



# Capital Budgeting Best Practices



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**Capital Improvement Plan: Do you currently have one? If so, what is the length?**

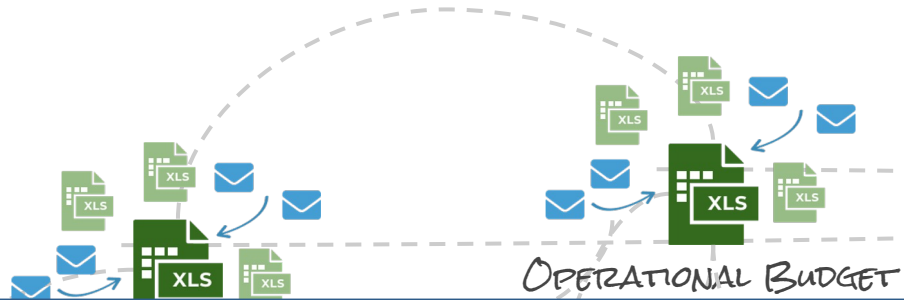
① Click **Present with Slido** or install our [Chrome extension](#) to activate this poll while presenting.



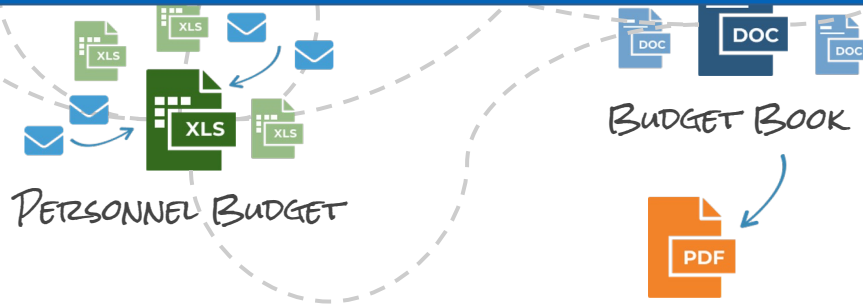
## Our Mission

We create easy-to-use software to help governments budget better.

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# Modernization is a Must!



**What are some of the biggest challenges you face when putting together your CIP?**

# Best Practice #1

## A Multi-Year Capital Plan



# A Multi-Year Capital Plan

An up-to-date and dynamic multi-year capital plan is essential to the future financial health of an organization and the continued delivery of services to citizens and businesses.

- Infrastructure, technology, and major equipment are the physical foundation for providing services to constituents
- Capital planning is critical to water, sewer, transportation, sanitation, and other essential public services. It is also an important component of a community's economic development program and strategic plan
- A capital plan should cover a period of at least three years, preferably five or more

Source: <https://www.gfoa.org/materials/multi-year-capital-planning>

## Best Practice #2

# Collecting Capital Requests





# Collecting Capital Requests

Centralized database with easy-to-use request forms.

- Multiple forms for each Project Type
- Unique questions based requirements of each project type
- Make it easier to carry data forward to the next year
- Set a deadline for submissions

All Types Capital Improvement Capital Equipment Other Archived Forms

Create New Form

CAPITAL EQUIPMENT

### Vehicles and Wheeled Equipment

For vehicles and other equipment.

Preview Edit

CAPITAL EQUIPMENT

### Computers and Related Equipment

For computers and other computer related equipment and installations.

Preview Edit

CAPITAL EQUIPMENT

### Computer Software

For computer software purchases, upgrades and replacements.

Preview Edit

CAPITAL EQUIPMENT

### Other Equipment

For other equipment purchases that do not fit into other form categories.

Preview Edit

CAPITAL IMPROVEMENT

### Building and Facilities

For buildings and other facilities.

Preview Edit

CAPITAL IMPROVEMENT

### Water and Sewer

For water and sewer utilities projects.

