

Issue Analysis Form



Date: October 8, 2019
 Authority to Advertise a
 Public Hearing for Budget
 Amendment / Appropriation of
 Debt Proceeds to the Capital
 Projects Fund (Related to fall
 2019 General Obligation
 Bond Issuance)

Item:

Lead Department(s): County Finance

Contact Person(s): Betsy Drewry

Description and Current Status

Multiple capital projects with planned debt issuance were recommended as part of the adopted FY2020 budget. Additionally, the County Administrator and Board of Supervisors have discussed some additional projects for FY2020, specifically, the addition of funding for a transfer to the Industrial Development Authority for a Broadband expansion grant and improvements to the Central Wellness Center to meet code requirements.

A listing of projects for consideration for inclusion in the fall 2019 debt issuance are shown below:

Project / Purchase	Amount	Repayment Term in Years	Revenue Source for Debt
Law Enforcement Vehicles	\$ 400,000	5	General Fund
Fire Apparatus	\$ 2,250,000	5	Devoted \$0.02 RE Tax Annually
Stormwater Projects	\$ 2,100,000	5	Stormwater Fees
Broadband Support [grant through IDA]	\$ 1,000,000	15	General Fund
Central Wellness Center Code Upgrades Phase I [\$1.4M less \$430 on hand from Series 2018 borrowing]; Updated 9/30/2019 to \$1.85 M less \$430,000 from Series 2018	\$ 1,420,000	15	General Fund
Estimated Bond Issuance Costs	\$ 125,000		
Grand Total	\$ 7,295,000	Bond Issuance PH	
Requesting Reimbursement Resolution Approval 10/8/2019	\$ (400,000)		
Remaining Appropriation	\$ 6,895,000	Budget Appropriation PH	

The project total, including bond issuance costs is **\$7,295,000**. A reimbursement resolution and appropriation has only been requested for approval for the law enforcement vehicles item (\$400,000) [shaded in blue]. **The remaining projects total \$6,895,000 and an appropriation is required for that amount.**

This budget amendment of \$6,895,000, if approved, will require a public hearing because the amount exceeds 1% of the adopted FY2020 budget (Adopted FY2020 budget = \$123,068,958; 1% = \$1,230,690). See draft advertisement (**Attachment A**). Public Hearing date requested is November 13, 2019.

The Code of Virginia §15.2-2507 requires a public hearing for budget amendments exceeding 1% of the adopted fiscal plan.

Board Action Requested following Public Hearing:

Authorize advertisement of a public hearing for appropriation of debt proceeds; resolution enclosed for review and consideration

Does this require IDA action?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this require BZA action?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does This require Planning Commission Action?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does this require Board of Supervisors action?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does this require a public hearing?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If so, before what date? [at least 7 days prior to public hearing]	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Fiscal Impact Statement

Approval of these projects and related budget amendment will not create the need to increase the County's tax rates if the County makes a one-time contribution for debt service of \$239,708* in FY2021. Repayment of debt will begin in FY2021.

*Recommended source: SNAP interest proceeds; Economic Development Fund Balance or a combination thereof

County Impact

Approval of this advertisement, public hearing and subsequent appropriation will allow staff to move forward in the bidding and completion of the recommended CIP projects.

Notes

COUNTY OF PRINCE GEORGE
NOTICE OF PUBLIC HEARING
PROPOSED AMENDMENT TO FY20 BUDGET

Notice is hereby given pursuant to § 15.2-2507, Code of Virginia (1950, as amended), that the Prince George County Board of Supervisors will conduct a public hearing for the purpose of receiving comments on a proposed amendment to the FY2019-20 Prince George County Annual Fiscal Plan (the "Budget") during its regular meeting of Tuesday, **November 13, 2019**, beginning at 7:30 p.m., in the Boardroom of the County Administration Building, Third Floor, 6602 Courts Drive, Prince George, Virginia. All interested citizens are invited to attend and participate in the public hearing.

