

CIPAC Recommendation

Fiscal Year 2017 Budget

The mission of the Capital Improvements Projects Advisory Committee is to review the multi-year capital spending schedule for the City, make recommendations to the City Council on the most effective and efficient use of capital funds, and communicate to the community by informing citizens through periodic progress reports with enhanced use of the City's website. As a general rule, the highest priority should be given to completing the projects approved previously in City bond elections. Exceptions are those projects that due to lack of right-of-way, permitting, sequencing or other delays cannot be completed before other projects that were approved later. When additional debt capacity becomes available, projects previously approved by the voters should be moved up using the priorities set by the City Council's strategic goals and related planning documents considering logical sequencing of projects and the ability of City staff to effectively administer the projects. Projects should be designed in advance of the bond issue whenever possible. Outside funding sources should be utilized whenever possible, realizing that this may result in the reprioritization of projects as outside funding becomes available. Sound financial policies as adopted by the City Council, including an ad valorem tax ratio of 60% to operations and 40% to debt service, should be followed. Finally, the Infrastructure Report Card is an important tool in managing the City's infrastructure assets. It should be updated on a 4 year cycle for future funds to be allocated based on factors considered in the report.

The attached multi-year plan represents the capital spending recommendations for the upcoming fiscal year and current voter-approved projects scheduled for future years.

Additional specific recommendations are as follows:

Funding Recommendations

- 1) Add \$150,000 in additional sidewalk funding from any surplus, year-end non-recurring sources.
- 2) Any additional surplus, year-end non-recurring funds available after #1 is addressed should be allocated to existing street projects.
- 3) Any additional surplus, year-end non-recurring funds available after #2 is addressed should be allocated to existing parks (non-golf) projects.

Policy Recommendations

- 1) **Calling of 2017 Bond Election**
- 2) **Long Term Debt** - As ad valorem capacity allows and without causing delays in completion of projects, CIPAC recommends shortening individual year's debt issuance to a fifteen (15) year repayment term. This strategy will reduce overall debt and related interest over time.

Note: Once a recommendation is accepted by City Council, it will not be carried forward to the next year.