



# CAPITAL IMPROVEMENT PLAN

## FY2026-2030

The Stokes County five-year Capital Improvement Plan (CIP) is an integral part of the County's Strategic Planning Process, which is described in detail in the *Operational Priorities Development* section of this document. The CIP process is used to plan for the budgeting and financing of routine replacement of vehicles and equipment, significant infrastructure improvements, new facility construction, and other capital asset additions greater than \$5,000 per unit. The County uses this process to ensure that high-dollar, long-lived projects are aligned with the County's strategic direction and that capital investments are financially sustainable. The CIP is developed in conjunction with the County's Five-Year Financial Forecast outlined in the previous section.

The FY 2026-2030 CIP represents a \$6.2 million plan to address the Board of Commissioners' strategic objective to "maintain County assets" under the strategic goal to "Professionally manage a high performing organization." Capital expenditures are driven by the types and levels of services provided to customers and the target performance levels established by the Board of Commissioners.

This CIP was developed under the assumption that the County will fund those items that are able to be included under the proposed tax rate of \$0.57 per \$100 valuation and projected tax rates shown in the five-year financial forecast.

The Board of Commissioners updates the CIP annually as part of the Stokes County Operating Plan to ensure it is reflective of the Board's current priorities. In addition, it is expanded annually to add a year of programming to replace the year previously completed.

Adoption of the CIP by the Board of Commissioners does not constitute a commitment to fund a particular item. Rather, it signifies the Board's intention to fund capital expenditures at the indicated level during the five-year planning horizon. The capital investment shown in FY 2026 of the CIP, however, does represent the amount of capital spending appropriated in the FY 2026 Budget.

## Capital Improvement Program

### Overview

The FY 2026-2030 CIP includes capital investments with a total estimated cost of \$6,223,000 over the next five years. These costs are divided into three major areas – Capital Projects, Fleet, Building Component Replacement, and Other Capital Additions. Table 1 indicates the breakdown of capital investments by area:

**Table 1 - Capital Cost By Major Area**

Major Area	Cost of Capital	% of Total
Capital Projects	\$ 442,500	7%
Fleet	\$ 2,432,000	39%
Building Component Replacement	\$ 2,052,000	33%
Other Capital Additions	\$ 1,296,500	21%
<b>TOTAL</b>	<b>\$ 6,223,000</b>	<b>100%</b>

## Capital Projects

Specific criteria are used to determine whether a capital request is classified as a capital project. The criteria are: (1) the total cost is estimated to exceed \$100,000, (2) substantial activity must occur over more than one fiscal year, and (3) the attributes of the project such as type, location, size, etc. must be specifically identified. Capital projects are typically for major facilities and may require the use of a separate capital project fund.

The County has two capital projects planned in the FY 2026-2030 CIP. In FY 2025, the County completed design of the new Animal Shelter. Renovation of this building will occur in FY 2026, with expected completion in FY 2027. In FY 2029, Stokes County plans a construction or renovation project to accommodate relocation of staff who will be impacted by planned demolition or sale of the old County courthouse and old Danbury school.



### Fleet

In 2019, the County switched to a leased vehicle fleet management program for the majority of its passenger vehicle sized fleet. Larger vehicles remain County owned and replacement of these vehicles is planned for in the five-year CIP. Existing assets are considered for replacement on a life cycle replacement schedule. However, if the equipment is in good working condition at the end of its assumed life-cycle replacement is delayed, and available funds are diverted to other needs. The fleet and large equipment inventory can be expanded only if a new initiative is approved that is deemed to support the County's operating plan.

### Building Component Replacement

The purchase, replacement, and maintenance of major components of County buildings are categorized as building component replacement. Examples include roofs, HVAC systems, boilers, chillers and elevators. During FY 2021 the County conducted a facilities study which helps to guide this replacement plan.

## Other Capital Additions

The purchase, replacement, and maintenance of all other infrastructure and fixed assets are other capital additions. Examples include land, pedestrian facilities, and park development.

## Funding Sources

Funding for capital expenditures may be obtained from the following sources:

- General Fund Cash – this is provided by appropriated revenues or fund balance and will generally be used for routine and lower-cost capital requirements.
- Installment Financing – this is provided by a banking institution and typically is collateralized by the asset being purchased. It is a contractual obligation specifying payment terms, including principal and interest to be paid over a period of time, generally 5 to 15 years, that does not exceed the expected life of the asset. Most installment financing agreements are amortized as fixed principal plus interest.
- Grant Funding – this refers to the County submitting a grant application and being awarded funds from an external organization, typically a state or federal government agency, for a specific purpose.
- General Obligation Bond – this funding source requires voter approval and may be used to finance major capital projects with an expected life of 30 to 40 years, or more.