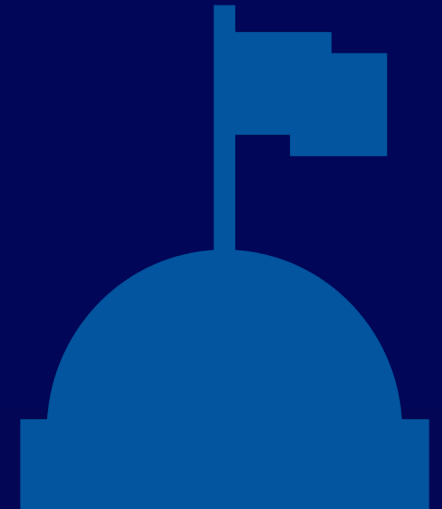
Preview Edit

 TAKE IT UP A NOTCH

Use cloud-based programs make it easier to collect and review requests.

## Best Practice #3

# Capital Request Details



# Capital Request Details

Collect financial and non-financial data to bring requests to life

- Ask for narratives, images, attachments, timelines, and geographic locations
- Capital cost categories
- Funding sources
- Savings and revenues
- Capital vs operating costs

# Golf Course Club House Remodel



The clubhouse is where public golfers spend up to 25 percent of their time during the total golf experience, but at private courses, this number can be as high as 50 percent. Stands to reason that if you want to create lasting (favorable) impressions that can ultimately lead to incremental revenue, customers need to “connect” with the space.

Maximize space. Proper space planning plays a large role in whether a clubhouse will drive or drag revenue opportunities. Experienced-based, “golf smart” space planning allows design teams to properly organize and size interior spaces, thus maximizing operational efficiencies and creating more opportunities for customer enjoyment.



## Landscaping Plan

Exterior landscaping plans for the new clubhouse remodeling.



## Common Room

Interior design for new common room for the new clubhouse remodeling.



## Back Patio

New back patio design for the new clubhouse remodeling.



### Supplimental Attachments

- Full Concept Drawings
- Interior Layout

### External Links

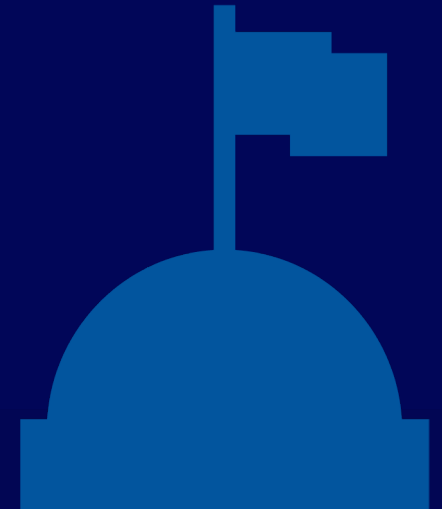
- Video Walk-Through
- Community Survey

TAKE IT UP A NOTCH

Software helps maintain a continuous dialogue with your requesters for information

## Best Practice #4

# Department Priority



# Department Priority

Require your departments to assign a priority to each request

Rather than using categories (*urgent, wish list, etc.*), have department heads assign a numerical value on a ranked list (*#1, #2, #3, etc.*)

- This provides a uniform system throughout the organization and makes it easy to compare apples-to-apples



Ranking capital requests helps the finance team determine the priority of requests when budget planning. Drag and drop requests from the "Unranked Requests" list to the "Ranked Request" list. Then drag and drop the ranked requests in order of priority. Need additional help? [Watch this overview video](#) about priority ranking.



## Unranked Requests (37)

- ✚ New Road on Main Street
- ✚ New Road on Main Street
- ✚ New Road on Main Street
- ✚ New Road on Main Street
- ✚ New Road on Main Street
- ✚ New Road on Main Street
- ✚ New Road off Main Street
- ✚ New Road on Main Street

## Ranked Requests (7)

- ✚ Ramp for Courthouse
- ✚ New Road on Main Street
- ✚ Tablets for Clerks
- ✚ New Road on Main Street
- ✚ City Hall Office Remodel
- ✚ New Road on Main Street
- ✚ New Road on Main Street