The current FY2019-20 budget is \$123,068,958. The proposed budget amendment would add up to \$6,895,000 to the FY2019-20 budget to fund completion of the following capital improvement projects and related bond issuance costs:

- (i) Purchase of fire apparatus as defined in Section 74-4 of the County Code;
- (ii) Completion of stormwater improvement projects;
- (iii) Broadband expansion grant to improve broadband access to County schools, businesses and residents;
- (iv) Improvements to county owned buildings, including the Central Wellness Center

A copy of materials related to the proposed budget amendment can be examined in the County Administration Department of the County Administration Building. The building is open from Monday - Friday, 8:30 AM - 5:00 PM. Any person requiring assistance to participate in the public hearing is asked to contact Teresa Knott at 722-8600 prior to the public hearing so that appropriate arrangements can be made.

By Authority of
Percy C. Ashcraft, County Administrator
COUNTY OF PRINCE GEORGE

Authority to Advertise Public Hearing

October 8, 2019

Proposed FY2020 Budget Amendment of
\$6,895,00 (related to appropriation of Fall
2019 Bond Proceeds / Capital Projects)

Capital Improvement Plan

- o The Board approves the CIP as part of the adopted budget
- o Funds are **not appropriated** to the CIP fund when the budget is adopted
- o The board typically appropriates funds and approves reimbursement resolutions as projects are provided to them during the fiscal year or when borrowing is approved

Recommended Projects

Project / Purchase	Amount	Repayment Term in Years	Revenue Source for Debt
Law Enforcement Vehicles	\$ 400,000	5	General Fund
Fire Apparatus	\$ 2,250,000	5	Devoted \$0.02 RE Tax Annually
Stormwater Projects	\$ 2,100,000	5	Stormwater Fees
Broadband Support [grant through IDA]	\$ 1,000,000	15	General Fund
Central Wellness Center Code Upgrades Phase I [\$1.4M less \$430 on hand from Series 2018 borrowing]; Updated 9/30/2019 to \$1.85 M less \$430,000 from Series 2018	\$ 1,420,000	15	General Fund
Estimated Bond Issuance Costs	\$ 125,000		
Grand Total	\$ 7,295,000	Bond Issuance PH	
Requesting Reimbursement Resolution Approval 10/8/2019	\$ (400,000)		
Remaining Appropriation	\$ 6,895,000	Budget Appropriation PH	Appropriation Needed

The Board has considered appropriation and approval of reimbursement resolution for law enforcement vehicles (shaded in blue) - \$400,000.

Appropriation is required for the remaining projects/purchases - \$6,895,000

Public Hearing Advertised

- o A public hearing is required when a budget amendment is more than 1% of the adopted budget (FY2020 Adopted budget = \$123,068,958; 1% = \$1,230,690)
- o A public hearing is required for proposed FY2020 budget amendment of *up to* \$6,895,000 advertised [\$7,295,000 total less \$400,000* already appropriated to the budget]
 - o Progress Index [One Advertisement at Least 7 Days prior to public hearing]
- o Budget Amendment is related to Fall 2019 Debt Issuance for CIP Projects / Appropriation of Bond Proceeds and Capital Expenditures

*If board approves \$400,000 appropriation for law enforcement vehicles 10/8/19

IMPACT

- o There is **NO need for a tax increase created** by the issuance of these fall 2019 bonds if a one-time contribution for debt of \$239,708 in FY2021*
- o Fall 2019 bond repayment will begin in FY2021 and first annual payment will be included in the FY2021 budget

*Recommended Source: SNAP Interest proceeds; Economic Development Fund Balance or a combination thereof

Action Requested October 8,
2019 – Grant authority to
advertise a Public Hearing to
be held on November 13, 2019 -
FY2020 Budget Amendment /
Appropriation of \$6,895,000

Questions?

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 8th day of November, 2019:

Present:

Vote:

Donald R. Hunter, Chairman
Floyd M. Brown, Jr., Vice-Chairman
Alan R. Carmichael
Marlene J. Waymack
T. J. Webb

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On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

RESOLUTION; AUTHORITY TO ADVERTISE A PUBLIC HEARING FOR THE APPROPRIATION OF UP TO \$6,895,000 IN DEBT PROCEEDS TO THE CAPITAL PROJECTS FUND (BUDGET AMENDMENT).

NOW, THEREFORE, BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 8th day of November, 2019, does hereby authorize the advertisement of a public hearing for the appropriation of up to \$6,895,000 in debt proceeds to the Capital Projects Fund.

A Copy Teste:

Percy C. Ashcraft
County Administrator