federal funds)

Anticipated Loan Amount: $4,500,000

Public Safety and Other City Radios

Lease Amount: $514,000

Annual Payment: $92,388
## Debt

### Future Proposed Debt Issuance Projects/Equipment

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kenyonbrook Sanitary Sewer</td>
<td>$2,100,000</td>
</tr>
<tr>
<td>Sanitary Sewer Repairs &amp; Rehabilitation</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Police Building HVAC &amp; Remediation</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Police Building Roof Repair</td>
<td>$425,000</td>
</tr>
<tr>
<td>Rush Run Stream – Huntley Bowl Improvements</td>
<td>$420,000</td>
</tr>
<tr>
<td>McCord Park Renovations</td>
<td>$1,800,000</td>
</tr>
<tr>
<td>Waterline Improvements</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>City Buildings Energy Conservation Improvements</td>
<td>$950,000</td>
</tr>
<tr>
<td>Fire Engine Replacement</td>
<td>$725,000</td>
</tr>
</tbody>
</table>
2020 Projects

Legal Mandates
Kenyonbrook Trunk Sewer (construction) $2,100,000
Sanitary Sewer Repair & Rehabilitation $1,000,000

Essential for Basic Services
Arterial Pavement Preservation $185,000
Building Improvement Program $200,000
CBD Paver Renovation $20,000
Community Center Pools Resurfacing $120,000
Community Center South End Door Replacement $48,000
Culvert Repair at Linworth Run (design) $25,000
Fire Hydrant Replacement & Painting $25,000
2020 Projects

Essential for Basic Services (cont’d)

Fire Station Bathroom/Shower Renovation $100,000
Perry Park Backflow Preventer $70,000
Police Building HVAC & Remediation $1,500,000
Police Building Roof Repair $425,000
Rush Run Stream – Huntley Bowl Imp. $420,000
Street & Sidewalk Improvement Program $900,000
Traffic Signal Improvement $50,000
2020 Projects

**Improvements to Basic Service**
- McCord Park Renovations  $1,800,000
- Perry Park Building Electrical Upgrade  $25,000
- Selby Park Playground Replacement  $275,000
- Streetlight Conversion to LED  $25,000

**Enhancement/Discretionary**
- Bike & Pedestrian Improvements  $100,000
- Community Wayfinding Signage  $50,000
# 2020 Equipment

## Administration/Information Technology
- Computer Replacement: $60,000
- Server & Network: $80,000

## Fire & EMS
- Fire Hose: $10,000
- Fire Initial Issue: $18,000
- Firefighter Protection Equipment: $48,000
- Mobile Data Terminals: $75,000
- Self Contained Breathing Apparatus: $300,000
- Small Equipment Equipment Replacement: $15,000
- SUV (BN101): $60,000
## 2020 Equipment

### Parks & Recreation
- Community Center Fitness Equipment: $56,000
- Pool Filter Sand: $13,000
- Small Equipment Replacement: $15,000
- Turf Mowers: $14,000

### Police
- Mobile Data Terminals: $25,000
- Police Building Furniture: $15,000
- Police Cruisers: $155,000
- Police Initial Issue Equipment: $20,000
- Records Management Software: $250,000
2020 Equipment

Service & Engineering

- Cargo Van: $30,000
- Pressure Washer: $16,000
- Scan Tools for Garage: $15,000
- Small Equipment Replacement: $10,000
- Wood Chipper: $65,000
Uncertainties

Short Term Financing Costs for Federal Funds for the Northeast Gateway Project

Funding for Swiminc

McCord Park Funding

Recommendations from Assessments of Water Lines and Traffic Signals
Impacts of Constrained Funding

$4,745,000 added to bonding

Projects involving City buildings delayed by a year or two

Playground replacements previously scheduled for every year spread out to occur every other year

Most equipment replacements delayed by a year

Parks & Recreation bus and sedan replacement cancelled – will be dropped from fleet
Need for Additional Revenue

Current revenue streams for the CIP insufficient to fund the needs

Income tax is the primary source of revenue, along with a small amount of MMVLT each year and license tax periodically

Possible options

- Parks & Recreation Fees
- Water & Sewer Surcharges
- License Tax