



CAPITAL IMPROVEMENT PLAN
FOR YEAR ENDING JUNE 30, 2018

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VILLAGE OF CLEMMONS
CAPITAL IMPROVEMENT PLAN
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Why a Capital Improvement Plan?

The Village staff and Council needed a tool to help with long range goals and to provide potential financing requirements in the future. Clemmons is unique in that we have a fifteen cent tax cap in our charter, therefore planning takes on a more important role. The staff and Council benefits from a method to focus on these recommendations, identify potential funding sources, and prioritize projects.

The **Capital Improvement Plan (CIP)** is a prioritized, multi-year plan for major capital expenditures, such as the construction, reconstruction, renovation or replacement of a public building, facility or major equipment item; the purchase of land, buildings or facilities for public purpose; studies and surveys leading to such physical improvements or any combination of the above. By providing a planned schedule of public improvements, the Plan outlines present and future needs and intentions. Projects included in the CIP are typically assets with a value of more than \$5,000 and a useful life of over one year. Exceptions have been made to this rule for practical reasons.

Village of Clemmons Goals and Initiatives designated in the Comprehensive Plan

- A community that is tied together linking residential and human scale activity centers with all modes of transportation through the objectives of the Village Transportation Plan
- Housing Opportunities for all that provide a system of inter-connected sidewalks, bike paths, and greenways connecting to points of interest and meeting the recreational needs of the residents
- A Vibrant village center that allows residents regular opportunities for interaction at community/civic events and recreational activities.
- Increased employment opportunities at activity and employment centers
- A green/sustainability community by being a leader in establishing and promoting sustainable development practices
- Community Gateways to foster our community character
- Fiscally Balanced land-use
- Redevelopment and design of the Lewisville-Clemmons Road Corridor to improve safety, traffic flow, aesthetics and bike/pedestrian needs.

The Capital Improvement Plan Process:

The Village of Clemmons' Capital Improvement Plan is the result of a detailed financial planning process used by Village manager and department heads to establish funding priorities of major capital projects. The purpose is to address the Village's immediate and long-term capital needs in a conscious effort to best provide services and facilities to the citizens of Clemmons. Fiscal year 2018 marks the sixth year in the development of a rolling five year capital improvements document. A five year planning tool of this magnitude has two significant benefits. First, it assists the Village in identifying potential projects necessary to meet the long-term goals of the community. Second, it gives Village Council and staff a view of future infrastructure needs and assists them in understanding the level of funding necessary to fulfill those needs. **Please be away that this is an ever changing document, that many factors can influence. It is meant to be a flexible tool.**

To accomplish this, the CIP process consists of a three-phase mechanism.

First phase is submittal of five-year capital plan to finance officer and manager for consideration.

This requires substantial planning at the department level to identify projects that are deemed necessary to respond to public needs. The department head will prioritize projects, project cost estimates, project potential operating cost estimates and identify potential funding sources.

Second phase of the CIP process includes a review of each proposal by the Finance Officer and Manager. Factors analyzed include:

- The **priority of the project** as defined by Village leaders, or formal Council policy.
- **Feasible funding** sources in relation to projected timetable.
- **Impact** the project will have on **the operating budget and service levels.**

The **third phase** consists of compiling the **five-year Capital Improvement Plan** for consideration by the Village Council as part of the budget review and adoption process. Recognizing that needs and priorities vary from year-to-year, only the **first fiscal year** of the five-year Plan is considered for adoption. The subsequent five years are used for strategic financial planning purposes. Projects will be adjusted, and in some cases deleted, as situations and needs change throughout the course of the five year planning period.

Guiding Principles for the FY 2018 Capital Improvements Plan

- The Village's FYs 2018-2023 recommended capital improvements budget and plan focuses on equipment and infrastructure required for continued quality service delivery, recommendations from citizen committees' transportation plan, comprehensive plan, storm water capital improvement plan, projected infrastructure requirements, legally mandated projects and prior commitments.

