

**TOWN OF WESTON  
CAPITAL IMPROVEMENT PROGRAM (CIP)  
-- PROCESS --**

Purpose

The reasons for administering a formal CIP are many:

- Facilitates coordination between operating budgets and capital needs
- Enhances the community's credit rating, control of its tax rate, and avoids sudden, unplanned changes in its debt service requirements
- Assists in short and long term fiscal planning
- Identifies the most economical means of financing capital projects
- Increases opportunities for obtaining federal and state aid
- Relates public facilities to other public and private development and redevelopment policies and plans
- Focuses attention on community objectives and fiscal capacity
- Keeps the public informed about future needs and projects
- Coordinates activities within units of local government to reduce duplication
- Encourages careful project planning and design to avoid costly mistakes and help reach desired goals

Capital Improvement Defined

For the purpose of the Capital Improvement Program (CIP), the term 'capital improvement' refers to any non-recurring, capital expenditure for the acquisition, improvement, or replacement of any item(s) or associated project(s) meeting one of the following definitions:

- Item(s) requiring an expenditure of at least \$25,000 and having a useful life of more than five years; and/or,
- Project(s) consisting of real property acquisitions, construction, capital asset improvements, long-life capital equipment, or major maintenance/repair of an existing capital item, as distinguished from a normal operating expenditure.

CIP Development Process

All department managers, officers, departments, boards and committees in the Town of Weston shall give to the Town Manager, in a format developed by the Town Manager, information

concerning all capital improvement plans and capital expenditure requests as part of their annual budget request for the next fiscal year.

The capital requests will include a project title, description, affect on existing programs, affect on other departments, related improvement and acquisition requests, proposed funding sources, and any other aspects of capital planning that are anticipated as necessary over the next five (5) years. Additional details of the anticipated use and life expectancy of planned capital requests beyond this five year period are encouraged to the extent that such information is known.

The Town Manager will consider all such requests and, in doing so, may confer with any Town officer, department or board, or request additional data necessary in order to compile the Town Manager's Recommended Capital Improvement Program (CIP). The CIP will be presented to the Finance Committee and Board of Selectmen for consideration, and ultimately submitted for voter approval at the annual town meeting.

### Evaluating Capital Requests

In evaluating capital requests, they will be categorized according to the following priorities:

1. Imminent threat to the health and safety of citizens or property
2. Improvement of asset to avoid costly replacement in the future
3. Replacement of asset to maintain current operations and service levels
4. Requirement of state or federal law or regulation
5. Improvement of productivity
6. Alleviation of an overburdened situation

The relationship of the capital request to other requests and needs will also be considered in the review and prioritization.

Requests that can be funded from sources that will not impact the operating budget, and also do not necessitate an exclusion or override of Proposition 2 ½ (such as those funded from an enterprise account, grant or similar source) will be considered separately.

Further, capital projects, acquisitions and other capital expenditures from the Community Preservation Act fund shall not be subject to the Capital Improvement Program development process, although the Community Preservation Committee is encouraged to present their projects to the Town Manager to facilitate coordination of efforts, as may be applicable.

### Department-level Responsibilities

For ongoing operational efficiency and the continued success of the Capital Improvement Program (CIP), Town department managers will:

- Project all capital needs and plans for the department and its divisions for the coming five years, being sure to fully cost out future operating and maintenance costs, as well as identifying funding sources and assigning a priority categorization;
- Update the projection each year;

- Use the updated plan to: a) build an operating budget request for next fiscal year that provides sufficient funding for the adequate maintenance of existing capital plant and equipment; b) maintain assets at levels that protect capital investment and minimizes maintenance and replacement costs; and, c) develop long term plans for the replacement of capital plant and equipment beyond the next five years.
- Submit the updated plan along with the budget request for the next fiscal year so departmental capital plans can be considered for inclusion in the Town Manager's Recommended CIP;
- Verify the accuracy of information that is incorporated into the Town Manager's Recommended Capital Improvement Program, and be prepared to be the spokesperson throughout the budget development and approval process for the Capital Improvement Plan as it relates to their department;
- Upon receiving final approval for their projects at the annual town meeting, submit notice to the Treasurer/Collector of the projected cash flow needs for each project, being sure to send copies of the cash flow needs to the Town Manager and Finance Director.