

APPENDIX A

Town of Chester – Board of Selectmen
CIP (Capital Improvement Program)
April 11, 2013
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The Master Plan

- A master plan is a planning document that serves to guide the overall character, physical form, growth, and development of a community.
- The Planning Board is required by law to prepare and amend from time to time a master plan to guide the development of the municipality.



The Master Plan
Continued...

- A Master Plan may have many different sections, but there are only two that must be adopted:
 - Vision section
 - Land Use section
- A Master Plan is also a legal prerequisite for the following:
 - zoning ordinance
 - capital improvement program
 - "Official Map" (1768-91)
 - growth management ordinance (requires a CIP, too)



Capital Improvements Program



➤ What is a Capital Improvements Program?

- The capital improvement program (CIP) links local infrastructure investments with master plan goals, land use ordinances, and economic development.
- A capital improvements program bridges the gap between planning and spending, between the visions of the master plan and the fiscal realities of improving and expanding community facilities and programs.



Capital Improvements Program



➤ What is a Capital Improvements Program? (continued...)

- A CIP is an outline of anticipated expenditures for capital projects projected and equipment over a period of at least 6 years (*Chester's is based on a 7 year cycle*).
- Capital projects are those that relate to infrastructure, capital equipment, vehicles and purchase of land and, in some cases, engineering studies.
- Capital projects **Do NOT** include regular maintenance and operations.



Capital Improvements Program



➤ Purpose of a Capital Improvement Program

- The CIP must classify projects according to the urgency and need for realization, and must recommend a time sequence for implementation. The CIP may also contain the estimated cost of each project or capital equipment, as well as the sources of revenue. The program must be based on information submitted by the departments and take into account public facility and capital equipment needs.



Capital Improvements Program 

➤ **Among the many incentives to a capital improvement programming effort are the following benefits to the community:**

- Preserving public health, safety and welfare
- Anticipating the demands of growth
- Improving communication and coordination
- Avoiding undue tax increases
- Developing a fair distribution of capital costs
- Building a foundation for growth management and impact fees
- Supporting economic development



Capital Improvements Program 

➤ **A CIP is an advisory document that can serve a number of purposes, among them:**

- That provides the Town of Chester with a guide to be used by the Budget Committee, Board of Selectman and School Board for their annual budgeting process and keeping alignment with the Master Plan and Vision;
- To provide a forward looking planning tool for the purpose of contributing to the creation of a stable real property tax rate;



Capital Improvements Program 

➤ **A CIP is an advisory document ... (continued):**

- To aid the Town's elected officials, appointed committees, and department heads in the prioritization, coordination, and sequencing of various municipal and school improvements;
- To inform residents, business owners and developers of needed and planned improvements;



Capital Improvements Program 

➤ **Why Prepare a Capital Improvements Program?**

- The capital improvement program, is a valuable part of the community planning process. The capital improvements program links local infrastructure investments with master plan goals, land use ordinances, and economic development.
- A capital improvements program bridges the gap between planning and spending, between the visions of the master plan and the fiscal realities of improving and expanding community facilities and equipment.



Capital Improvements Program 

➤ **Improving Communication and Coordination**

- Communication among the planning board, municipal departments, administrative officials, the budget committee, and citizens can result in cost savings and avoidance of duplication of facilities, equipment and expenditures.



Capital Improvements Program 

➤ **Avoiding Undue Tax Increases**

- Capital improvements programming is a means of avoiding the unpleasant surprise of expensive projects generating large property tax increases.
- While cost impacts cannot always be precisely determined in advance, the CIP fosters discussion of the distribution of the tax burden of new capital expenditures over time.



Capital Improvements Program 

> Types of Capital Projects

> Generally, a capital project creates a depreciable asset

Examples of Capital Improvement Projects	
Architectural & Engineering Costs	Library
Bridge Construction and Reconstruction	Recreation Facilities
Cemeteries	Recycling Building & Equipment
Conservation Acquisition	School Additions
Highway Garage	Vehicle Purchases & Replacement
Land Acquisitions	Etc.



Capital Improvements Program 

> A CIP objective is to identify and document current and future needs for capital investment in public land, facilities, and equipment.

> Investments include acquisition of new assets for new services or replacement of existing assets as part of normal renewal process.



Capital Improvements Program 

QUESTIONS?


