



Town of Mansfield

Special Town Council Meeting
December 19, 2011

Budget Workshop - Capital Improvement
Program and Debt Issuance

Capital Improvement Program

- Development process
- Sources of revenue/funding
- Debt issuance
- Expenditures
- Funding constraints
- Recommendations

Development Process

- Department Heads prepare a proposed plan – includes needs and proposed program improvements
- Budget Analyst prepares a consolidated proposed plan
- Review by the CIP Team – Town Manager, Finance Director, Budget Analyst, key Department Heads
- Begin the project prioritization process

Development Process (cont'd.)

Project Prioritization Process

- Legal mandate/adopted plans (ex. Scott Air-Paks)
- Public health or safety need (ex. well projects)
- Maintenance of a public asset (ex. roofs)
- Economic vitality impact (ex. Storrs Center; Four Corners)
- Geographic equity (ex. parks/playgrounds)
- Service improvement (ex. Community Center)
- Operating budget impact (ex. energy conservation)
- Community input (ex. S. Eagleville Walkway)

Development Process (cont'd.)

- CIP Team prepares a preliminary prioritized plan
- Town Manager and Finance Director review the preliminary prioritized plan and determine what we can realistically fund and which funding source is most appropriate
- Assess return on investment (ROI)
- Determine which items belong in the operating budget (cost and lifecycle)

Sources of Revenue/Funding

- State and Federal Grants
- Transfer from the General Fund (taxes)
- Ambulance service fees – included to offset the cost of public safety equipment
- Other local revenues/grants
- Bonds & other borrowing

Sources of Revenue/Funding (cont'd.)

Municipal Debt

Bill Lindsay
Independent Bond & Investment Consultants, LLC

Expenditures

- Annual Needs (1 to 3 years)
 - Pool car replacements
 - Parks improvements
 - Facility Management projects
 - Road resurfacing/drainage
 - Bridge maintenance
 - GIS mapping

Expenditures (cont'd.)

- Mid Term (3 to 10 Year)
 - Fire and emergency vehicle replacements (ambulance, emergency response vehicle)
 - Personal protective equipment
 - Rescue equipment
 - Public works vehicle replacements (plow trucks, large mowers) *pick ups & small trucks*

Expenditures (cont'd.)

- Long Term (10 or more years)
 - Large fire apparatus *Can have life over 20 years*
 - Major software upgrades *15 yrs as 1st line*
 - Major bridge replacements *then moved to spare piece.*
 - Building renovations/new facilities
 - Infrastructure (sidewalks, roads)
 - Heavy equipment (dump trucks, grader) *↳ 20-25 yrs*

Determining Cost Estimates

- Best value
- Life cycle cost
- Previous bid specifications
- Consultation with professional networks, potential vendors
- Product specifications – ease of maintenance

Funding Constraints

- Loss in state funding has caused us to delay important projects or to scale back on regular maintenance
 - Ex: playground enhancements/replacements have been delayed
 - Ex: annual road resurfacing has been scaled back
- Schedule is now compressed

Recommendations

- Projects should be designed to promote sustainability, resiliency and quality of life
- Continue efforts to move less expensive items w/shorter life cycle to operating budgets
 - Ex: fitness equipment
- Increase General Fund support to CIP to build annual base CIP budget

Annual Base Capital Improvement Plan

■ General Government	\$ 300,000
■ Public Safety	\$ 400,000
■ Public Works	\$ 500,000
■ Community Services	\$ 200,000
■ Community Development	<u>\$ 100,000</u>
Total	\$1,500,000

Note: General Government includes Facilities Management

Recommendations (cont'd.)

- Begin to build capital reserve for facility and heavy equipment replacement
 - Ex: Storrs Center parking garage
 - Ex: Solid waste budget – equipment depreciation

Capital Improvement Program

Questions?