

OHIO AUDITOR OF STATE
KEITH FABER

Capital Improvement Plan

presented by:
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Capital Improvement Plan

- Plan for capital expenditures over a period of years
- Sets forth each project or other contemplated expenditures in which the local government is to have a part
- Identifies the resources to be available to finance each project / project

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Capital Improvement Plan

Who should be involved in the process?

- The Governing Body – Council, Trustees, Board Members, etc
- Chief Operating Officer – Mayor, Administrator, Manager
- Finance Committee (if one exists)
- Chief Financial Officer – Fiscal Officer, Clerk, Auditor, Treasurer
- Department heads, group leaders, etc

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Capital Improvement Plan

Where do you start?

- Develop a list of projects & purchases – **no limits**
- Include roads, bridges, buildings, parks and recreations facilities, land purchases, etc.
- Identify replacement of existing vehicles and equipment, etc.
- Set priorities
- Identify resources to finance the expenditures.

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Capital Improvement Plan

Approaches to financing capital needs

- All borrowing policy – debt limitations and available resources to pay the debt
- Capital reserve plan – accumulating annual resources for projects
- Partial pay-as-you-go – some accumulation of resources and the balance with debt
- Pay-as-you-go plan – uses existing cash to pay for items. This only works if you are not behind on projects, no backlog, no emergencies, and your budget can absorb variances/spikes from one year to another

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Capital Plan

How does each plan work?

All borrowing policy

- Notes and bonds issuance
- Loans – OPWC/OWDA/EPA/USDA/ODOT, etc

BEWARE – need to pay attention to the amount of borrowings and your annual debt payments.

Capital reserve plan

- Accumulate resources for the acquisition, construction, or improvement of capital assets. Work with legal council to set this up properly, see ORC 5705.13.

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Partial pay-as-you-go

- Most common approach, accumulation of resources and the balance with debt very common when working with OPWC/OWDA/USDA, etc

Pay-as-you-go

- Reduce expenditures each year to build up a balance in a fund.

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Any Questions?

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Wish List 2023

Parks and Rec Department

Splash pad	1,250,000
New Restrooms	95,000
Add new soccer field	125,000
New Recreation Complex	22,000,000

Road Department

New Dump truck 2015	225,000
Replace Service Truck 2018	72,000
Replace Backhoe 2010	175,000
Replace Main Street 1995	1,000,000
Repave 2nd Street 2000	150,000
Repave Pear Street 1998	120,000
Repave Rangeline Road 1990	175,000
New Service Garage 1987	2,500,000

Safety Department

replace Pumper fire Truck 2005	550,000
New Ladder Truck	1,250,000
New Brush Truck 2015	135,000
Replace Turnout Gear	50,000
New Safety service building (police, Fire, EMS) 1980	3,500,000
Replace Ambulance #1 2015	175,000
Replace Ambulance #2 2018	175,000
Get new Stretcher	25,000
Replace Police Car #1 2020	50,000
Repalce Police Car #2 2018	50,000
Replace police Car #3 2015	50,000

General

New Town Hall 1896	2,500,000
New Computer Network	15,000
New vehicle for Official to use (zoning, meetings, etc)	35,000
Recreate the Covered Bridge	250,000

Cemetery

New Dump truck	225,000
New Backhoe	175,000
New Storage Building 1950	250,000
72" John Deere zero turn mower	12,000
Open up additional space	25,000

Public Utilities

New Water Tower 1957	1,500,000
replace water main on Main Street	500,000
repalace 5 fire hydrants per year	100,000
New Sewer Treatment Plant 1967	8,500,000
Replace sewer main on Main Street	500,000
New meter reading system/new meters 2008	125,000
New Water Treatment plant 1956	9,500,000
New Dump truck 2013	225,000
New Backhoe	175,000
Replace Utility Truck 2019	75,000

Wish List 2023

Parks and Rec Department

New Restrooms	95,000	1
Add new soccer field	125,000	2
Splash pad	1,250,000	3
New Recreation Complex	22,000,000	4

Road Department

Replace Backhoe 2010	175,000	1
Repave Rangeline Road 1990	175,000	2
New Dump truck 2015	225,000	3
Repave Pear Street 1998	120,000	4
Replace Main Street 1995	1,000,000	5
Repave 2nd Street 2000	150,000	6
Replace Service Truck 2018	72,000	7
New Service Garage 1987	2,500,000	8

Safety Department

Replace police Car #3 2015	50,000	1
Replace Ambulance #1 2015	175,000	2
Repalce Police Car #2 2018	50,000	3
Replace Pumper Fire Truck 2005	550,000	4
New Brush Truck 2015	135,000	5
Replace Police Car #1 2020	50,000	6
Replace Ambulance #2 2018	175,000	7
New Safety service building (Police, Fire, EMS) 1980	13,000,000	8
New Ladder Truck	1,250,000	9
Replace Turnout Gear	50,000	Operating or Capital
Get new Stretcher	25,000	Operating or Capital

General

New Computer Network	15,000	1
New Town Hall 1896	2,500,000	2
Recreate the Covered Bridge	250,000	3
New vehicle for Official to use (zoning, meetings, etc)	35,000	4

Cemetery

72" John Deere zero turn mower	12,000	1
Open up additional space	25,000	2
New Storage Building 1950	250,000	3
New Dump truck	225,000	
New Backhoe	175,000	