Table 2 below shows a summary of the revenues and funding sources for the FY 2026-2030 projected capital investments:

**Table 2 - CIP Revenue/Funding Sources Summary**

Funding Source	Cost of Capital
General Fund Cash	\$ 5,780,500
Installment Financing	\$ 442,500
<b>TOTAL</b>	<b>\$ 6,223,000</b>

## Impact on General Fund

Table 3 illustrates the total General Fund impact of the CIP over the five years.

**Table 3 - General Fund Impact of the CIP**

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Capital Projects				\$ 225,000	\$ 217,500
Fleet	\$ 656,000	\$ 336,000	\$ 784,000	\$ 250,000	\$ 406,000
Building Component Replacement	\$ 172,000	\$ 117,000	\$ 423,000	\$ 550,000	\$ 790,000
Other Capital Additions	\$ 256,500	\$ 630,000	\$ -	\$ 210,000	\$ 200,000
Capital Paid with Cash	\$ 1,084,500	\$ 1,083,000	\$ 1,207,000	\$ 1,235,000	\$ 1,613,500
\$0.01 of the Tax Rate	\$ 663,319	\$ 683,853	\$ 711,292	\$ 739,822	\$ 771,504
Tax Rate Equivalent of CIP	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02

## Summary

In summary, the FY 2026-2030 CIP represents a \$6.0 million General Fund investment in capital for fleet, building component replacements, and other capital additions and includes two capital projects in the five-year planning period.



## Capital Projects

This section contains detail on the capital projects included in the FY 2026-2030 CIP. Specific criteria are used to determine whether a capital request is classified as a capital project. The criteria are: (1) the total cost is estimated to exceed \$100,000, (2) substantial activity must occur over more than one fiscal year, and (3) the attributes of the project such as type, location, size, etc. must be specifically identified. Capital projects are typically for major facilities and may require the use of a separate capital project fund.

**New Animal Shelter** – This capital project will renovate the old jail facility in the Meadows area to become home to the new Stokes County Animal Shelter.

**Add 3rd Floor to DSS building or build new structure** – This capital project will correct over-crowding of Department of Social Services Staff and accommodate staff from other departments and agencies that would be displaced by planned demolition or sale of the old County courthouse and old Danbury school. Those two facilities are no longer economically maintainable.

### New Animal Shelter

<b>Function</b>	Public Safety
<b>Strategic Goal</b>	Safeguard the County
<b>Strategic Objective</b>	Deliver effective animal control services

### Project Description/ Justification

This project includes design and renovation of the old Meadows jail facility to become the new Stokes County Animal Shelter. The project is based on longstanding capacity challenges at the existing shelter as well as building layout and design challenges that complicate adherence to established North Carolina animal control standards. Design for animal shelter was conducted in FY 2025 with renovation work scheduled for FY 2026 and FY 2027. During FY 2025, \$1,900,000 was moved from the General Fund to the Capital Projects Fund for this project. As such, it has no impact on General Fund expenditures over the five-year planning horizon.



## Facilities for DSS, Soil & Water Senior Services, NC Cooperative Extension and Forestry Service

Function	Various
Strategic Goal	Various
Strategic Objective	Various

### Project Description/ Justification

This project is a placeholder to ensure financial capacity to address future facilities shortfalls that will include three Stokes County Departments and two partner agencies for which Stokes County provides office space. Two of Stokes County's oldest facilities, the old courthouse and the old Danbury school, have reached the end of their service lives and are no longer economically maintainable. Staff and agencies within these two facilities include Senior Services, Soil & Water, NC Cooperative Extension and NC Forestry Services. Meanwhile, Department of Social Services staff are overcrowded in their main building and inefficiently spread to other, small, satellite facilities. To the extent that this project is for DSS requirements, we expect to be able to take advantage of matching funds from the State of North Carolina, thereby cutting the cost of the project by up to 50 percent. Anticipated cost to Stokes County for this project is \$1.5 million. This project is scheduled to begin in FY 2029 and may take until FY 2030 to complete.

Project Budget	Total	Fiscal Year Ending				
		2026	2027	2028	2029	2030
Appropriations	\$ 442,500				\$ 225,000	\$ 217,500
TOTAL	\$ 442,500				\$ 225,000	\$ 217,500
Funding Source:						
Cash	\$ -					
Installment Financing	\$ 442,500				\$ 225,000	\$ 217,500
TOTAL	\$ 442,500				\$ 225,000	\$ 217,500



## Fleet Purchase Plan

This section contains details on the purchase of new or replacement vehicles and wheeled equipment. Vehicles and equipment are primarily evaluated for replacement based on a life cycle replacement schedule. The majority of Stokes County's vehicle fleet is leased. While accounting standards require that the County treat these lease payments as debt service, that portion of the County's fleet is not included in this capital replacement plan since the funding is included in annual operating expenses.