- The effect on the operating budget will be assessed.
- The Village staff will follow purchasing regulations in NC General Statute 143 and all financial regulation in the Local Government Budget and Fiscal Control Act (General Statute 159).
- **Staff Ranking System for the FY 2018 Capital Improvements Plan**

Criteria	Number	Points
Necessary for public safety or health	1	5
Legally mandated	2	5
Council Request	3	5
Replace equipment due to down time or maintenance cost	4	4.5
Well maintained public facilities	5	4.5
Continuation of current service	6	4
Promote efficiencies	7	4
Stimulates economic growth	8	4
Recommended and adopted Citizen committee plan	9	4
Reduces future operating and maintenance cost	10	4
Department Head recommendation	11	4
Enhances cultural or natural resources	12	3
Provides a new or expanded level of service	13	2
Promotes intergovernmental cooperation	14	2
Other	15	1

➤ **Capital Improvements Funding Goals**

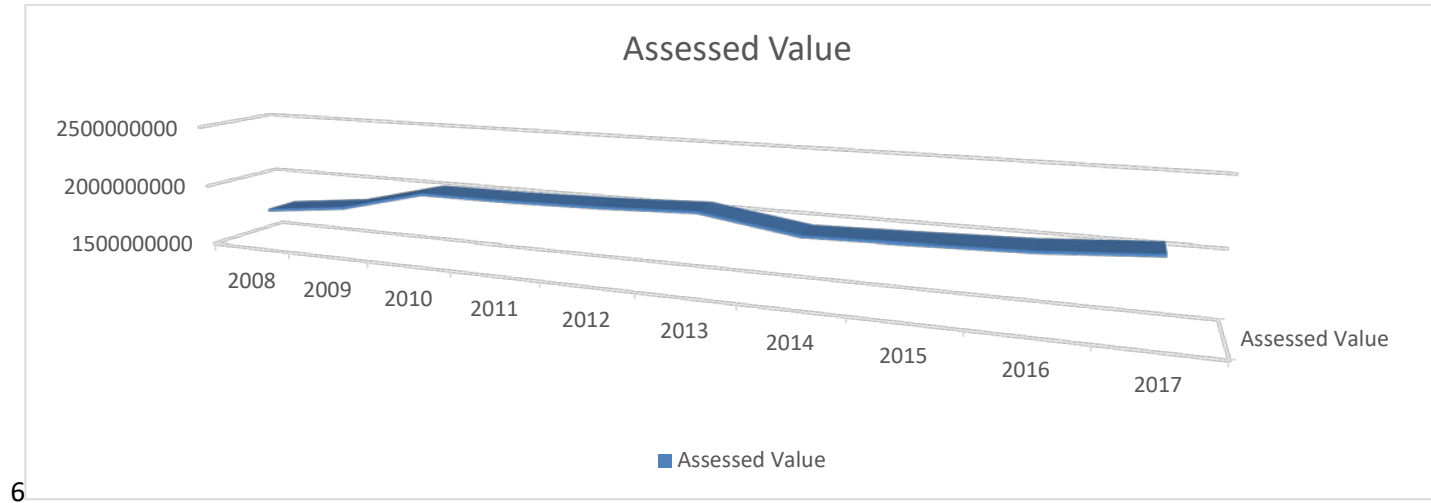
- Develop a five year plan to anticipate future funding needs.
- Provide for inflationary increases by adding a minimum of 2% per year to project costs.
- Develop staffing, operating and maintenance budget impacts for all applicable capital projects.
- Balance capital project priorities with affordability of any associated debt burden.
- Look for grant opportunities.
- Issue debt when funds are needed for project spending, not before.
- Use debt for projects (or portions thereof) that provide value to future citizens.

Factors influencing the Development for the FY 2018 Capital Improvements Plan

➤ Revenue Sources

○ Property tax revenue

Historically assessed value has grown 2 to 3 percent annually. Current increase is 6.3%, which is mainly bringing assessed value back to values before last reassessment.



- Clemmons has a fifteen cent tax cap in its charter of incorporation, which limits the only major revenue source that the Village directly controls. Property taxes account for 36% of budget. Intergovernmental revenue sources account for 42% of the budget. The state or county controls those revenue sources.

➤ Transportation Plan and Comprehensive Plan

The identification of projects in the transportation and comprehensive plans that the Village are unable to be funded on a pay-as-you go basis due to the tax cap and current economic condition. Financing for these projects are limited by the tax cap also. Infrastructure projects usually use the taxing authority as collateral.

➤ Economy

Unemployment in Forsyth County and the State of North Carolina has remained stable. Forsyth County unemployment is 4.2% which is a decrease of 0.9 %. The Village has seen an increase in planning and zoning permits and storm water permits which indicates moderate economic growth. The Village saw a 6.3% increase in assessed valuation.

➤ **Prioritize**

Provide a prioritization of projects in order to anticipate revenue needs and help decide what projects can be funded on a pay-as-you-go basis, and what projects may need financing.

