

ORANGE COUNTY BOARD OF COMMISSIONERS

AGENDA

BOCC Budget Work Session
June 12, 2012
7:00 p.m.
Southern Human Services Center
2501 Homestead Road
Chapel Hill, NC

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| 7:00-7:30 | 1. | Accept and Approve the Five Year Capital Investment Plan and Adopt the Capital Project Budget of \$6,666,950 for the FY2012-13 County Capital Projects Fund |
| 7:30-9:00 | 2. | <p>FY2012-13 Annual Operation Budget Decision Items</p> <ul style="list-style-type: none">• Mark Up/Mark Down Items for the County's Annual Operating Budget and Outside Agencies• Funding for Chapel Hill Carrboro City Schools and Orange County Schools• Tax Rate Decisions<ul style="list-style-type: none">i. Ad Valorem Taxii. Chapel Hill Carrboro City Schools Special District Taxiii. Fire District Tax Rates |
| 9:00-9:30 | 3. | Break (to allow Finance and Administrative Services Director to formulate Draft Resolution of Intent to Adopt FY 2012-13 Budget) |
| 9:30-10:00 | 4. | <p>Resolution of Intent to Adopt FY 2012-13 Annual Operating Budget</p> <ul style="list-style-type: none">• Approval of Resolution of Intent to Adopt FY 2012-13 Annual Operating Budget at the Board of County Commissioners Regular Meeting on June 19, 2012 |

ORANGE COUNTY
BOARD OF COMMISSIONERS

ACTION AGENDA ITEM ABSTRACT

Meeting Date: June 12, 2012

Action Agenda
Item No. 1

SUBJECT: Accept and Approve the Five-Year Capital Investment Plan and Adopt the Capital Project budget of \$6,666,950 for the FY 2012-13 County Capital Projects Fund.

DEPARTMENT: Finance and Administrative Services

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

1. County Capital Recommended Projects CIP FY2012-13

INFORMATION CONTACT:

Frank Clifton 919-245-2306
 Clarence Grier 919-245-2453
 Paul Laughton 919-245-2152

PURPOSE: To accept and approve the FY2012-17 Orange County Five-Year Capital Investment Plan and adopt the capita project budget of \$6,666,950 for the FY 2012-13 County Capital Projects Fund.

BACKGROUND: For over 20 years, the County has produced a Capital Investment Plan (CIP) that establishes a budget planning guide related to capital needs for the County as well as Schools. The current CIP consists of a 5-year plan that is evaluated annually to include year-to-year changes in priorities, needs, and available resources.

Capital Investment Plan – Overview

The FY 2012-17 CIP includes County Projects, School Projects, Proprietary Projects, and Special Revenue Projects. The Special Revenue Projects are a new addition in the FY 2012-17 CIP, and includes Economic Development and School related projects funded from the Article 46 (1/4 cent) Sales Tax proceeds. The Article 46 Sales Tax was approved by the voters in the November 2011 election, and became effective April 1, 2012.

The CIP has been prepared anticipating continued slow economic growth of between 1-2% annually over the next five years. Many of the projects in the CIP will rely on debt financing to fund the projects. A Debt Service and Debt Capacity spreadsheet is included in the Appendices section of the document detailing this planned debt.

Additionally, during FY 2012-13 the County should pursue a review and update of its facility needs. Several costly maintenance related projects are planned for a few of the County's older facilities. A thorough analysis is needed of whether these maintenance projects should be pursued or whether the funding for these items would better serve County needs being allocated toward new facilities.

Attachment 1 list County Capital projects totaling \$6,666,950 that are recommended to be funded in FY 2012-13. Funding in FY 2012-13 for the Schools are detailed in the Education section of the FY 2012-13 Annual Operating Budget. A detailed list of Pay-As-You-Go School Capital Project Ordinances will be presented to the Board of County Commissioners at their August 21, 2012 regular meeting, as part of the fiscal year's first budget amendment.

FINANCIAL IMPACT: A capital project budget of \$6,666,950 for FY 2012-13 for the County Capital Projects fund and the debt financing of \$4,557,450 as listed on Attachment 1.

RECOMMENDATION(S): The Manager recommends that the Board accept and approve the 2012-17 Orange County Five-Year Capital Investment Plan and adopt the capital project budget of \$6,666,950 for FY 2012-13 County Capital Projects Fund.

