

Overview of West Newbury Capital Improvements Program

The CIP is a compilation of the capital projects anticipated to arise in West Newbury in future years and estimates of their costs. A project is eligible for inclusion in the capital improvements program if it has a useful life of at least five years; a cost over \$20,000; and/or for which the town is authorized to borrow funds.

Projects, projected costs, and timing are prepared by each project sponsor, which may be a department head or a town Board, Commission or Committee, under the overall coordination of the Town Manager. The projected costs and timing for each fiscal year (July 1-June 30, so FY24 begins July 1, 2023) are only best estimates and are subject to change. The accuracy of estimates decreases in each future fiscal year as economic conditions and costs change over time.

The capital improvements program has a summary sheet showing total estimated costs per category (i.e. DPW, Fire, Page School, etc.) for proposed projects for each fiscal year, projected out for ten years. It also includes a more detailed summary sheet listing each proposed project by department with the fiscal year in which the project is proposed. The summaries are followed by individual sheets for each project.

Each individual project sheet describes the project, estimates the total project cost, describes how the cost was determined (e.g. estimate, bid) and contains a proposed funding source or sources. It also includes estimated costs of operation and maintenance.

The funding amounts shown on the summary sheets for the current and prior fiscal years, shaded in gray, reflect amounts already appropriated by vote of Town Meeting, or otherwise funded. The funding amounts projected for the subsequent and future fiscal years are only estimates.

The funding for capital projects can come from a variety of sources including: stabilization funds; free cash; water retained earnings; operating budgets; borrowing; grants; revolving funds; and for certain types of projects, Community Preservation Act (CPA) funds.

The capital stabilization fund is the proposed source of funding for most of the projects in the program, with the exception of water department projects which are currently funded from water department funds, including a stabilization fund (currently obtained from user fees). The capital stabilization fund is funded by appropriations at Town Meeting, with stabilization fund withdrawals requiring a 2/3 vote.