➤ **Storm water**

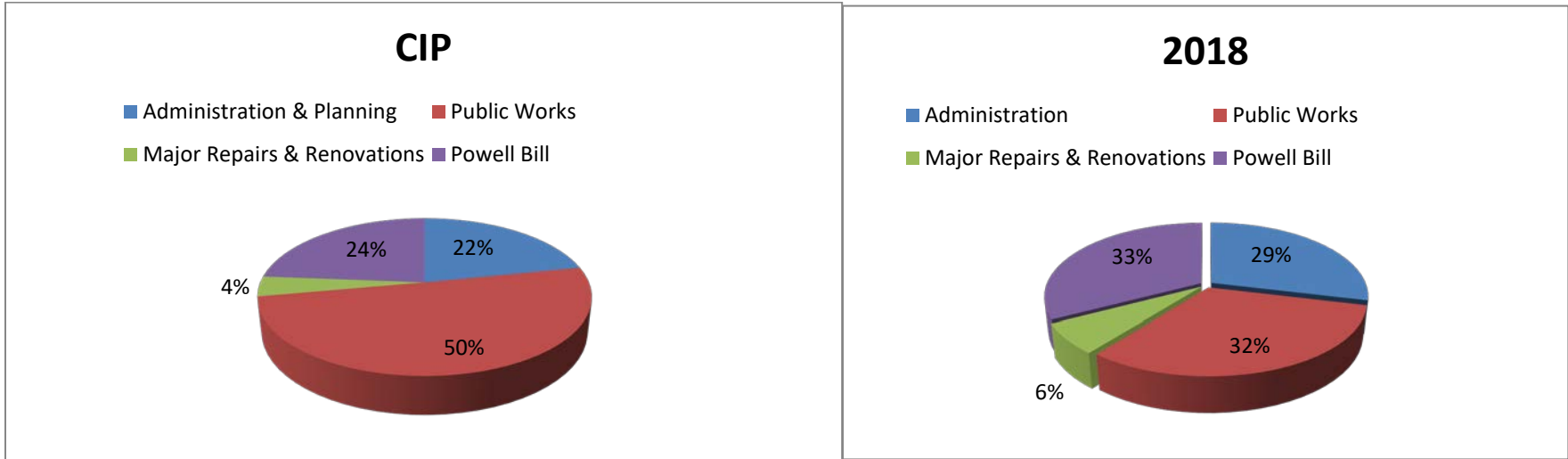
Implement the storm water committee capital improvement recommendations, funding from the storm water fee. The storm water committed recommended storm water fee increases, in order to finance the capital improvement plan recommendations, however to date the fee increases have not been implemented.

Debt service

In an effort to minimize the impact of issuing debt, the Village has always maintained a commitment to an annual pay-as-we-go capital financing. However, some major projects identified under the transportation and comprehensive plan cannot be financed under the pay-as-we-go financing within the fifteen cent tax cap. The Village Council and staff will enlist citizen input to find the best balance of debt financing with citizen safety and needs, and the impact on the Village's tax rate. Citizens are cautious about issuing debt as indicated in failure of bond referendum in November, 2011. Currently the Village of Clemmons has zero debt in the general fund.

General Fund Capital improvements Plan

The estimated general fund capital outlay and or capital projects over the next five years total \$4,214,510. The FYE 2018 appropriated capital and transfers to capital budgets \$1,758,660.



Projects identified throughout this period range from equipment replacement that support continued service delivery, to incorporation of recommendations from transportation and comprehensive plans. There are some projects recommended in the transportation and comprehensive plans that are beyond the five year period shown in capital improvement plan.

Capital projects are grouped under the following categories:

- Administration
- Public Works
- Powell Bill
- Planning
- Transfers to Capital Projects

Storm water Capital Improvements Budget and Plan

The storm water fund capital outlay and capital project over the next five years total \$2,914,950 with FY 2018 appropriations of \$992,750.

Projects identified throughout this period range from equipment needs for service delivery to Storm water Committee Capital Improvement annual recommendations. The Village is in the process of reviewing the capital improvement projects and the associated cost. Therefore, there may be a change in the listed capital improvement.

FIVE YEAR CAPITAL IMPROVEMENT PLAN DETAIL

	Prior	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY-22-23	TOTAL
Total Capital		681,840	275,600	351,700	260,200	313,700	398,750	
Total Major Renovations		75,000	50,000	-	-	-	-	
Total Transfers to Capital Projects		633,820	453,820	-	-	-	-	
Subtotal Capital Outlay & Transfers		1,390,660	779,420	351,700	260,200	313,700	398,750	
Total Capital Powell Bill		-	8,000	20,000	-	8,000	20,000	
Total Transfers to Capital Projects Powell Bill		368,000	296,080	-	-	-	-	
Subtotal Capital Powell Bill		368,000	304,080	20,000	-	8,000	20,000	
Total Capital & Transfers		1,758,660	1,083,500	371,700	260,200	321,700	418,750	4,214,510
Revenue Sources								
Fund Balance		1,044,960	612,953	298,866	260,200	321,700	398,750	2,538,679
Restricted Fund Balance Streets		368,000	296,080	-	-	-	-	664,080
Sewer Reserve		100,000						
Current Revenue		245,700	166,467	52,834	-	-	-	
Current Revenue Powell Bill		-	8,000	20,000	-	8,000	20,000	56,000
Total Revenues		1,758,660	1,083,500	371,700	260,200	321,700	418,750	4,214,510

