

# Antrim County Capital Improvement Committee

## Minutes April 27, 2016

Members present: Ed Boettcher, Bill Bailey, Pete Garwood, Deb Haydell, Mike Hayes, Chuck Johnson, Bryan Smith  
Members absent: Valerie Craft, Dave Vitale  
Others present: Janet Koch

### **1. Call to Order**

Chairman Ed Boettcher called the meeting to order at 9:00 a.m.

### **2. Public Comment**

None.

### **3. Review of Minutes from July 1, 2015**

**Motion by Bill Bailey, seconded by Mike Hayes, to approve the minutes of July 1, 2015 as presented. Motion carried – unanimous.**

### **4. Review of the 2016-2021 Capital Improvement Plan (CIP)**

The CIPs from 2015-2020 and 2016-2021 were discussed (**see attached pgs. 3-8**). The projects approved in the 2016 budget were discussed.

### **5. Strategy for 2017-2022 CIP**

The Committee discussed the 2016 taxable values for the County. The delinquent tax fund was discussed (**see attached pgs. 9-10**) as was the County's fund balance.

Janet Koch, Associate Planner, asked if the Committee would like to see any changes to the form for new projects. (**See attached pg. 11**) The Committee had none. Mr. Smith said he would like the department heads to receive feedback about the projects submitted in previous years. Ms. Koch said she would do so.

Mr. Bailey recommended that the Planning Commission make sure the bigger projects included in the CIP wouldn't be in conflict with County's Master Plan. The Committee agreed.

After a discussion of possible scoring methodologies (**see attached pgs. 12-13**), it was the consensus of the Committee to follow the same process for scheduling projects that was followed for the previous CIP.

The Committee discussed the current definition of capital improvement projects (**see attached pg. 14**). It was the consensus of the Committee that CIP projects including annual fees, should be a CIP project only for the first year; in subsequent years it should be an operating cost and not be included in the CIP.

There was a discussion of presenting the CIP to other Committees.

**DRAFT**

The Committee planned a timeline for completing the CIP. Ms. Koch said she would send out a notice to the department heads regarding projects; if they want to submit new projects, want to pull previously submitted projects, want to revise previously submitted projects, etc.

Upcoming CIP meetings were scheduled for:

- Tuesday, May 31 at 1:00 pm
- Wednesday, June 29 at 9:00 am

The expectation was that a draft CIP would be included as part of the June 29 agenda packet and, after minimal changes, would be submitted to the Finance Committee for review at their July 11 meeting.

Staff was directed to communicate the timeline regarding the CIP to the Planning Commission.

**6. Public/Member Comment**

Mr. Hayes asked that any June correspondence regarding the CIP be passed on to him.

The meeting was adjourned at 10:22 a.m.

# Antrim County's 2015 Budget

## What the CIP recommended

Antrim County  
 Capital Improvements Plan  
 2015 – 2020



Project	
Jail: refinish shower stalls	\$40,000
Jail: purchase of Northpointe software	\$11,510
Sheriff: portable fingerprint system	\$18,490
911: 800 MHz LE radio replacement	\$60,000
911: answering system replacement	\$42,500
911: battery backup & power conditioner	\$30,000
911: new software to guide dispatchers	\$22,855
911: Motorola MCC 5500 replacement	\$30,000
<b>Total</b>	<b>\$255,355</b>

# Antrim County's 2015 Budget



## What the BOC budgeted

Project	
Jail: refinish shower stalls	\$30,000
911: answering system replacement	\$170,000
District Court: document imaging	\$27,396
Grove St. Annex: new carpeting	\$15,000
<b>Total</b>	<b>\$242,396</b>

# Antrim County's 2015 Budget

Antrim County  
Capital Improvements Plan  
2015 - 2020



Project			Fund Source
Jail: refinish shower stalls	\$ 40,000	\$ 30,000	General fund
Jail: purchase of Northpointe software	\$ 11,510	--	
Sheriff: portable fingerprint system	\$ 18,490	--	
911: 800 MHz LE Radio Replacement	\$ 60,000	--	
911: answering system replacement	\$ 42,500	\$170,000	Fund #262
911: battery backup & power conditioner	\$ 30,000	--	
911: new software to guide dispatchers	\$ 22,855	--	
911: Motorola MCC 5500 Replacement	\$ 30,000	--	
District Court – document imaging	Wasn't in CIP	\$ 27,396	General fund
Grove St. Annex – new carpeting	Wasn't in CIP	\$15,000	General fund
	\$ 255,355	\$242,396	

# Antrim County's 2016 Budget

## What the CIP recommended

Antrim County  
 Capital Improvements Plan  
 2016 – 2021



*Ensuring that the County continues to meet the capital needs of the community.*

Project	
Boiler replacement	\$50,000
Grass River road improvements	\$50,000
Hydroelectric building renovations	\$160,000
Jail kitchen convection oven	\$14,000
Jail EKG machine	\$10,000
Orthophotography	\$15,000
Runway rehabilitation	\$57,350
Future non-scheduled projects	\$100,000
<b>Total</b>	<b>\$456,350</b>