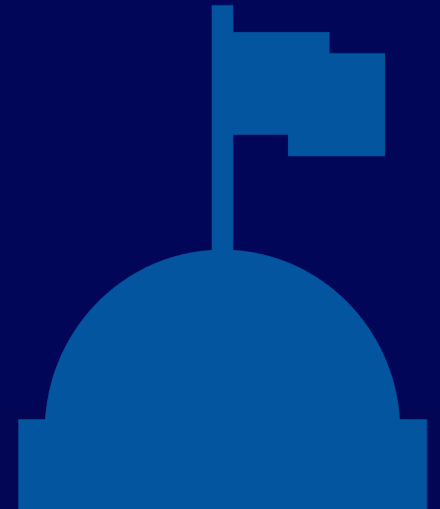
 TAKE IT UP A NOTCH

Software makes sorting requests an agile & flexible process with quick drag and drop functionality.



## Best Practice #5

# Organizational Priority



# Organizational Priority

Formal scorecard based on your local government's strategic goals and initiatives

- Choose custom criteria (ideally aligning them with your strategic plan)
- Weighted system ensures accuracy
- Makes your decision making process internally transparent

Request Details **Scorecard** Export

Request Title <span>≡</span>	Health Impact weight = 1 <span>≡</span>	Environmental Impact weight = 2 <span>≡</span>	Operational Impact weight = 2 <span>≡</span>	Legal Impact weight = 3 <span>≡</span>	Total <span>≡</span>
<input type="text" value="filter by request title"/> <span>⌵</span>					
Debris Truck Replacement	<input type="text" value="2"/>	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="2"/>	<b>12</b>
Lifepak 15s	<input type="text" value="2"/>	<input type="text" value="1"/>	<input type="text" value="1"/>	<input type="text" value="1"/>	<b>9</b>
Loader 12-PW-003	<input type="text" value="2"/>	<input type="text" value="2"/>	<input type="text" value="0"/>	<input type="text" value="3"/>	<b>15</b>
Recreation Center	<input type="text" value="2"/>	<input type="text" value="2"/>	<input type="text" value="2"/>	<input type="text" value="1"/>	<b>13</b>
Town Hall Parking Lot Repaving	<input type="text" value="1"/>	<input type="text" value="2"/>	<input type="text" value="2"/>	<input type="text" value="2"/>	<b>15</b>

 TAKE IT UP A NOTCH

Inviting capital committee members as reviewers into your database makes scoring projects easy

## Best Practice #6

# Prepare & Provide Different Budget/Funding Options



# Prepare and Provide Different Budget/Funding Options

Budgeting and decision making processes concerning capital projects often entail greater complexity than the Operating Budget.

- Make it clear what is available from each funding source and what the project impacts will be (makes it easy to see what tips you over into the red)
- Save and compare your capital budget versions (like your Operating Budget)
- Compare your multi-year scenarios



