

**TOWN OF GLASTONBURY
CAPITAL IMPROVEMENT PROGRAM
PLANNING PROCESS**

FY2022 TO FY2026



January 20, 2021

Capital Improvement Program Index

Page

B-35	Addison Park Renovations
B-11	Apparatus Replacement Tanker & Rescue Pumper
B-47	Aquatics Facility
B-58	BB/HA/NA/HO Steel Locker Replacement
B-22	Bell Street Sidewalks
B-49	Bulky Waste Closure Fund
A-4	Capital Improvement Program - Proposed Time Schedule
T-3	Capital Improvement Program (CIP) 2022-2026 -Town Manger Project Recommendations FY21-22
T-8	Capital Improvement Program (CIP) Exhibits
A-5	Capital Improvement Program Criteria
B-72	Capital Improvement Program Status Report
T-9	Capital Improvement Projects - Glastonbury Public Schools
A-1	Capital Reserve Fund Projection
B-82	Capital Projects Fund FY2021 Through December 31, 2020
B-41	Center Green Renovations
B-38	Cider Mill Improvements
B-7	Disaster Preparedness and Recovery Resources
B-50	Eastbury Pump Station Generator
B-67	Eastbury School Study - MDC Potable Water Service
T-5	Education - Feasibility Analysis/Cost Estimating
B-4	Energy Efficiency - Sustainability
B-6	Facilities Study
B-2	Fiber Connections
B-14	Fire Apparatus - Tanker
B-12	Fire Station Diesel Exhaust Mitigation System
B-15	Fire Station Façade
T-7; Summary-1	FY 2021/2022 Capital Improvement Program (CIP) Capital Reserve Fund Pro Forma
B-19	Gateway Corporate Park Bicycle and Pedestrian Improvements
B-26	General Bicycle/Pedestrian Improvements
A-3	General Long Term Debt (Excludes Authorized/Unissued Bonds)
B-25	General Storm Drainage Improvements
T-3	GHS - Construction Services - New Field House
B-60	Gideon Welles School Auditorium Seat Replacement
B-70	Gideon Welles School Boiler Replacement & Energy Management Control
B-61	Gideon Welles School Design - Roof Replacement
B-69	Gideon Welles School Replacement of Roof Top Air Handlers
B-40	Grange Pool - ADA Building & Accessibility Upgrades
B-23	Heavy Equipment (Highway)
B-71	Hebron Ave School Pavement Rehabilitation
T-3	High School Athletic Building (Locker Room and Restrooms)
B-43	High School Field Improvements
B-68	High School Pavement Rehabilitation
B-52	High Street Station and Force Main Replacement
B-54	Hubbard Pump Station and Force Main Replacement

Capital Improvement Program Index

Page

B-18	Main Street Reconstruction
B-20	Main Street Sidewalks
B-53	Matson Hill Station and Force Main Replacement
B-30	Mill Street Bridge Replacement
B-36	Minnechaug Golf Course Improvements
B-58	Multi-School Locker Replacement
B-62	Naubuc School A&E Design – Boiler Replacement
B-64	Naubuc School Design – Open Space Classrooms Re-Configuration
B-65	Nayaug School Crack-Fill & Seal Coat Only of Parking Lot
B-31	New London Tpke/Route 17 Ramp Configuration
B-29	New Sidewalk Construction
B-56	Nutmeg Pump Station and Force Main Replacement
B-51	Parker Terrace Station and Force Main Replacement
B-24	Pavement Restoration -Town & Education Facilities
B-39	Pickleball Courts
B-44	Playground Safety Surface Improvements
B-46	Point Road Riverfront Park
B-9	Police Site - Renovations
B-1	Property Revaluation
B-8	Public Safety Communications
B-27	Renovation and Site Restoration
B-45	Riverfront Community Center Expansion
B-42	Riverfront Community Center Upgrades
B-48	Riverfront Park and Boathouse
B-16	Road Overlay Program
B-57	Sanitary Sewer System Force Main Evaluations
B-10	Self Contained Breathing Apparatus (SCBA)
B-17	Sidewalk Maintenance
B-59	Smith Middle School Auxiliary Gym Floor Replacement
B-66	Smith Middle School Pavement Rehabilitation
B-55	Smith Pump Station and Force Main Replacement
B-63	Smith/GHS/Nayaug Schools Design - Chiller Replacements
B-5	System-Wide Municipal Roof Replacements
B-33	Town Aid Improved / Unimproved Roads
B-28	Town Center Streetscape Improvements
B-3	Town Hall, Academy & Security Improvements
T-1	Town Manager Letter
T-2	Town Manager Recommendations
B-21	Traffic Signal Upgrades
B-13	Training Facility Upgrade
B-34	Tree Management
B-32	Underground Fuel Storage Tank Replacement
B-37	Winter Hill

