

CAPITAL PLANNING POLICY

Policy Purpose

The purpose of this Capital Planning Policy is to have a comprehensive long-term capital plan in order to best assure effective management of capital assets.

Background

Infrastructure, technology, and major equipment are the physical foundation for providing services to constituents and therefore require careful planning.

Capital planning is also a critical and important component of a community's master plan, strategic plan and economic development program.

A properly prepared long-term capital plan is essential to the future financial health of a community and continued delivery of services to citizens and businesses.

Capital Planning Policy

A long-term capital plan shall be developed for a minimum of five years and potentially more if needed.

At a minimum, the forecast shall be updated annually and presented to the Mayor and City Council as part of the annual budget process.

In developing the plan, the following items shall be considered, but not limited to:

- Capital needs of the various departments and City as a whole and should take into account the following:
 - Any capital asset life cycles for major capital assets; and
 - Costs to maintain, administer and renew or replace the capital asset
- Prioritization of the capital requests which should take into account the following:
 - Master Plan;
 - Economic Development Program;
 - Strategic Plan;
 - Health and Safety;
 - Asset preservation;
 - Projects with revenue generating potential; and
 - Grant funds
- Current existing policies, which may include but not limited to debt management and fund balance policies;
- Impact on the operating budget; and
- Any environmental impact on the community

Monitoring and Reporting

The Finance Director shall review this policy annually and present any proposed modifications or changes to the Mayor and City Council by July 1st of the fiscal year in advance of the budgetary process. City Council will then review and vote on any proposed changes if necessary.