

CHAPTER 10

CAPITAL IMPROVEMENTS ELEMENT

The 1978 and 1985 Levy County Comprehensive Plans contained a statement of economic feasibility as a part of the Future Land Use Plan. This chapter updates that information, and it expands the public facility costs to include estimates of timing, location and funding sources, plus priorities established by the Board.

**Principles For Construction Extension
Or Increase In Capacity Of Public Facilities**

The following basic principles shall apply to new or expanded public facilities:

New or expanded public facilities shall be designed and constructed to meet or exceed minimum local, district, state or federal standards.

The Board of Levy County Commissioners reserves the right to adopt local standards which are more restrictive than those of other authorities where found to be in the public interest.

New public facilities need to be provided in a manner which:

1. Is proportional to new demand as determined by the projections contained within this plan for 1990.
2. Is most cost-effective for the citizens of Levy County.

Public facilities should not be constructed in environmentally sensitive areas, except where essential to public health and safety.

Principles For Correcting Existing Public Facilities Deficiencies

The following principles shall apply to the limitation of existing [or future] deficiencies in public facilities:

1. Any existing deficiencies need to be eliminated by 1990, within the fiscal constraints composed by sound administrative practices and the County ability to tax or otherwise generate revenue.
2. Existing residents should bear the cost of eliminating existing deficiencies.
3. Future residents as well as present residents should bear the cost of future deficiencies.
4. State financial assistance should be provided to help rectify deficiencies created by state mandates or revised state standards.
5. The degree of deficiency, such as on roads, shall not be the sole factor in determining priorities; rather, other factors such as intensity of use and public benefit shall be considered in establishing priorities.

Standards To Insure Availability And Adequacy Of Facilities

This Comprehensive Plan has, in its various chapters, established certain minimum standards which are to be adopted as part of the plan. By reference, those standards include:

- Chapter 1 - Pavement and right-of-way widths.
Levels of Service "C" adopted as minimum.
- Chapter 2 - None.
- Chapter 3 - Standard codes for housing.
- Chapter 4 - Minimum construction setback line.
Sewage treatment density standards.
Review process for dredge and fill.
Shoreline modification set at or landward of mean high water line.
Habitat modification requires review and approval.
- Chapter 5 - Commitment to consider aesthetic standards.
Commitment to utilize soil survey results.
Commitment to reclamation ordinance.
General development standards.
- Chapter 6 - User standards.
- Chapter 7 - Water budget.
On-site water retention required.
Stormwater management required.
- Chapter 8 - Rural residential 5-acre lot standard in agricultural areas.
Commercial regulatory controls.
- Chapter 9 - None.
- Chapter 10 - The Levy County Comprehensive Plan as established in Chapters 1 through 9 are adopted in reference as being applicable to Otter Creek.

Geographic Service Areas

Map 10-1 shows the 1987 school districts as established by the Levy County School Board of Education. There are five districts serving each of the existing four high schools, and Yankeetown-Inglis. Most high school students in the latter district attend schools in Marion and Citrus Counties with attendance in Levy County optional.

Map 10-2 shows the 1987 public health districts as established by Levy County Health Department. As with the school system, there are five districts radiating Bronson, Cedar Key, Chiefland, Williston, and Inglis-Yankeetown urban centers.

Existing Revenue Sources And Funding Mechanisms

The historic Board of County Commissioners summary of revenues shows the following funding sources:

<u>General Fund</u>		<u>1987</u>	<u>1992</u>	
1.	Ad Valorem Taxes	\$2,910,800	51.78	4,837,265
2.	Fire District Taxes	95,000	1.69	--
3.	Licenses	63,650	1.13	59,052
4.	Building Permits	74,100	1.31	135,849
5.	Federal Disaster Preparedness	6,650	.11	6,512
6.	Federal Funds in Lieu of Taxes (Wildlife)	8,550	.15	32,469
7.	State Comprehensive Planning Assistance	33,250	.59	--
8.	State Grant- Aid to Libraries	10,925	.19	17,320
9.	State Medical Examiner Program	3,064	.05	--
10.	State Revenue Sharing	251,750	4.70	446,814
11.	State Racing Monies	11,400	.20	12,000
12.	½ Cent Sales Tax	419,900	7.47	326,851
13.	Zoning Fees	9,500	.16	9,480
14.	Fees and Commissions, Constitutional Officers	224,200	4.0	--
15.	Park and Recreation Fees	6,080	.10	11,891
16.	Computer Services	238	.0	4,376
17.	Court Fines and Forfeitures	166,250	2.95	319,635
18.	Interest	87,875	1.56	15,084
19.	Sale of Materials	95	.0	796
20.	Unclaimed Tax Redemption	950	.01	128
21.	Tax Deed Surplus	4,750	.08	10,014
22.	Miscellaneous Revenue	16,624	.29	74,316