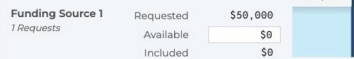
### Scenario B

View All Scenarios

Clone Chart Settings Archive

If police software funding is approved

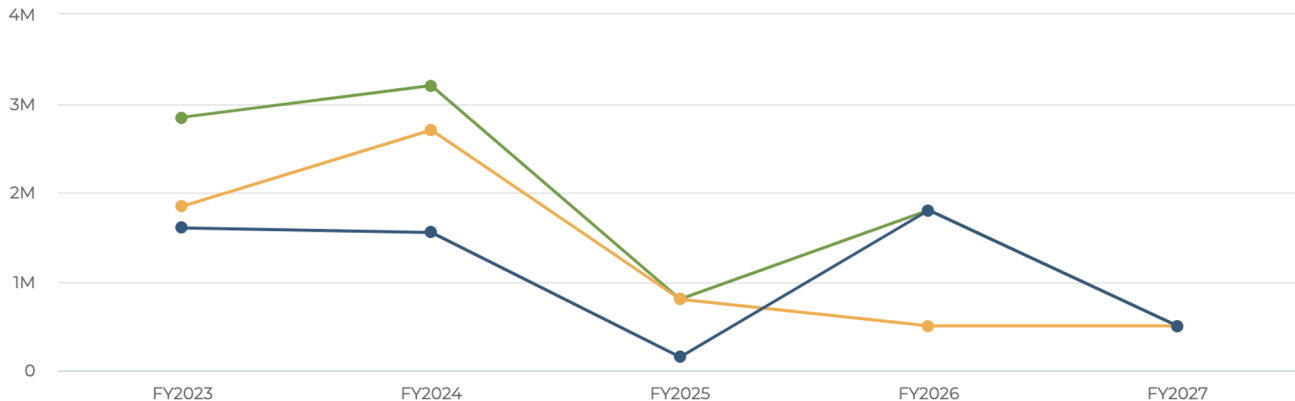
FY2022 FY2023 FY2024 FY2025 FY2026



Include	Requests/Categories	Department
<input type="radio"/> NO		
<input type="radio"/> NO	> Renovation of Station 22	Police Services
<input type="radio"/> NO	> Athletic Turf Fields	Expenditures
<input type="radio"/> NO	> LifePaks	Expenditures
<input type="radio"/> NO	> Budget Management Cycl...	Expenditures

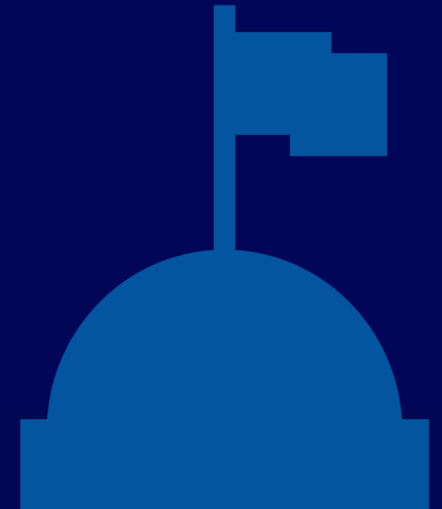
Capital Cost Operating Costs Operating Revenue Costs Savings

### Total Capital Cost (per year)



## Best Practice #7

# Capital Budget Reporting



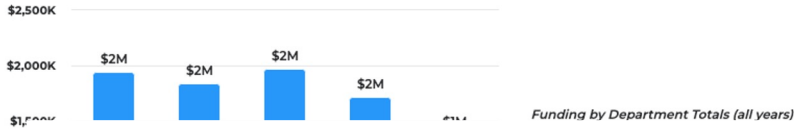
# Capital Budget Reporting

Show in a comprehensive view what the financial impact of your capital budget will be and the financial details of each project.

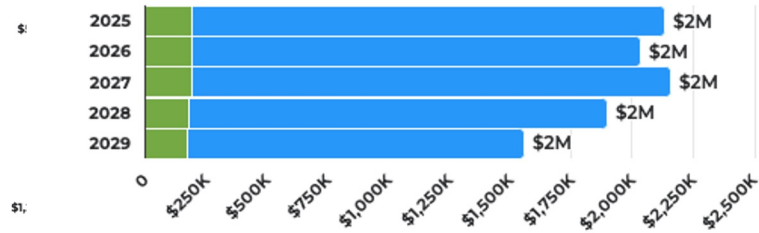
- Capital Costs vs Funding Sources
- Group your projects by department; project type; or by funding source
- Include details such as scorecard total and narratives



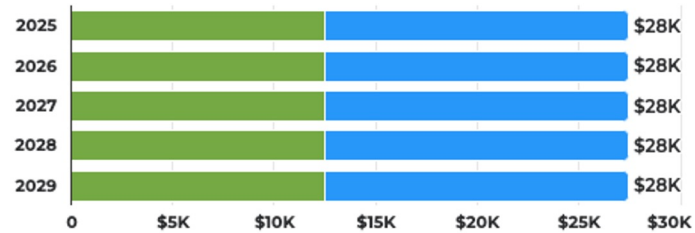
FY25 - FY29 Total Funding Requested by Department



