



Agenda Item Summary

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Submitted By

Steve Drazner, CFO

Agenda Item Title

Review of the Recommended Five Year Capital Improvement Plan (CIP) for FY 2024-2028 for the Parking Fund (capital only), Water/Sewer Fund (capital only), Fleet Replacement Fund, Equipment Replacement Fund, Sustainability Fund (capital only), and Funds Previously Obligated in the Madison Street TIF

Overview

As part of the budget process, the Finance Committee is provided a staff recommended five-year Capital Improvement Plan (CIP). Once adopted by the Board, only the first year of the plan will be legally appropriated as part of the FY24 operating budget. The CIP has been divided up for review and discussion between two separate Finance Committee meetings. The second meeting is scheduled for September 26th.

Anticipated Actions/Commitments

Although the Main and Building Improvement capital projects will be discussed at the second meeting, it is important that the Finance Committee have a complete understanding of the proposed total cost of all the projects not funded by user fees or grants (Enterprise Funds, including the Water & Sewer and Parknig Funds and the Community Development Block Grant Fund, or CDBG, which is a Special Revenue Fund.) Therefore, included in this agenda item is the full version of the Recommended FY24-FY28 CIP document which contains the capital projects for all Funds.

Total dedicated revenues to fund FY24 non-enterprise capital projects is estimated to be \$5,269,000, with another anticipated \$4,763,875 in grants, for total revenue of \$10,032,875. In addition, staff is recommending an interfund transfer of \$3,000,000 from the General Fund and \$3,000,000 from the ARPA Fund into the CIP Fund in order to cover the estimated FY24 capital expenses.

As shown on Page 3 of the Executive Summary, the sum of the Main CIP Fund and the three sub-funds have a budgeted deficit of approximately \$600,000 for next year. However, it is very unlikely that all projects will be invoiced and paid in FY24 from a cash flow perspective and therefore, for all practical purposes, the \$600,000 may be deemed as immaterial and non-enterprise CIP Funds can be considered balanced, as presented for FY24.

Please note that Parking, Water/Sewer, CDBG, and Sustainability Fund capital projects are separate and have their own funding sources.

Report

Monday, September 11, 2023

1) Parking Fund

- 2) Water & Sewer Fund
- 3) Fleet Replacement Fund
- 4) Equipment Replacement Fund
- 5) Sustainability Fund
- 6) Madison Street TIF Fund

Monday, September 26, 2023

- 1) Main CIP Fund
- 2) CDBG Fund
- 3) Building Improvement Fund

The recommended CIP is developed in consultation with the Public Works Director and multiple other operating departments. The Village Manager, Deputy Village Managers, and CFO held several internal conversations on all of the recommended projects in order to prioritize and discuss other pertinent matters pertaining to how the projects correlate with Board goals and public safety.

DEI Impact

N/A

Alternatives

N/A