Road And Bridge Fund

1.	Ad Valorem Taxes	95,000	1.69	--
2.	Motor Fuel Tax Rebate	7,125	.12	16,020
3.	5th and 6th Cent Gas Tax	152,000	2.70	948,138
4.	Interest	4,750	.08	--
5.	Miscellaneous Revenue	0	.00	303

Federal Revenue Sharing Trust Fund

EMS Fund

1.	EMS Special Assessment Tax	312,550	5.56	443,363
2.	Federal Grant	237,500	4.22	-0-
3.	Ambulance Service Fees	62,700	1.11	321,456
4.	Interest	1,425	.02	--

Landfill Fund

1.	Taxes, Landfill Special Assessment	152,950	2.72	152,016
2.	Fees, Landfill	185,250	3.29	343,775
3.	Interest	1,425	.02	--

The major historic source of revenues for Levy County has been the ad valorem tax base. This source is increasingly inadequate, due primarily to: (a) homestead exemption; and, (b) the rural, relatively undeveloped nature of the County. As a result, the Board has increasingly relied upon fees for services, including as examples five district fees, building permits, zoning fees, emergency medical service fees and landfill fees.

Capital Improvement Analysis

Local Practices Guiding Extensions Of Public Facilities

[9J-5.016(2)(a)]

The only regular reviews of facilities needs involve the jail, the Cedar Key Airport and the landfill. The jail is regulated by the Department of Corrections, and their communications with the Board of County Commissioners. The County Engineer is involved in scheduling and designing improvements to the airport, for which a Master Plan has been developed and which guides the timing and location of improvements at that facility; and, in scheduling and designing landfill improvements mandated by the Florida Department of Environmental Regulation.

Improvements to County roads, be they resurfacing, widening, paving, etc., are decided on an annual basis by the Board of County Commissioners. In general, the Board establishes a road improvement priority list, with position on the list determined [in decreasing order of importance] by:

1. Condition of the road.
2. Amount of funding budgeted.
3. Location within the County.

The first two criteria are physical in nature. The third criteria is political, representing consideration for the needs to equitably distribute public facilities improvements throughout the County.

Fiscal Implications And Costs Of Needed Capital Improvements

[9J-5.016(2)(b) and (2)(c)]

The FY 1985 budget of the Board of Levy County Commissioners was based upon a millage rate of 1.000 for the road and bridge fund and 5.863 for the general fund. This resulted in \$2,500,204 of assessed property taxes, of which \$2,406,451 was collected as of August, 1985.

For 1987, the Board of County Commissioners established a mileage rate of 8.433 on a total ad valorem tax base of \$400,831,345. This generated revenues of \$3,380,210. A maximum of 10 mils may be assessed. With the use of the remaining assessment potential, the Board could in theory collect an additional \$628,102 in annual property taxes to finance new capital outlays.

Table 11-1 documents the anticipated capital budget for fiscal year 1993 [which begins October 1, 1992], and it provides estimates of future public improvement needs through the end of the initial planning period, 1997. This is an update of the 1986 Comprehensive Plan, which adopted the first capital budget for Levy County. For each chapter of the comprehensive plan, capital projects have been identified, revenue sources have been identified, expenditures have been estimated by year, and priorities have been established.

The only item not already included by the Board of County Commissioners in their 1987 tentative budget was the mine acquisition. Given the analysis above, it appears that the proposed capital budget is economically feasible. In the long term [i.e. end of initial planning period], it appears that capital outlay for recreation facilities will have to increase. The elected officials will have to consider the implications of fund raising alternatives to meet this need, as one of the alternatives is to utilize the untapped ad valorem tax base.