FY25 - FY29 Capital Cost Breakdown



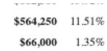
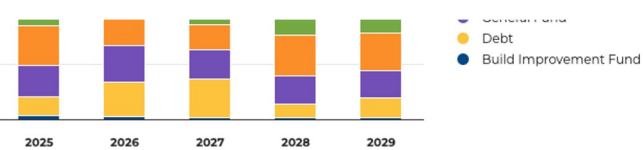
FY25 - FY29 Cost Savings & Revenue Breakdown



Capital Cost Totals (all years)



Cost Savings & Revenue Totals (all years)



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Allow the automation that software brings to build powerful visualizations for you

## FY25 - FY29 Capital Costs By Project Type



## FY25 - FY29 Capital Costs by Department



Public Safety	\$3,737,000	42.19%
Public Works	\$2,268,500	25.61%
Planning and Development	\$1,166,500	13.17%
Health and Human Services	\$1,139,500	12.87%
General Government	\$545,250	6.16%

### Other Improvements ^

#### Project No. / Category

113328	Storm Drains
113328	Church Lane Demolition
113329	Basketball Hoops Replacement
115521	City Hall Office Remodel

#### Total Other Improvements

### Planning and Development ^

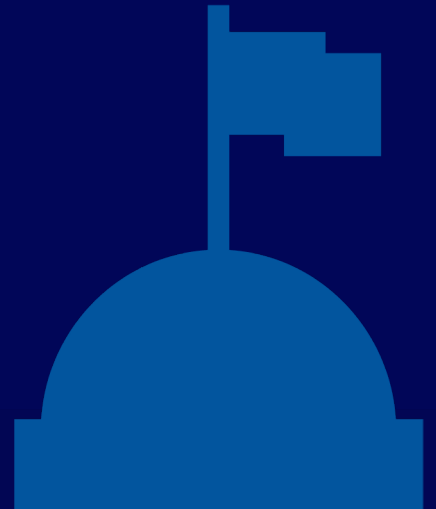
Project No. / Category	FY2025	FY2026	FY2027	FY2028	FY2029	Total
114411 Pickle Ball Courts	\$8,000	\$7,000	\$0	\$0	\$0	\$15,000
113313 Accessible Busses	\$305,000	\$275,000	\$220,000	\$165,000	\$115,000	\$1,080,000
113324 East Main Street Property Purchase	\$16,000	\$11,000	\$10,000	\$0	\$0	\$37,000
113325 Historic Library Restoration	\$3,000	\$3,000	\$3,000	\$3,000	\$0	\$12,000
113328 Church Lane Demolition	\$5,000	\$5,000	\$5,000	\$5,000	\$0	\$20,000
113329 Basketball Hoops Replacement	\$1,500	\$1,000	\$0	\$0	\$0	\$2,500
<b>Total Planning and Development</b>	<b>\$338,500</b>	<b>\$302,000</b>	<b>\$238,000</b>	<b>\$173,000</b>	<b>\$115,000</b>	<b>\$1,166,500</b>

\* TAKE IT UP A NOTCH

Allow the automation that software brings to build powerful visualizations for you

# Best Practice #8

## CIP Book



# Capital Improvement Plan

## Website-based CIP Book

- One-Year Capital Budget and Multi-Year Capital Plan sections
- Interactive request pages with charts/graphs, images, attachments and data tables
- GFOA Budget Award best practices

