

Additional Roles and Responsibilities

It is maintained by this committee that the maintenance of the infrastructure and the capital assets of the Town is of vital importance to the delivery of the quality services that the Town has been known for. To this end, the committee is dedicated to accomplishing the following objectives:

- To review, plan, and coordinate capital improvements so as to promote a systematic, organized replacement and acquisition schedule;
- To insure that, given limited resources, the capital needs of the community are met;
- To present a sound financial package so as to stabilize and level out the debt of the Town. It should assure timely planning for the most economical method of financing capital improvements;
- To insure wider community participation in the planning of projects and to reduce the pressure to fund a project which may not be as high of a priority as another project;
- To promote a more effective administration and coordination of capital projects so as to reduce scheduling problems, such as conflicting or overlapping projects not only among local departments but also among other local and state agencies and private enterprises such as the gas and electric companies.

Evaluation Criteria

In reviewing the requests of the operating departments the committee will use the following criteria for evaluation:

1. Imminent threat to the health and safety of citizens/property.
2. Maintenance of operations/necessary expenditure. This does not include ordinary maintenance but rather maintaining a current service level through improvement of a capital asset. Please refer to the definitions. These may be major expenditures that will avoid costly replacement in the future.
3. Requirement of State or Federal Law/regulation.
4. Improvement of infrastructure.
5. Improvement of productivity.
6. Alleviation of an overtaxed/overburdened situation.

The relationship of the project to other town projects and needs will also be considered in the review and prioritization.

Capital Improvement Budget Definitions:

CAPITAL ASSET

An item that is available to, controlled by, or acquired by the Town, has a useful life of at least one year, and has a purchase cost of at least \$5,000. Examples include equipment, land, buildings, and vehicles. All capital assets are included in the capital improvement program.

OPERATIONAL ASSET

An item that is available to, controlled by, or acquired by the Town, has a useful life of at least two years, and has a purchase cost of more than \$100 and less than \$5,000. Such assets are not included in the capital planning program, except when the request for funds for the class of assets exceeds \$25,000.

CAPITAL OUTLAY

An expenditure to (a) acquire a capital asset through a purchase, lease or rental agreement; (b) improve, restore, or renovate a capital asset in a manner that extends the asset's useful life. A capital outlay also includes engineering and other studies. However, it excludes expenditures for ordinary and routine maintenance that are necessary to preserve the asset and keep it functioning, and which do not materially increase its value or extend its useful life.

ACQUISITION COST

The sum of all expenditures that are necessary to obtain a capital asset and place it in service, including, but not limited to, purchase or lease price, delivery, installation, and site preparation.

OPERATING COST

An expenditure that is made to use or operate a capital asset, including, but not limited to maintenance service agreements, gasoline and fuel, cleaning, replacement and repair of minor parts, insurance, and supplies that are consumed through use of the asset.