

Sec. 2-112. - Capital project program.

(a) Classification of capital projects.

(1) Major capital project. Any expenditure by a town department, board, committee, agency, or commission, etc., estimated to cost in excess of \$450,000 and/or requiring the issuance of debt obligations with a maturity in excess of five years is a major capital project. Such projects should have a life expectancy of at least ten years.

(2) Capital project. Any expenditure that is estimated to cost less than \$450,000.00 and will have a useful life of at least five years is a capital project. These projects are to be funded from a capital project program budget. Items fitting within this category may be funded from multiple fiscal year appropriations.

(3) Capital outlay. Any expenditure that has an estimated value of \$5,000.00 or less and/or has a life expectancy of less than five years, or is a normally reoccurring expense, shall be considered a capital outlay expenditure and shall be funded as part of the operating budget of the various departments, etc.

(b) Funding of capital projects.

(1) As part of the operating budget, the town council shall appropriate:

In fiscal year 2013 and thereafter a sum of approximately \$400,000

to fund capital projects as defined in subsection (a)(2) of this section. This amount shall be allocated between the municipal budget and the school department budget. The council may appropriate additional funds for any classification of capital project as it deems necessary.

(2) The town council may adopt a major capital project budget as part of the capital project program. A major capital project budget shall list projects, as defined in subsection (a)(1) of this section to be funded. This budget shall set forth the manner of funding and, if necessary, the process of securing voter approval.

(c) Capital project program (budget). Not later than January 15th of each year, each town department, agency, board or commission shall prepare and submit to the budget board in a format prescribed by the town manager, a five-year capital project program. This

capital project program shall be divided into two sections. One section shall list and detail capital projects as defined in subsection (a)(2) of this section. The other section shall list major capital projects as defined in subsection (a)(1) of this section. This program shall include:

- (1) A clear general summary of its contents;
 - (2) A listing of all classifications of capital projects, etc., (excluding capital outlays) which are proposed to be undertaken during the five fiscal years next ensuing with appropriate supporting information as to the necessity for each project;
 - (3) Cost estimates, method and source of funding and recommended time schedules for each project;
 - (4) The estimated annual cost of operating and maintaining the item to be acquired and/or the project to be constructed (if applicable),.
- (d) Budget board. The budget board shall review the various proposed capital project programs and conduct public hearings as may be necessary to provide opportunity for all department heads, town officials and agencies submitting requests to appear to explain and justify their requests. It may amend or modify these programs. It shall submit the requests together with its recommended capital project program in the form of a budget to the town manager with a copy to the town council not later than the first Monday in March. The budget board shall have no authority to change any item in the school department request except the overall total amount.
- (e) Town manager. The town manager shall forthwith review the capital project program recommended by the budget board and may amend or modify that program. The town manager shall submit his comments and recommendations to the town council in the form of a budget. The manager's budget shall show the original requests from the town departments, etc., the actions of the budget board and the manager's amendments thereto. The town manager shall have no authority to change any item in the school department request except the overall total amount.
- (f) Public hearing. Upon receipt of the proposed capital project program from the town manager, and the manager's recommendations thereon, the council shall schedule at least one public hearing on the proposed capital project program. Prior to any public hearing, a notice containing a general summary of the proposed capital project program shall be published in a newspaper having general circulation in the town. The notice shall state the date, time and place of the public hearing and the location where copies of the proposed capital project program can be obtained.

- (g) Town council to modify, amend, adopt. The council, after the public hearing, may modify or amend the manager's and/or the school department's capital project program and shall, by resolution, adopt the capital project program on or before April 15. The manager shall incorporate into his budget for the subsequent year, the first year of the capital project program as adopted by the council, and shall revise the remainder of the five-year capital project program in accordance with the actions of the council.
- (h) After adoption of the capital budget, funds may be obligated for capital purchases and projects that have been approved by the council, but related expenditures are not authorized until the funds are deemed to be available by the Town Manager or Finance Director.
- (i) Appropriations. The council may appropriate monies, as it deems necessary into special funds designated for capital projects. A simple majority vote of the council is required to deposit or withdraw monies from these funds.
- (j) Carry-over. Funds that have been appropriated for capital purchases and projects that have been approved by the council but which have not been undertaken or which have been started but not completed shall carry forward to subsequent fiscal year(s) without being re-appropriated by the council.
- (k) Rules, regulations, directives. The town manager or designee may establish rules and regulations, protocols and issue directives as needed in order to present the capital project program and account for the funds (monies) appropriated for all capital project programs. The town manager shall have general oversight over all municipal department and agency capital appropriations.

(Ord. of 4-26-2000(3); Ord. of 11-18-2009)