### Capital Improvements: Multi-year Plan

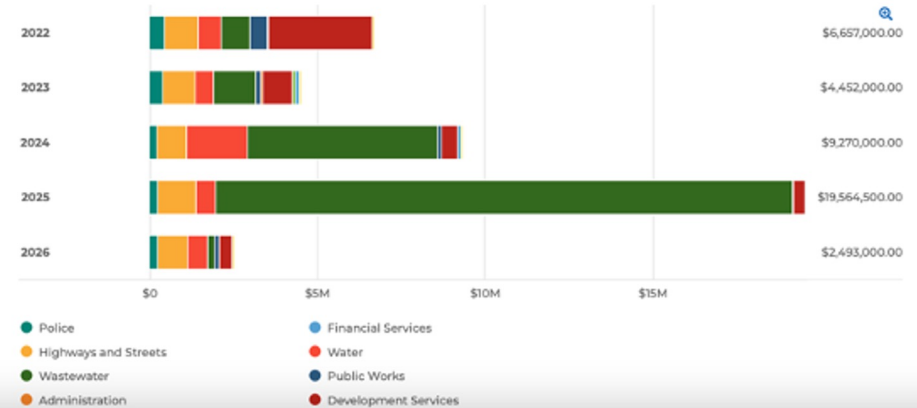
The chart below summarizes all the projects approved for funding for the next five years. Each project is listed by the responsible Fund/Department name and project expenditures are shown by fiscal year with a total by project for all years. Details each CIP project by providing cost detail, description of the project, and recommended funding source(s).

Total Capital Requested

**\$42,436,500**

66 Capital Improvement Projects

Total Funding Requested by Department



## Best Practice #8

# Capital Improvement Transparency Website



# Capital Improvement Transparency Website

Map-based CIP website to communicate project updates internally and to the public.



- Communicate project financials, phases, timelines, and updates
- Residents can ask questions directly via site and subscribe email for updates

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# How do you display/communicate your CIP today?

① Click **Present with Slido** or install our [Chrome extension](#) to activate this poll while presenting.

# Capital Plan Presentation Examples



## State College Borough, PA

5 years, \$130M

Dwight Miller, Finance Director



## Delta County, CO

1 year, \$2.6M

Leone Anderson, Finance Director



## Ulster County, NY

### Capital Plan CIP Transparency Website

6 years, \$380M

Kenneth Juras, Budget Deputy



## City of Hilliard, OH

5 years, \$200M

Dan Ralley, Assistant City Manager



## Town of Herndon, VA

6 years, \$236M

Maria Lee, Budget Manager



## Town of Queen Creek, AZ - Transparency Site

Better Roads Ahead Initiative

Dave Lipinski, Capital Improvements Director



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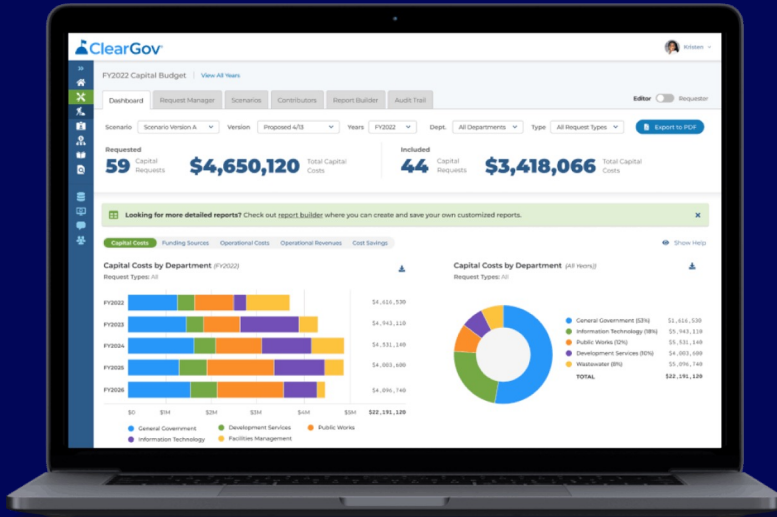


**Scale of 1-10: How critical is it that your citizens understand the use of tax dollars for your capital projects?**

① Click **Present with Slido** or install our [Chrome extension](#) to activate this poll while presenting.



# CLOUD-BASED SOFTWARE ADVANTAGES



Log-in permissions/settings

Sub-requester workflow

Database and reporting integration

Work remotely and be backed up with built-in IT cloud security



# Thank You!

*There's no budget too big or too small; we're here to help!*  
Visit **booth #39** to continue the conversation



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PERSONALIZED DEMO



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