MAP 10-1

LEVY COUNTY SCHOOL DISTRICTS

MAP 10-2

LEVY COUNTY HEALTH DEPARTMENT DISTRICTS

Impacts Of New Educational And Health Systems**[9J-5.016(2)(d)]**

The Levy County Health Department has no plans for capital expenditures during the planning period. The Board of Education is planning to build a new high school, with the location uncertain at this date. If the school is located within or close to an existing city where water and sewer services are available, there will be no impact on existing infrastructure.

Timing And Location Of Capital Improvements**[9J-5.5016(2)(e)]**

No state agencies, other than Florida D.O.T., plan any capital expenditures in Levy County. Neither of the two water management districts plan any capital expenditures that would impact upon "efficient land development", other than through land acquisition along floodplains.

TABLE 10-1

Name Priority	Capital Project	General Location	Revenue Source	1992	1993	1994	1995	1996	1997
				Dollars In Thousands					
Traffic Circulation (Chapter 3)	1. Road Resurfacing, Collectors	See Continuation Of Table For Individual Road Priorities	Road & Bridge Fund (5th & 6th)	\$350	\$350	\$350	\$350	\$350	\$350
	2. New Paving <u>1/</u>		Road & Bridge Fund (Local Option Gas Tax)	\$214	\$229	\$245	\$262	\$269	\$278
Recreation (Chapter 6)	1. User-Oriented Recreation	(See Table 6-5)	General Fund	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
	2. a) Resource- Based Recreation, New Fishing Pier, Yankeetown Or Shell Mound	(See Table 6-6)	General Fund 2/3 D.N.R. 1/3 County	\$100	-0-	-0-	-0-	-0-	- 0 -
	2. b) Expanded Boat Ramps/Parking			-0-	-0-	-0-	-0-	\$100	\$100
Utilities: Water, Sewer, Solid Waste, Drainage (Chapter 7)	1. Solid Waste Compactor	Landfill	Landfill Fund	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
	2. Refuse Burner	Landfill							
	3. Equipment Replacement	Landfill							
	4. Liner	Landfill							
	5. Recycling Building	Landfill							
	6. Composting Facility	Landfill							
Future Land Use (Chapter 8)	1. New Jail Construction	Bronson	General Fund <u>2/</u> Bond Repayment	\$350	\$350	\$350	\$350		
	2. Prison Land Acquisition								
	3. Courthouse Expansion	Total All Capital Improvements		\$1,124	\$1,039	\$1,055	\$1,072		

1/ Double-surface treatment, 4 to 5 miles annually, to be considered, a road must have a minimum of 10 families per mile. Payable from Local Option Gas Tax.
2/ Capital outlay only (estimated) ** The jail bond issue will expire in the year 2018.
 Note: See table 11-5 for source of increased 5th and 6th cent gas tax monies beginning in 1992.

Levy County has continued its efforts to supply resource- based recreational opportunities, by reconstructing the Cedar Key dock and fishing pier. It has also continued its landfill improvement program. Neither of these activities are considered to have any impact upon locations and timing of development. The County does have a policy which responds to growth and development, in that the Road Department may:

1. Consider a road for County maintenance when the density reaches ten [10] dwelling units per mile.
2. Consider a road for paving when the density is twenty [20] dwelling units per mile.

From this analysis, it may be concluded that, other than through the Zoning Ordinance and Subdivision Regulations, Levy County currently has no programs or policies which affect the location and timing of development.

Ability To Finance Capital Improvements
[9J-5.016(2)(f)]

The following tabular series provide:

- Table 10-2 Forecast of revenues and expenditures for five [5] years.
- Table 10-3 Debt service on bond issues.
- Table 10-4 Projection of ad valorem tax base, assessment ratio and millage rate.
- Table 10-5 Projection of other tax bases.
- Table 10-6 Projections of operating costs.
- Table 10-7 Projection of debt capacity.
- Table 10-8 Projection of combines capital improvements and operating costs.

