

RESOLUTION 2022-54

ADOPTING A CAPITAL IMPROVEMENT PLAN POLICY

WHEREAS, the City of Webster Groves is reviewing its financial policies and desires to codify stated capital improvement policies in accordance with the purpose statement of the City's financial policies;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of Webster Groves, Missouri, that the attached Exhibit A, be adopted as the City's Capital Improvement Plan Policy; and


BE IT FURTHER RESOLVED, that the City Manager is directed to prepare the FY2024 budget with a new fund created for large capital asset replacement pursuant to the attached policy.

Passed and approved on this 18th day of OCTOBER 2022.



Mayor

ATTEST:



City Clerk

EXHIBIT A

CAPITAL IMPROVEMENT PLAN POLICY

CAPITAL IMPROVEMENT BUDGETING

- The City will prepare for the Council's adoption annually, a five-year Capital Improvement Plan (CIP) which will detail each capital project, the estimated cost, the description, and funding source. Future operating costs associated with new capital improvements will be projected and included in the operating budget forecast.
- The City will determine and use the most effective and efficient method for financing all new capital projects.

LARGE CAPITAL ASSET REPLACEMENT

- The City identifies large capital assets as any capital expenditure that has a replacement value over \$300,000, or, any component of building infrastructure with a replacement life-span separate or distinct to that of the building (HVAC, electrical, plumbing, roofs, etc.).
- The standard street repair program (Annual Chip Seal and Mill and Overlay) is not part of the Large Capital Asset Replacement program, however, any other street-related public works infrastructure that meets the definition of the program is so identified.

CAPITAL ASSET MANAGER

- The City shall document and input all capital assets into a Capital Asset Manager portfolio and provide a schedule for replacement with needed funding amounts for the years scheduled.

CAPITAL IMPROVEMENT RESERVES & SCHEDULES

- Beginning in FY2024, the City shall appropriate funds for its yearly capital expenditures and begin reserve accumulation as necessary to fund the schedule of capital asset replacement.
- The city shall create a large capital asset replacement reserve fund for banking one-time funds for use in the capital replacement schedule.
- At the close of each fiscal year, 50% of the annual unexpended appropriations in the Capital Improvement Fund will be transferred to the fund for large capital asset replacement.
- All unexpended appropriations in any fund, other than the Capital Improvement Fund, shall remain in the fund balance of their respective funds.
- The City may, from time-to-time as the City Council determines, deposit other one-time funds to the Large Capital Asset Replacement fund.