

Fiscal 2019 CPIC Memorandum

To: Department Heads, Boards, Committees and Commissions
From: Capital Planning and Investment Committee, Town Administrator and Finance Director
Subject: FY2019 Capital Submission Process
Date: August 8, 2017

We begin the fiscal 2019 capital budget process by requesting all Departments, Boards and Committees submit their proposed capital expenditures for fiscal years 2019-2023 to us by September 28, 2017. For the purpose of our Capital Plan, a capital expenditure is any expenditure of \$20,000 or more and has an expected useful life of 5 years or more. Please also complete the schedule for capital needs for FY 2024-2029 which have a cost of \$500,000 or greater, if you are aware of any at this time.

When filling out your form(s) for submission make sure that all of the information is filled in and that all requirements have been met. Please make sure you re-submit Capital Request Forms from last year if there are any changes to your request. If you are changing anything in your plan from last year then please explain in detail the reason or reasons why something is being added, taken off, moved up/pushed out, or why the dollar amount changed. In order to help you, we have attached a copy of our spreadsheet with last year's final plan.

All of the information you provide to us will help us make our recommendation to the Finance Committee and ultimately the Town. If you are not submitting anything then just provide us with a letter signed saying that you do not have any requests for CPIC.

Please also submit a schedule of proposed expenditures for surveys, studies or professional services relating to future capital requests if you currently have any plans for such services.

The Committee applies a rating system to evaluate each project. The rating criteria are the following:

1. Justification of need for the project
2. Substantiation of project cost
3. Project's estimated useful life
4. Alternative funding for the cost
5. Impact of deferral of the project to later years
6. Impact on operating budgets or revenues

Your request(s) are due back to the Finance Director and Town Administrator **no later than 3 pm on Thursday, September 28, 2017**. These must be submitted electronically as well as one hard copy.

We sincerely appreciate your effort and look forward to working with all of you.

Town of Harvard

Capital Request Form Instructions

All requests for Capital Project funding or potential funding from the Capital Investment Fund, the Town Stabilization Fund or through Raise and Appropriate must be submitted to the CPIC using the Capital Request Forms.

Capital Request Form detailed instructions:

1. Complete the summary information showing: project, amount being requested and name and department/group or individual requesting the funds.
 - a. Funds being requested should be in current year dollars for all projects.
2. Provide a general description of the proposed project and the benefit to the Town of Harvard.
3. Complete the 2-part section regarding the reason for the project request.
 - a. Part I:
 - i. "Replacement" is for scheduled replacement, or replacement of worn-out, obsolete or inefficient equipment.
 - ii. "New or Expanded" program is for projects which expand our already existing programs and services or are for new operations/services.
 - iii. "Study" is for funds being requested which may result in future Capital spending.
 - b. Part II: Note the justification for the project by checking one of the four categories listed under 'why project is being requested.' Please note that safety is reserved for project or equipment being mandatory to providing safety. If the project is to replace equipment which is unsafe, but the equipment in and of itself is not for a safety purpose, it should be considered 'Other.'
4. Please note for all sections, you may use more room than shown by:
 - a. Expanding the area if filing electronically
 - b. Adding additional pages if submitting a paper copy
 - c. Attaching any relevant documents, quotes or schedules.
5. If you have explored alternative funding, note the source, potential amount and, if still pending, the date you will be notified. If you have not explored alternative funding, please note why.
6. Please show any cost savings to The Town of Harvard, including all town Boards, Committees, Commissions, etc. Please use a separate schedule if additional space is needed.
7. For items which are replacement requests, specify why the replacement is necessary (replacing obsolete or worn out equipment, is more efficient and is justified by cost-savings, etc). Is the item being replaced necessary? Is there an alternative way to provide the service or an equivalent service? Is the service being provided necessary?
8. Provide any information on future or on-going maintenance costs and/or operational costs for the project. Examples would include service contract, additional personnel, future upgrades or updates. Note if those costs are something which is already being incurred for existing equipment or assets.
9. Provide the basis for your cost estimate and copies of any quotes, etc.
10. Requests for the coming year should include more detailed project information as noted. Please make sure cost estimates for current year requests are accurate, up-to-date and provide details on how the cost was arrived at, for projects in the years 2020 to 2023 please use your best cost estimate.
11. Please include, along with your application, appropriate supporting information to describe and document the need and estimated cost for this project.
12. New Form– Long Term Capital Items (see attached and follow instructions).

If you have any questions on the form or the process, please contact Finance Director or Town Administrator.