

Roane County Capital Planning

for 2018 plus 20 years

January 12 2017

Elected Officials, Department Heads, and Staff Presentation

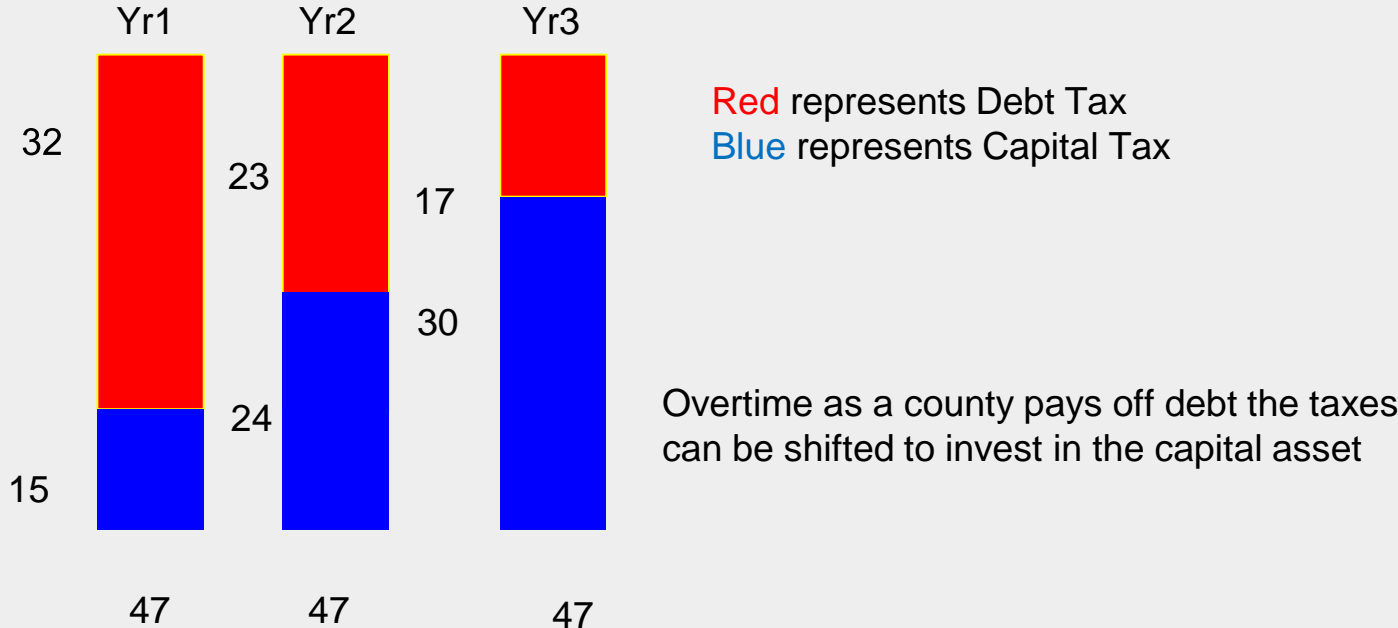
Executive Summary #16F

Four Primary Goals of a Capital Plan

1. Understand the Need of **Replacement** and **Additional** New Desired Services
2. Document the Need of Replacement and Desired Additional Services
3. Develop a **Financial Plan** to meet the needs and desired additional services
4. Meet **Internal Control Policies** and Procedures



Management of Debt and Capital



Depreciation

Is the use of and value decline of an asset

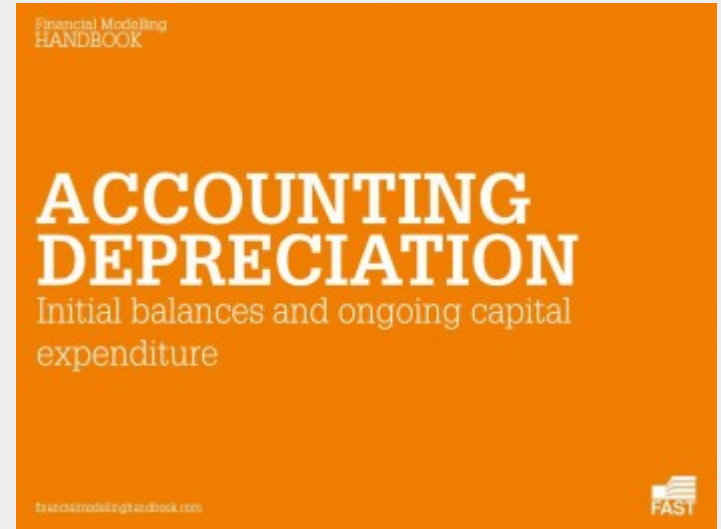
Example

Car. \$30,000

Life expectancy 3 years

Cost in accounting but not government accounting is \$10,000 a year

$\$30,000/3 = \$10,000$ per year then times 3 years = \$30,000 used up thus value is now -0- at the end of 3 years.