Public Utilities

New meter reading system/new meters	125,000	1
replace water main on Main Street	500,000	2
New Water Tower 1957	1,500,000	3
Replace sewer main on Main Street	500,000	4
New Sewer Treatment Plant 1967	17,000,000	5
New Water Treatment plant 1956	19,000,000	6
Replace 5 fire hydrants per year	100,000	Operating or Capital
New Dump truck	225,000	
New Backhoe	175,000	
Replace Utility Truck 2019	75,000	

Street / Road Fund

Yearly Revenues	130,000
Annual Operating Expenditures	(72,500)
Replace Backhoe	(175,000)
Repave Rangeline Rd	(175,000)
New Dump Truck	(225,000)
Repave Pear Street	(120,000)
Replace Main Street	(1,000,000)
Repave 2nd Street	(150,000)
Replace Service Truck	(72,000)
New Service Garage	(2,500,000)
Unappropriated Carry over Balance	<u>148,500</u>
Balance	<u><u>(4,211,000)</u></u>

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Street / Road Fund					
Yearly Revenues	130,000	130,000	130,000	130,000	130,000
Annual Operating Expenditures	(72,500)	(72,500)	(72,500)	(72,500)	(72,500)
Replace Backhoe (debt pymt P&I)	(37,000)	(37,000)	(37,000)	(37,000)	(37,000)
Repave Rangeline Rd					
New Dump Truck (debt pymt P&I)	(47,000)	(47,000)	(47,000)	(47,000)	(47,000)
Repave Pear Street		(40,000)			
Replace Main Street					
Repave 2nd Street	-				
Replace Service Truck					
New Service Garage					
Unappropriated Carry over Balance	<u>148,500</u>	<u>122,000</u>	<u>55,500</u>	<u>29,000</u>	<u>2,500</u>
Balance	<u><u>122,000</u></u>	<u><u>55,500</u></u>	<u><u>29,000</u></u>	<u><u>2,500</u></u>	<u><u>(24,000)</u></u>
Motor Vehicle License Tax Fund					
Yearly Revenues	85,000	85,000	85,000	85,000	85,000
Annual Operating Expenditures	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)
Replace Backhoe					
Repave Rangeline Rd	(120,000)				
New Dump Truck					
Repave Pear Street		(50,000)			
Replace Main Street					
Repave 2nd Street					(100,000)
Replace Service Truck					
New Service Garage					
Unappropriated Carry over Balance	<u>96,000</u>	<u>16,000</u>	<u>6,000</u>	<u>46,000</u>	<u>86,000</u>
Balance	<u><u>16,000</u></u>	<u><u>6,000</u></u>	<u><u>46,000</u></u>	<u><u>86,000</u></u>	<u><u>26,000</u></u>
Gasoline Tax Fund					
Yearly Revenues	46,000	46,000	46,000	46,000	46,000
Annual Operating Expenditures	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Replace Backhoe					
Repave Rangeline Rd	(55,000)				
New Dump Truck					
Repave Pear Street		(30,000)			
Replace Main Street					
Repave 2nd Street					(50,000)
Replace Service Truck					
New Service Garage					
Unappropriated Carry over Balance	<u>42,000</u>	<u>13,000</u>	<u>9,000</u>	<u>35,000</u>	<u>61,000</u>
Balance	<u><u>13,000</u></u>	<u><u>9,000</u></u>	<u><u>35,000</u></u>	<u><u>61,000</u></u>	<u><u>37,000</u></u>

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Street / Road Fund					
Yearly Revenues	130,000	130,000	130,000	130,000	130,000
Annual Operating Expenditures	(72,500)	(72,500)	(72,500)	(72,500)	(72,500)
Replace Backhoe	(175,000)				
Repave Rangeline Rd					
New Dump Truck				(47,000)	(47,000)
Repave Pear Street		(40,000)			
Replace Main Street					
Repave 2nd Street	-		(75,000)		
Replace Service Truck					
New Service Garage					
Unappropriated Carry over Balance	<u>148,500</u>	<u>31,000</u>	<u>48,500</u>	<u>31,000</u>	<u>41,500</u>
Balance	<u><u>31,000</u></u>	<u><u>48,500</u></u>	<u><u>31,000</u></u>	<u><u>41,500</u></u>	<u><u>52,000</u></u>
Motor Vehicle License Tax Fund					
Yearly Revenues	85,000	85,000	85,000	85,000	85,000
Annual Operating Expenditures	(45,000)	(45,000)	(45,000)	(45,000)	(45,000)
Replace Backhoe					
Repave Rangeline Rd	(120,000)				
New Dump Truck					
Repave Pear Street		(50,000)			
Replace Main Street					
Repave 2nd Street			(45,000)		
Replace Service Truck					
New Service Garage					
Unappropriated Carry over Balance	<u>96,000</u>	<u>16,000</u>	<u>6,000</u>	<u>1,000</u>	<u>41,000</u>
Balance	<u><u>16,000</u></u>	<u><u>6,000</u></u>	<u><u>1,000</u></u>	<u><u>41,000</u></u>	<u><u>81,000</u></u>
Gasoline Tax Fund					
Yearly Revenues	46,000	46,000	46,000	46,000	46,000
Annual Operating Expenditures	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Replace Backhoe					
Repave Rangeline Rd	(55,000)				
New Dump Truck					
Repave Pear Street		(30,000)			
Replace Main Street					
Repave 2nd Street			(30,000)		
Replace Service Truck					
New Service Garage					
Unappropriated Carry over Balance	<u>42,000</u>	<u>13,000</u>	<u>9,000</u>	<u>5,000</u>	<u>31,000</u>
Balance	<u><u>13,000</u></u>	<u><u>9,000</u></u>	<u><u>5,000</u></u>	<u><u>31,000</u></u>	<u><u>57,000</u></u>