A review of these tables provides the conclusion that Levy County has surplus borrowing capabilities for the initial planning period; but, very limited surplus taxing capacity.

With reference to tables 10-2 and 10-8, in 1990 the projected total budget, which is the sum of capital improvements and annual operating costs, will be \$7,687,000. This means that an equal amount of revenue must be generated. Even with a millage rate of 10.0 [the maximum] it will be necessary for the county to obtain an additional \$750,000 from currently undesignated sources. If it is politically unacceptable to raise ad valorem taxes, then proportionally more funds will have to be raised from other sources.

Note that the "undesignated" revenue forecast in Table 10-2 has been computed as a residual; i.e. it represents a shortfall amount between known sources of revenue at this time and the combined operating and capital improvements expenses in each year. In 1990, this amount equals \$753,000 in additional funds that must be generated, and with the elected officials at the 10 mil cap, they do not know where the funds will come from; thus, as footnoted in Table 10-2, some potential sources being considered by the Board include but are not limited to the Creation of Special tax districts and impact fees, as examples.

Capital Improvement Implementation

The County Administrative Assistant shall have the responsibility for implementing the goals, objectives and policies within this element. Specific responsibilities include:

1. During June and July of each year, request capital improvements updates from each County Department Head.
2. Request recommendations from each elected official and the Planning Commission.
3. During August of each year, present an updated 10-1 to the Board, with explanations for each addition, deletion or revision.
4. During FY 1987, develop administrative procedures to implement the capital improvement policies, with assistance to be requested from and provided by the Development Department. The Development Department shall provide checklists, directions, time frames and such other review criteria that shall be necessary to assure that facilities and services meet the standards adopted as a part of this plan and are available concurrent with the impacts of development.
5. A draft impact fee ordinance will be prepared, establishing the principles and criteria upon which new developments may be assessed for county financing of public facility improvements needed as a result of those developments to adequately maintain the adopted level of service standards.

TABLE 10-2, 1992 UPDATE
REVENUE FORECAST IN MILLIONS OF DOLLARS

Growth Factor	<u>Fiscal Year</u>							
	<u>Year</u>	<u>1988</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>
A. County Revenues								
Ad Valorem (From Table 11-4)		3.192	4.538	4.837	4.837	5.109	5.381	5.653
Other Local (From Table 11-5)		1.902	2.491	1.888	2.021	2.161	2.313	2.475
State		0.883	1.077	1.139	1.219	1.304	1.395	1.492
Federal <u>1/</u>		0.015	0.563	1.548	0.022	0.024	0.026	0.028
Undesignated <u>2/</u>		<u>1.417</u>	<u>0.791</u>	<u>0.564</u>	<u>0.801</u>	<u>0.927</u>	<u>0.350</u>	<u>0.874</u>
TOTAL		6.753	7.858	8.429	8.900	9.425	9.965	10.522
		(Actual)	(Actual)	(Actual)				

1/ The loss of federal revenue sharing will necessitate obtaining \$237,500 from other sources, or a commensurate decrease in annual expenditures.

2/ May derive from special tax districts, local option tax, increases in state sales tax, impact fees etc. This line is necessitated by the projected operating costs as presented in Table 10-6. Up to \$390,602 of this amount could be derived from ad valorem taxes in 1987. (See Table 10-7.)

Note: This Table assumes, from Table 10-4, that the Commission will have not choice but to assess the maximum of ten (10) mils beginning in 1990, with annual increases of seven percent (7%) thereafter. Even with the 10-mil cap, currently undesignated funding sources will be necessary to provide the requisite combination of capital improvements and annual operating costs. (See Table 10-8 for summary.)