County Capital Recommended Projects Capital Investment Plan FY 2012-13

The following County Capital projects are recommended for fiscal year 2012-13. The Board will consider approval of the Five-Year 2012-17 Capital Investment Plan separately.

| Funding Source | Recommended Funding FY 2012-13 |
|--|-----------------------------------|
| Transfer from General Fund | \$ 500,000 |
| Transfer from County Capital Reserve | \$ 50,000 |
| Transfer from County Capital Projects | \$ 623,000 |
| Available Project Balance | \$ 450,000 |
| Register of Deeds Fees | \$ 75,000 |
| 9-1-1 Funds | \$ 100,000 |
| Contributions from Other Infrastructure Partners | \$ 311,500 |
| Debt Financing County Capital | \$ 4,557,450 |
| Total Funding Sources | \$ 6,666,950 |

| Projects | Recommended Funding FY 2012-13 |
|---|-----------------------------------|
| Emergency Services 510 Meadowlands | \$ 37,500 |
| Northern Human Services Center | \$ 250,000 |
| Seymour Senior Center | \$ 70,000 |
| Southern Orange Campus (Future Planning) | \$ 300,000 |
| Southwest Branch Library | \$ 50,000 |
| Upfit of Link Government Services Center | \$ 25,000 |
| HVAC Projects - Geothermal | \$ 1,759,200 |
| Roofing Projects | \$ 165,000 |
| Affordable Housing | \$ 170,000 |
| Information Technology | \$ 950,000 |
| Register of Deeds Automation | \$ 75,000 |
| Whitted Building | \$ 295,000 |
| Energy Bank | \$ 50,000 |
| Viper Radio System | \$ 543,750 |
| Communications System Improvements | \$ 292,000 |
| Future EMS Stations | \$ 50,000 |
| Blackwood Farm Park | \$ 50,000 |
| Twin Creeks Park Campus Phase II | \$ 600,000 |
| Joint Artificial Turf Soccer Fields - Town of Chapel Hill | \$ 934,500 |
| Total Projects | \$ 6,666,950 |

**ORANGE COUNTY
BOARD OF COMMISSIONERS**

ACTION AGENDA ITEM ABSTRACT

Meeting Date: June 12, 2012

**Action Agenda
Item No. 2**

SUBJECT: FY 2012-13 Annual Operating Budget Decision Items

DEPARTMENT: County Manager and Finance
and Administrative Services

PUBLIC HEARING: (Y/N)

No

ATTACHMENT(S):

1. FY 2012-13 Budget Adoption Decision Points

INFORMATION CONTACT:

Frank Clifton, (919) 245-2306
Clarence Grier, (919) 245-2453

PURPOSE: For the Board to review, discuss and make decisions regarding the FY2012-13 Manager's Recommended Orange County Annual Operating Budget and approve a Resolution of Intent to Adopt the FY2012-13 Orange County Annual Operating Budget.

BACKGROUND: The County Manager released the FY2012-13 Recommended Budget on May 15, 2012. Subsequently, the Board has conducted two public hearings to receive residents' comments regarding the proposed funding plan. In addition to the public hearings, the Board heard presentations and held discussions with representatives of the County fire districts, the local boards of education, representatives of the community college, the Sportsplex and County department directors as related to the proposed funding plan for FY2012-13.

Tonight's Agenda

Tonight's work session offers the Board an opportunity to discuss the recommended budget. As soon as these discussions are completed, the Board will deliberate and make decisions regarding the FY2012-13 Annual Operating Budget. Attachment 1 identifies specific items the Board would need to decide upon during tonight's work session. The Board is scheduled to adopt the final FY2012-13 Annual Operating Budget for Orange County at its regular meeting on June 19, 2012.

FINANCIAL IMPACT: To be determined as the Board finalizes the FY2012-13 Annual Operating Budget.

RECOMMENDATION(S): The Manager recommends the Board make decisions regarding the FY2012-13 Orange County Annual Operating Budget and approve a Resolution of Intent to Adopt the FY2012-13 Orange County Annual Operating Budget.

**Orange County, NC FY 2012-13
Budget Adoption Decision Points**
June 12, 2012

| | |
|------------------|---|
| Decision Point 1 | Mark Up/Mark Down Items for the County's FY 2012-13 Annual Operating Budget and Outside Agencies |
| Decision Point 2 | County Fee Schedule Decisions |
| Decision Point 3 | Funding for Chapel Hill - Carrboro City Schools and Orange County Schools <ul style="list-style-type: none">• Current Expense (Per Pupil) Funding• Recurring Capital• Long-Range Capital• Fair Funding |
| Decision Point 4 | Tax Rate Decisions <ul style="list-style-type: none">• Ad Valorem Tax Rate• Chapel Hill Carrboro City Schools Special District Tax Rate• Fire District Tax Rates |