# Antrim County's 2016 Budget



## What the BOC budgeted

Project

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<b>Boiler replacement</b>	<b>\$50,000</b>
<b>Hydroelectric building renovations</b>	<b>\$165,000</b>
<b>Jail EKG machine</b>	<b>\$10,000</b>
<b>Orthophotography</b>	<b>\$15,000</b>
<b>Total</b>	<b>\$240,000</b>

# Antrim County's 2016 Budget

Antrim County  
Capital Improvements Plan  
2015 – 2020



Project			Fund Source
<b>Boiler replacement</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>Delinquent tax fund</b>
<b>Grass River Road Improvements</b>	<b>\$ 50,000</b>	<b>--</b>	
<b>Hydroelectric Building Renovations</b>	<b>\$ 160,000</b>	<b>\$165,000</b>	<b>Elk Rapids Hydro fund</b>
<b>Jail Kitchen Convection Oven</b>	<b>\$ 14,000</b>	<b>--</b>	
<b>Jail EKG Machine</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>Delinquent tax fund</b>
<b>Orthophotography</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>Delinquent tax fund</b>
<b>Runway Rehabilitation</b>	<b>\$ 57,360</b>	<b>--</b>	
<b>Future non-scheduled projects</b>	<b>\$ 100,000</b>	<b>--</b>	
	<b>\$ 456,360</b>	<b>\$ 240,000</b>	

# **Antrim County's 2017-2022 CIP Funding**

- **Percent change in taxable value from 2015 to 2016 is an **increase** of 0.80%**
- **Possible methods of funding CIP projects:**
  - **Use the \$ from 2015 that have been absorbed into the fund balance.**
  - **Delinquent tax fund (see following).**

TAXABLE VALUE				DELINQUENT TAXES ROLLING 3 YEAR AVERAGE APPROACH TIMES 2							Reserved By
COUNTY BUDGET YEAR	TAX YEAR	COUNTY'S TAXABLE VALUE	CHANGE IN VALUE	TOTAL LEVY	AMOUNT RETURNED DELINQUENT	% of total Levy	COVERAGE BALANCE REQUIRED	ANNUAL CASH BALANCE 03/31	POSSIBLE AVAILABLE FUNDS	Reserved By Board	
	2006	1,593,925,601	6.85%	\$ 54,160,869							
2008	2007	1,699,165,644	6.60%	\$ 56,737,119	4.76%	\$ 3,636,803 *	6.71%	\$ 7,273,606	\$ 5,203,164	9/30/2007 (\$2,070,442)	
2009	2008	1,752,937,766	3.16%	\$ 57,627,368	1.57%	\$ 3,867,890 *	6.82%	\$ 7,427,668	\$ 5,527,670	3/31/2008 (\$1,899,998)	
2010	2009	1,804,907,683	2.96%	\$ 58,971,555	2.33%	\$ 4,178,679 *	7.25%	\$ 7,581,722	\$ 6,531,924	3/31/2009 (\$1,049,798)	
2011	2010	1,722,510,412	-4.57%	\$ 56,450,047	-4.28%	\$ 4,466,099 *	7.57%	\$ 7,788,915	\$ 6,195,611	3/31/2010 (\$1,593,305)	
2012	2011	1,677,554,061	-2.61%	\$ 55,370,341	-1.91%	\$ 3,788,021 *	6.71%	\$ 8,341,779	\$ 7,842,540	3/31/2011 (\$499,239)	
2013	2012	1,680,663,223	0.19%	\$ 56,047,248	1.22%	\$ 3,260,431 *	5.89%	\$ 8,288,533	\$ 8,518,701	3/31/2012 \$ 230,168	
2014	2013	1,700,925,006	1.21%	\$ 56,955,329	1.62%	\$ 3,145,601 *	5.61%	\$ 7,676,367	\$ 8,456,377	3/31/2013 \$ 780,010	
2015	2014	1,721,797,938	1.23%	\$ 58,476,761	2.67%	\$ 3,802,146 *	6.68%	\$ 6,796,035	\$ 9,349,004	3/31/2014 \$ 2,552,968	
2016	2015	1,746,154,450	5	\$ 59,938,680	4	2.50%	\$ 2,940,244 *	5.03%	\$ 6,805,452	2 \$ 9,669,369	3/31/2015 \$ 2,863,917
2017	2016	1,772,346,767	3	\$ 61,437,147	4	2.50%	\$ 3,101,957	1 5.18%	\$ 6,591,994	2 \$ -	3/31/2016
2018	2017	1,798,931,969	3	\$ 62,973,076	4	2.50%	\$ 3,272,565	1 5.33%	\$ 6,562,898	2 \$ -	3/31/2017