TABLE 10-3

DEBT SERVICE ON BOND ISSUES, IN DOLLARS

<u>BOND ISSUE</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Road	\$350,513	\$357,500	\$363,500	\$358,500	\$353,000	\$357,000	-0-	-0-	-0-
Agricultural Center	\$ 24,054	\$ 84,849	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Gas Tax	\$267,425	\$258,512	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Jail Bond	\$260,219	\$3,906,279	\$254,800	-0-	\$213,185	-0-	-0-	-0-	-0-

TABLE 10-4

PROJECTION OF AD VALOREM TAX BASE ASSESSMENT RATIO AND MILLAGE RATE, 1992 UPDATE

	<u>1988</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u> ^{1/}	<u>1995</u>	<u>1996</u>
Ad Valorem Taxable Valuation (In Thousands)	\$ 378,692	\$ 477,666	\$ 509,186	\$ 526,706	\$ 556,309	\$ 585,912	\$ 615,912
Millage Rate	8.43	9.500	9.500	9.184	9.184	9.184	9.184
Tax Generated In Dollars	\$3,192,373	\$4,537,830	\$4,837,265	\$4,837,265	\$5,109,142	\$5,381,016	\$5,652,890
Assessment Ratio	.95	.95	.95	.95	.95	.95	.95

^{1/} Annual Increase = \$29,602,800 In Taxable Valuation [Dollars]
 = \$29,603 [Thousands]

1994 Taxable Valuation = 1993 Taxable Valuation + \$29,603
 = \$526,706 + \$29,603
 = \$556,309

TABLE 10-5

**PROJECTION OF OTHER TAX BASES
[IN THOUSANDS]**

TAX TYPE	<u>FISCAL YEAR</u>								
	1987	1988	1989	1990	1991	1992	1993	1994	1995
EMS	286	315	377	470	414	400	428	458	490
Gas and Fuel 5th & 6th	152	847	932	1,151	928	568	608	650	696
Fire District	108	109	112	233	233	151	162	173	195
½ Cent Sales Tax	431	452	587	692	774	603	645	690	739
Landfill	119	179	159	222	142	166	178	190	203
Total Taxes (Thousands)	1,096	1,902	2,167	2,768	2,491	1,888	2,021	2,161	2,313

Methodology: An annual increase of seven percent [7%] is assumed.

TABLE 10-6
PROJECTION OF OPERATING COSTS
[IN THOUSANDS]

<u>Growth Factor</u>	1.07	1.14	1.22	1.29	1.36	1.47	1.58	
	<u>FISCAL YEAR</u>							
<u>DEPARTMENT</u>	1988	1989	1990	1991	1992	1993	1994	1995
Custodian	141	115	123	150	139	149	159	170
Road	1,913	1,870	1,992	2,134	2,255	2,413	2,582	2,762
Ems	437	489	523	561	599	641	636	734
Landfill	263	597	636	361	719	769	823	881
Mosquito Control	245	324	347	261	397	425	455	486
Disaster Preparedness	64	104	111	82	127	136	146	156
Parks & Recreation	43	43	46	109	52	56	60	64
Veterans	19	20	22	23	24	26	27	29
Development Dpt.	130	170	181	150	205	219	235	251
Board	2,530	2,707	2,896	2,938	3,316	3,548	3,548	4,062
TOTALS	5,650	6,439	6,877	6,747	7,833	8,382	8,970	9,595

TABLE 10-7

PROJECTION OF DEBT CAPACITY

<u>YEAR</u>	<u>DEBT CAPACITY</u>
1988	\$ 390,602 <u>1/</u>
1989	\$ 417,944
1990	\$ 445,286
1991	\$ 476,534
1992	\$ 503,876
1995	\$ 617,150

1/ From the capital improvements text, the unutilized ad valorem taxing ability of Levy County is \$628,102. From Table 10-2, the loss of federal revenue sharing will be \$236,500. Assuming that loss is offset by increased county ad valorem taxes, the remaining unutilized taxing power through property taxes equals \$390,602. This is a conservative estimate, which makes the following assumptions:

1. Levy County will limit new debt capacity to those revenues which can be generated through ad valorem tax revenues, excluding other revenue sources.
2. The Board will not borrow to the extent that the annual principal plus interest exceeds ad valorem taxing potential.

