

# CAPITAL IMPROVEMENT BUDGET SUMMARY

## PURPOSE AND MISSION OF A CAPITAL IMPROVEMENT PROGRAM

The following capital budget summary pages list those projects approved by the City Commission to be included in the City's annual Capital Improvement Budget. They are selected from lists of projects and improvements submitted or suggested by the public or various city departments and agencies as part of the Capital Improvement Plan. The Capital Improvement Plan is reviewed by the Planning Commission for conformity with the City's Comprehensive Plan.

A Capital Improvement Plan is a tool to help City Commissioners look beyond year to year budgeting to determine what, when, where and how future improvements are to take place. At the same time, a Capital Improvement Budget can assist the City in taking advantage of alternative methods of financing, including federal and state grants.

Each year, project lists are submitted to the Planning Office and are reviewed based on the comprehensive plan. The projects are then reviewed by the Capital Improvement Administrative Committee, which submits a preliminary program to the Planning Commission.

The Planning Commission reviews the preliminary program and then submits a tentative program to the City Commission for consideration. The City Commission either accepts the program with or without amendments, or rejects it.

The Capital Improvement Budget is complementary to the City's operating budget. It is a subset of the projects included in the Capital Improvement Plan that are scheduled to be funded. It is reviewed annually so that the needs of the city may be re-evaluated and re-prioritized.

The Capital Improvement Budget impacts the operating budget in several ways. Capital improvement projects are generally large projects that impact multiple city departments. For example, construction of a new roadway means additional snow removal that must be done, additional area that must be patrolled by police officers, and additional right of way that must be maintained. This can mean budgeting for more staff, equipment, contractual services, etc.. On the following pages, after each section of the "Capital Improvement Budget Summary", additional detail can be found regarding impacts from these projects on the operating budget. Major improvements can also impact revenues. New road improvements can provide access to new commercial and residential developments, which when developed, can increase the property tax base and may generate additional sales tax.

## MAJOR GOALS AND OBJECTIVES FOR A CAPITAL IMPROVEMENT PROGRAM

1. To forecast public facilities and improvements that will be needed in the near future.
2. To focus attention on and assist in the implementation of established community goals as outlined in the official Comprehensive Plan.
3. To anticipate and project financing needs in order to maximize available federal, state and county funds.
4. To promote sound financial planning and serve as a guide for budgetary decisions.