ADMINISTRATION

Road to Library site per contract		200,000						
Sewer per contract Reimbursed Sewer Reserve		100,000						
Audio & Sound System Upgrade		20,000						
Copier change to lease due to technology changes			4,700	4,700	4,700	4,700	4,700	
Server				14,000				
Village Hall Addition							300,000	
Subtotal		320,000	4,700	18,700	4,700	4,700	300,000	652,800

PUBLIC WORKS

Re-appropriation from 16-17 fiscal year								
		65,090						
		80,000						
		8,000						
		100,000						
1	R	Replace 2001 New Holland Tractor TC35 & mower attachment 1	40,000					
3	N	Mini Truck Spreader	8,000					
4	N	Zero Turn Mower	15,000					
5	N	Safety Head Com System 6 Units	8,000					
6	N	Light tower	16,000					
7	N	GPS Tracker	10,000					
8	N	Rebranding vehicles	8,000					
	R	Replace Bucket Truck Used		50,000				
	R	Replace 2008 Truck PT2		45,900				

	PUBLIC WORKS CONTINUED	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY-22-23	TOTAL
R	Street Sweeper		250,000					
R	1/2 from Stormwater		(125,000)					
N	Track hoe		100,000					
	1/2 out of Stormwater		(50,000)					
R	Replace TD2 2008 Freightliner			120,000				
R	Tub Grinder with Loader attached			490,000				
R	1/2 From Stormwater			(195,000)				
R	Trade in			(100,000)				
N	2 RTV			18,000				
R	Replace 2007 Dump Truck DT3				112,000			
R	2001 LV-31 Leaf Vacuum				206,000			
R	1/2 Stormwater				(103,000)			
R	Replace 2004 New Holland TN70				40,500			
R	2007 L-6 Limb Truck					180,000		
	1/2 Stormwater					(90,000)		
R	Replace 2011 Ford F750					85,000		
R	Replace 2006 LV 32					208,000		
	1/2 Stormwater					(104,000)		
R	Replace 2 Grasshopper mower					30,000		
R	Replace 2012 Ford F250 PT 4						42,000	
R	Replace 2012 Ford F250 PT 6						48,000	
R	Replace walk behind mower						5,000	
R	2012 Leaf Vac							
R	2012 Knuckle boom							
	subtotal	358,090	270,900	333,000	255,500	309,000	95,000	1,526,490
	Planning							
	Large format Scanner & plotter	7,500					7,500	
	1/2 paid out of stormwater	(3,750)					(3,750)	
	subtotal	3,750					3,750	7,500
	Park & Recreation	-	-	-	-	-	-	
	subtotal	-						-
	Total Capital Outlay	681,840	275,600	351,700	260,200	313,700	398,750	2,281,790
	Powell Bill							
	Snow Plow		8,000	8,000		8,000	20,000	
	Speed control monitor			12,000				
	Total Powell Bill Capital	-	8,000	20,000	-	8,000	20,000	56,000

	Prior	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	TOTAL
Major remodeling, renovation & repairs								
Village Hall Paving Parking Lot			50,000					
Public works Refurbish Shop Floor		25,000						
Powder Coat Poles Install & Light Fixtures		50,000						
Total major remodeling, renovation & repairs		75,000	50,000	-	-	-		125,000
Transfers to Capital Projects								
LC Road Connectivity	29,580	83,500	99,660					183,160
Sidewalk 158	29,064	318,000						318,000
Intersection Improvements	-	72,000	18,000					90,000
Harper Road Morgan	-	106,240	26,560					132,800
US 158 Stadium	-	54,080	13,520					67,600
Total		633,820	157,740					791,560
Transfer to Capital Projects Powell Bill								
Lewisville-Clemmons Road Connectivity	664080	368,000	296,080			-		664,080
Total		368,000	296,080	-	-	-	-	664,080
Total Capital Outlay and Transfers		1,758,660	787,420	371,700	260,200	321,700	418,750	3,198,350
Operating Cost Associated with Capital								
Depreciation of Streets over 45 Yr		22,573	22,573	22,573	22,573	22,573	22,573	
Depreciation of Sidewalk over 40 Yr		46,250	90,050	90,050	90,050	90,050	90,050	
Subtotal Depreciation No Budget Impact 5-10		68,823	112,623	112,623	112,623	112,623		
Street lighting LC project			5,450	5,559	5,670	5,784	5,784	
Landscaping ROW Maintenance		700	714	728	743	758	758	
Repairs & Maintenance		-	-	1,000	1,000	2,000	2,000	
Total operating expenditures budget		700	6,164	7,287	7,413	8,541	8,542	-
Employee hours for mowing landscape ROW		90	90	90	90	90	90	
Employee hours for additional land		6	6	6	6	6	6	
Employee hours weed eating/spraying sidewalk		96	192	288	288	288	288	
Impact on employees FT (2080 hours)		192	288	384	384	398	398	