3=1.50% est increase  
5=2015 Equal report

4=2.5% est increase

\* Actual prior year delinquents  
1=5.5% increase

2=rolling average previous 3 year's delinquent tax, times coverage of 2

Optional Method-Using Prior Years Interest plus Collection Fee

BUDGET YEAR	COLLECTED MULTIPLE YEARS COLLECTION FEE	COLLECTED MULTIPLE YEARS INTEREST	COLLECTED COMBINED TOTAL
2008	\$ 146,770.51	\$ 340,099.54	\$ 486,870.05
2009	\$ 145,207.00	\$ 347,221.75	\$ 492,428.75
2010	\$ 171,553.29	\$ 403,362.79	\$ 574,916.08
2011	\$ 153,933.70	\$ 412,167.03	\$ 566,100.73
2012	\$ 124,614.12	\$ 369,578.95	\$ 494,193.07
2013	\$ 132,534.59	\$ 374,825.06	\$ 507,359.65
2014	\$ 136,890.53	\$ 344,606.46	\$ 481,496.99

Antrim County

# CIP Project Submittal

*For consideration in the upcoming 2016-2021 Capital Improvement Plan & in the 2016 budgeting process.*

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Project Title Total estimated cost of project *(Please use a specific amount.)*

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Department Contact name

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Where is the money coming from? *(List all funding sources. Please be as specific as possible.)*

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In which fiscal year(s) would you like funding to be allocated? *(Can be spread across multiple years.)*

2016	2017	2018	2019	2020
2021	2022	2023	2024	2025

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Project description

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Why is this project needed?

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Are any future costs (such as annual fees) associated with this project? If so, please estimate.  
Will there be any savings if the project is approved?

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Additional comments



# STEP FOUR

## Project scoring

After the department heads identify and complete the project application forms for all capital improvements that will occur in the next six years, each member of the policy group receives one copy of every project application form submitted along with the appropriate amount of score sheets.

The three basic questions that should be answered when ranking projects are:

- Is the project legal?
- Is the project a high priority for the community?
- Is the project contained in the master plan or the parks and recreation plan?

Appendix B contains a sample of a more complex score sheet. The length and intensity of the score sheet is dependent on the capacity and goals of the community. Each member for the policy group will score and then rank the projects and submit the score sheets to the administrative team.



2014–2019 CAPITAL IMPROVEMENT NEEDS ASSESSMENT FORM				
Project name:		Project #:		
Department:		Total score:		
Rater name:	Score range	Rater score	Weight	Total points
<b>1. Contributes to health, safety and welfare</b>				
Eliminates a known hazard (accident history)				
Eliminates a potential hazard				
Materially contributes				
Minimally contributes				
No impact				
<b>2. Project needed to comply with local, state or federal law</b>				
Yes				
No				
<b>3. Project conforms to adopted program, policy or plan</b>				
Project is consistent with adopted city council policy or plan				
Project is consistent with administrative policy				
No policy/plan in place				
<b>4. Project remediates an existing or projected deficiency</b>				
Completely remedy problem				
Partially remedy problem				
No				
<b>5. Will project upgrade facilities?</b>				
Rehabilitates/upgrades existing facility				
Replaces existing facility				
New facility				
<b>6. Contributes to long-term needs of community</b>				
More than 30 years				
21–30 years				
11–20 years				
4–10 years				
3 years or less				
<b>7. Service area of project</b>				
Regional				
City-wide				
Several neighborhoods				
One neighborhood or less				
<b>8. Department priority</b>				
High				
Medium				
Low				
<b>9. Project delivers level of service desired by community</b>				
High				
Medium				
Low				

## DEFINITION OF A CAPITAL PROJECT (from the 2016-2021 CIP)

### Short version

A capital improvement project is an expenditure that:

- Is directed to the acquisition, creation, or improvement of capital assets
- Costs in excess of \$10,000
- Has an expected lifespan of more than three years

### Longer version

A capital improvement project is the resulting acquisition of a nonrecurring expenditure of \$10,000 or greater for physical improvements, including costs for:

- Acquisition of existing buildings, land, or interests in land
- Construction of new buildings or other structures, including additions and major alterations
- Construction of streets and highways or utility lines
- Acquisition of equipment
- ***Not included in the County's definition of a capital improvement project is the replacement of vehicles and computers.***
- Landscaping
- Other similar expenditures
- Technology projects involving the purchase of new equipment will be considered a capital improvement for the initial purchase – if over \$10,000. Once the equipment is scheduled for replacement, it will be treated like all other computer related equipment and will no longer be classified as a capital improvement and will not be listed in the CIP.

### Big Picture Definition

A capital improvement can mean changes, alterations, rearrangements or additions to existing facilities.

A capital improvement can also be new construction, acquisition or improvements to sites, buildings, or service systems.