TABLE 10-8

ACTUAL AND PROJECTED COMBINED CAPITAL IMPROVEMENTS
AND ANNUAL OPERATING COSTS

ITEM	FISCAL YEAR					
	1990	1991	1992	1993	1994	1995
Capital Improvements Total	\$ 810,000	\$ 810,000	\$ 910,000	\$1,171,000	\$ 1,220,000	\$ 1,274,000
Operating Costs Total	\$6,877,000	\$7,360,000	\$7,833,000	\$8,382,000	\$ 8,970,000	\$ 9,595,000
Combined Total	\$7,687,000	\$8,170,000	\$8,743,000	\$9,553,000	\$10,190,000	\$10,869,000

Capital Improvement Implementation

The County Administrative Assistant shall have the responsibility for implementing the goal, objectives and policies within this element. Specific responsibilities include:

1. During June and July of each year, request capital improvements updates from each department head.
2. Request recommendations from each elected official and the Planning Commission.
3. During August of each year, present an updated 10-1 to the Board, with explanations for each addition, deletion or revision.
4. During FY 1987, develop administrative procedures to implement the capital improvement policies, with assistance to be requested from and provided by the Development Department. The Development Department shall provide checklists, directions, time frames and such other review criteria that shall be necessary to assure that facilities and services meet the standards adopted as a part of this plan and are available concurrent with the impacts of development.
5. A draft impact fee ordinance will be prepared, establishing the principles and criteria upon which new development may be assessed for county financing of public facility improvements needed as a result of those developments to adequately maintain the adopted level of service standards.

Summary of Capital Improvements at the Time of Plan Adoption**Existing Capital Improvements Data**

Location and Service Areas of Public Health and Education Systems.

Map 11-1 showed five (5) school districts, including Bronson, Chiefland, Williston, Cedar Key and Yankeetown, plus one (1) area of overlap between Cedar Key and Otter Creek. Map 11-2 showed five (5) health department districts, including Bronson, Chiefland, Williston, Cedar Key and Yankeetown.

Inventory of Existing Revenue Sources and Funding Mechanisms for Capital Improvements

On page 11-4 of the Capital Improvements Element, sources of revenue were identified by type and amount in tabular form. There were four (4) different funds, including the general fund with 22 different revenue sources; the road and bridge fund, with 5 revenue sources; the federal revenue sharing trust fund, with 4 revenue sources; and the landfill fund, with 3 revenue sources. A total of 51.8% of all revenues were derived from ad valorem taxes paid to the general fund. The next highest percentage was the ½ cent sales tax, at 7.5% of the revenues.

Existing Capital Improvements Analysis

Local Practices Guiding Extensions of Public Facilities

The county jail, the Cedar Key Airport, the county landfill and county roads were identified as facilities receiving a regular review as to needs. These involved the Department of Corrections, the county engineer and the Department (then) of Environmental Regulation, for the first three, respectively. Road improvements were determined by physical, economic and political considerations.

Fiscal Implications of Deficiencies and Future Needs by Type of Facility

Table 11-1 identified capital projects needed for Traffic Circulation, Recreation, Utilities and Future Land Use. In 1987, Levy County was at a millage rate of 8.433 and had surplus taxing authority to generate an additional \$628,102 annually.

Costs of Capital Improvements

Table 11-1 projected costs by plan element and capital project for the years 1990 through 1995. The total cost of capital improvements for 1990 was estimated to be \$824,000, of which only \$400,000 was to come from the general fund.

Impacts of New Educational and Health Systems

As described on page 11-11 of the element, the Health Department had no plans for capital improvements. The School Board had plans for one school but no location was specified.

Timing and Location of Infrastructure

Road improvements were based in part upon population density; otherwise, page 11-11 concluded that Levy County has no programs or policies which affect the location and timing of development.

Ability to Finance Capital Improvements

Tables 11-2 through 11-8 provided the data base for this section. The conclusion was that Levy County had surplus borrowing capabilities but very limited surplus taxing capacity. The need for special tax districts or other revenue sources was documented.

Summary of Capital Improvements at the Time of the EAR

Chapter 10 has not been updated since the Levy County Plan was adopted. The proposed 1996-97 budget (FY 1997) for Levy County is found in the Appendix to Part 2 of the EAR as Table 10-1. Other tables detailing forecast versus actual revenues, etc. are also included.

Part 4, Question 6 compares projected 1995 revenues with actual revenues of that fiscal year; Part 4, Question 7 discusses new revenue sources utilized by the County in recent years.