	Prior	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY-22-23	TOTAL
Stormwater Capital Outlay								
Replace Ford Explorer SW1		40,000						
1/2 large format scanner & plotter		3,750						
Building Truck Wash		180,000						
Gas heat for Truck Wash Building		15,000						
Street Sweeper 1/2			125,000	-				
Track hoe			50,000					
Replace Tub grinder/loader			-	195,000				
Replace 2001 LV 31					103,000			
Replace 2006 L6						90,000		
Replace 2006 LV32						104,000		
Total Capital Outlay	-	238,750	175,000	195,000	103,000	194,000		905,750
Capital Improvement Projects								
Stormwater Library site		600,000		600,000		600,000		
		100,000						-
Total Capital Improvement Projects	-	700,000	-	600,000	-	600,000		1,900,000
Transfers to Capital Projects								
LC Connectivity Drainage		54,000	55,200					109,200
Total Transfers to Capital Projects	-	54,000	55,200	-	-			109,200
Total Storm water Capital	-	992,750	230,200	795,000	103,000	794,000		2,914,950

	Prior	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	TOTAL
Capital Projects	Projects							
Sidewalk 158								
<i>STPDA Grant NCDOT</i>	1,480,000							1,480,000
<i>Transfers GF</i>	370,000							370,000
<i>Total Revenues</i>	1,850,000							1,850,000
Construction and Engineering	1,850,000							1,850,000
Transfers GF 2015-16	12,031							12,031
Transfers GF 2016-17	17,033	-						17,033
Estimated GF 2017-18	-	318,000						318,000
Total Transfers	29,064	-						347,064
Lewisville Clemmons Road Connectivity								
<i>Grant</i>	94,340							94,340
<i>Transfers from Stormwater Fund</i>	109,200							109,200
<i>Transfers from General Fund</i>	924,740							924,740
Total Revenue	1,128,280							1,128,280
Design	105,000							105,000
Drainage	109,200							109,200
Road Construction	664,080							664,080
Enhancement	250,000							250,000
Total Lewisville-Clemmons Road	1,128,280							1,128,280
Transfers from General Fund 15-16	21,440	-						21,440
Transfers from General Fund 16-17	55,360	-						55,360
Transfers from General Fund	-	83,500	247,740					331,240
Transfers from General Fund Powell bill	-	368,000	148,000					516,000
Transfers from Stormwater Fund 16-17	-	54,000	55,200					109,200
Total Transfers	76,800	505,500	450,940	-				1,033,240
Intersection Improvements								
<i>Grant</i>	360,000							360,000
<i>Transfers from General Fund</i>	90,000							90,000
Total Revenues	450,000							450,000
Engineering	45,000							45,000
Construction	405,000							405,000
Total Expenditures	450,000							450,000
Transfers from General Fund 16-17	-							-
Transfers from General fund		72,000	18,000					90,000
Total Transfers	-	72,000	18,000	-	-	-		90,000

	Prior	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY-22-23	TOTAL
Sidewalk Harper Road I40 to Morgan								
Grant	531,200							531,200
Transfers from General Fund	132,800							132,800
Total Revenues	664,000							664,000
Engineering	66,400							66,400
Construction	597,600							597,600
Total Expenditures	664,000							664,000
Transfers from General Fund	-	106,240	26,560					132,800
Sidewalk 158 Stadium to Kinnamon Village								
Grant	270,400							270,400
Transfers from General Fund	67,600							67,600
Total Revenues	338,000							338,000
Engineering	33,800							33,800
Construction	304,200							304,200
Total Expenditures	338,000							338,000
Transfers from General Fund	-	54,080	13,520					67,600
Total Transfers from General Fund		683,820	453,820	-	-	-	-	1,137,640
Total Transfers from Stormwater		54,000	55,200					109,200