Description	Life	Year	Budget		CIP		
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>Emergency Medical Services</b>							
Ambulance	10		306,000	-	-	-	-
Ambulance	10		-	336,000	-	-	-
Ambulance	10		-	-	369,000	-	-
Ambulance	10		-	-	-	250,000	406,000
Supervisors/ME Transport Truck	10		200,000	-	-	-	-
<b>Sheriff's Office</b>							
Upfit of Leased Vehicles			100,000	-	-	-	-
<b>Solid Waste</b>							
Front Load Solid Waste Truck			-	-	415,000	-	-
<b>Social Services</b>							
Van			50,000	-	-	-	-



## Building Component Replacement Plan

This section contains details on the replacement of building components that have exceeded their useful life. These assets are primarily evaluated for replacement based on life cycle replacement schedules.

Description	Life	Year	Budget		CIP		
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>1012 N Main St, Government Center</b>		1982					
Air Handling Unit 1	30	1982	-	-	-	-	45,000
Chiller 1	30	1982	-	-	-	250,000	-
<b>1013 N Main St, Jail</b>							
Air Handling Unit 1	30	1982	-	45,000	-	-	-
Air Handling Unit 2	30	1982	-	-	45,000	-	-
Air Handling Unit 3	30	1982	-	-	-	45,000	-
Air Handling Unit 4	30	1982	-	-	-	-	45,000
Replace Plumbing	30				225,000	225,000	450,000
Roof 1	30	1982	-	-	100,000	-	-
<b>1014 Main St, Stokes County Admin</b>							
Fire Alarm Panel			10,000				
Chiller 1	30	2000	-	-	-	-	250,000
<b>1070 Hospice Drive, Danbury Headstart</b>							
HVAC 1	25	1985	15,000	-	-	-	-
HVAC2	25	1985	15,000	-	-	-	-
Roof 1	25	1985	-	30,000	-	-	-
<b>1111 Hospice Dr, Sheriff's Pod</b>		30					
HVAC 2	25	2000	-	20,000	-	-	-
Roof 1	25	2000	30,000	-	-	-	-
<b>1007 N. Main St, Danbury Public Library</b>							
HVAC 1	25	1990	-	22,000	-	-	-
HVAC 2	25	1990	-	-	23,000	-	-
<b>304 N Main St, Old Garage</b>							
Roof 1	25	1980	20,000	-	-	-	-
<b>1165 Dodgetown Rd, Early College POD A</b>							
HVAC 1-12 Bard wall units	25	2009	30,000	-	-	-	-
<b>Autumn Square, Vehicle Maintenance</b>							
HVAC			40,000	-	-	-	-
<b>1999 Sizemore Rd, Animal Control</b>							
HVAC			12,000	-	-	-	-
<b>1020 Hospice Dr, Stokes YMCA Danbury Site</b>							
HVAC 1	25		-	-	15,000	-	-
HVAC 2	25		-	-	15,000	-	-
HVAC 3	25		-	-	-	15,000	-
HVAC 4	25		-	-	-	15,000	-

## Other Capital Additions Purchase Plan

This section contains details on the purchase, replacement, and maintenance of all other infrastructure and fixed assets are other capital additions. Examples include land, pedestrian facilities, and park development. Capital additions are made on an as-needed basis.

Description	Budget		CIP		
	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
<b>Solid Waste</b>					
40 Yd Cardboard Recycling Container	16,000	-	-	-	-
Sliding Gate for Transfer Station	15,000	-	-	-	-
Mountainview Greenbox Site Addition	-	530,000	-	-	-
Transfer Station Scales Replacement	100,000	-	-	-	-
<b>Emergency Medical Services</b>					
Ambu Man Training Manakin	11,000	-	-	-	-
Two Rugged Laptops	12,000	-	-	-	-
Ventilator Replacements	-	-	-	210,000	-
Lucas CPR Device Preplacements	-	-	-	-	200,000
<b>Health</b>					
Remodel King Health Facility	-	100,000	-	-	-
<b>Fire Marshall</b>					
Turn Out Gear	7,500	-	-	-	-
<b>Elections</b>					
New ADA Compliant Voting Machines	83,000	-	-	-	-
<b>Tax/GIS</b>					
Large Scale Printer/Plotter	12,000	-	-	-	-