Capital Policy

Resolution #03-11-22- nine (9) page policy

Categories of and Accounting for the Assets

1. Minor- \$1,000 - \$20,000

1-5 years of life **Operational Bgt**

2. Medium- \$20,000- \$400,000

3-12 years of life **Oper or Captl Bgt**

3. Major- \$400,000 plus

12-15 or greater in life **Capital Bgt**



Policies &
Procedures

Capital Policy- Fund Accounting

Capital in Operational Budgets- **Fund 1XX** example 101, 116, 118, 123, 131

Capital in Capital Fund Budgets- **Fund 17X** example 171, 176, 177

Within Capital Fund Budget projects broken down by **Sub Funds**

Enterprise Fund 204 Wastewater-totalling different accounting and budgeting

Policy- Steps to Develop the Capital Planning

1. Director of Accounts and Budgets

- a. Understanding of Fixed Asset Policy (res #10-99-05)
- b. Distributed by Feb 1 a capital asset request form
- c. Complete Infrastructure Needs Survey
- d. Review Fixed Asset Report for Replacement Asset needs
- e. Consolidate List
 - i. Department Request (new and replacement)
 - ii. Infrastructure Needs Survey
 - iii. Replacement Asset needs from Fixed Asset Report

Step #1 Infrastructure Needs Survey-(Handout)

50,000 foot view

Big Picture

Big Plans

Longest Vision

Projects generally will have public debt issued



Step #2- Identify your Assets (2 Handouts)

1. Review your Fixed Assets Report
2. Review the Assets that you Insured
3. Review Assets you work with on a daily basis- take pictures
4. Committee minutes - review 😊
5. Vision what you may need to deliver services to our citizens



Step #3- Review Last Year's Capital Request

1. Understand what was funded and
2. What was not funded



Step #4- Submit your Request

Submit your list of capital assets by:

1. Year needed
2. Estimated value
3. Description of the Asset needed
4. Supporting documentation i.e. pictures, age, and condition of asset to be replaced
5. Why the asset is needed as a replacement asset or new asset
6. Separate document maybe needed to define/describe the request



Step #5- Follow Up

1. What has been considered for the upcoming budget?
2. Do we have all the future request in our main capital plan?
3. If we have not submitted your request in the upcoming budget have you been given a reason why?
4. Has the request if not submitted in the upcoming budget been noted in the main capital plan for future consideration?
5. Upon adoption of the annual budgets have you received what has been approved?

Goal

1. Have all capital request in a long term capital plan
2. Annually fund the minor request from operations
3. Fund as much of the Medium Request as needed annually from annual revenue sources
4. Request that are in the current year approved budget out to three years we will search to see if any grant funds are available to fund the project

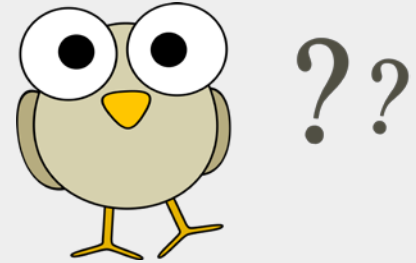
Final Comments and Questions

Review of Capital Budgets 2017

Hand out the status of the current approved projects by subfund

Capital Budget 2018 Request and Future

Questions????????



Notes

Parking Lot needed at Courthouse

Historical preservation work old courthouse

Roofs

Recycling Equipment- Balers, Scales

Playground Equipment

Shelters

Park Roads

Splash Pad

Docks

Vehicles-Fire Trucks

Energy Efficiency Plans

BroadBand

Clean Energy initiatives

Road Improvements- Center's Ferry Bridge to Oliver Springs

Senior Citizens Center

E911 Center