

CIP Overview for JFC

- What Is A CIP
 - Introduction
 - Six-year plan which allows the city to identify the needs of the community and to prepare a long term funding strategy to meet those needs.
 - Program is the ongoing effort, the document is the plan
 - RSAs 674:5 - 8 describe the preparation of a CIP if a Master Plan is in place.
 - Importance
 - To aid the City Council and their consideration of the annual budget.
 - If needed improvements are not made annually, the condition of the City's infrastructure will deteriorate and eventually will not be able to be ignored. At that point, the cost will be much greater due to the size and scope of the needed improvements as well as the increase in construction costs.
 - Link with master plan
 - It provides an overall perspective as the development pattern of the city, and thus enables the citizens as well as the City Commission and City staff to take a long-range view of their future activities and responsibilities. It calls attention to the deficiencies of the city and stimulates action to correct them. It promotes coordination of projects across city departments and across overlapping governmental jurisdictions. It can also allow city staff to more effectively budget operating expenditures each year necessary to maintain new projects and stabilize personnel demands.
 - What projects are in it
 - It needs to have a 3-year lifespan (unless debt financed – where it needs to exceed the length of the bond) or longer and an aggregate cost of \$25k or more and meet 1 of 4 criteria:
 - Protect Health and Safety of employees on residents
 - Protect a previous capital investment
 - Offer ways to save money on providing a service
 - Or increase the efficiency of providing a service
- Financial Planning for Capital Projects
 - This is a long range process and should include all capital needs, not just those that require debt financing. There are ongoing expenses and onetime expenses.
 - One time
 - Construction project
 - Ongoing
 - Book purchases
 - Budget impact
 - the funding for multi-year projects shall be appropriated at the same time
 - first year of the adopted CIP provides basis for the proposed capital outlay and debt service portions of the subsequent fiscal year budget.
 - Funding types
 - Debt Financing
 - Over 250K
 - Non-recurring within a five year period