Capital Reserve Fund Projection

DESCRIPTION	ACTUAL 2018/2019	ACTUAL 2019/2020	ADOPTED & ESTIMATED* 2020/2021	PROPOSED BUDGET (TBD) 2021/2022	PROJECTED			
					2022/2023	2023/2024	2024/2025	
REVENUES								
Interest on Investments	\$ 190,450	\$ 168,229	\$ 36,000	\$ 50,000	\$ 100,000	\$ 100,000	\$ 100,000	
OTHER REVENUES								
GRANT FUNDING:								
Eastern Blvd. Bridge Grant 80%	137,691	23,453	-	-	-	-	-	-
Local Bridge Grant - Fisher Hill 80%	253,687	200,392	1,904,666	144,333	-	-	-	-
STEAP Grant - Facilities Building	143,793	-	-	-	-	-	-	-
Local Accident Reduction - Hebron Ave/House Roundabout	1,495,486	-	100,000	-	-	-	-	-
Multi Purpose Trail	-	1,228,030	-	-	-	-	-	-
LOCIP	234,189	202,033	202,650	202,650	202,650	202,650	202,650	202,650
Main Street Traffic Signals	103,650	-	-	-	-	-	-	-
House/Griswold/Harris Intersection	136,232	-	19,318	-	-	-	-	-
Eticket Software Installation	10,476	-	-	-	-	-	-	-
Glastonbury Boulevard	-	2,187,819	-	-	-	-	-	-
Mill Street Bridge	-	-	144,000	80,000	1,680,000	-	-	-
Splash Pad (Rotary Club)	-	-	100,000	125,000	-	-	-	-
Main Street Sidewalks	-	-	300,000	-	-	-	-	-
Main Street Reconstruction	-	-	-	1,860,600	-	-	-	-
GHS Cafeteria Grant	-	-	500,000	-	-	-	-	-
Municipal Grants in Aid	240,799	240,799	240,799	240,799	240,799	240,799	240,799	240,799
Miscellaneous	330	-	-	-	-	-	-	-
Bell Street Sidewalks	-	-	-	600,000	-	-	-	-
Gateway Sidewalks	-	-	-	940,700	-	-	-	-
GW - Roof Design / Roof Replacement	-	-	-	-	-	666,029	-	-
Subtotal Grant Funding	2,756,334	4,082,526	3,511,433	4,194,082	2,123,449	1,109,478	443,449	
OTHER FUNDING:								
Farmland Preservation Fees	12,069	11,577	12,000	12,000	12,000	12,000	12,000	12,000
Cedar Ridge H2O	250,000	-	-	-	-	-	-	-
PD Tower Lease (increase 3% per year)	18,000	37,080	38,000	39,000	40,000	41,000	41,000	41,000
Subtotal Other Funding	280,069	48,657	50,000	51,000	52,000	53,000	53,000	
TOTAL REVENUES	\$ 3,226,853	\$ 4,299,412	\$ 3,597,433	\$ 4,295,082	\$ 2,275,449	\$ 1,262,478	\$ 596,449	
ESTIMATED PROJECT CLOSE OUTS	-	-	969,062	-	-	-	-	
TRANSFERS IN								
General Fund Budgeted	5,860,000	6,000,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000
From Debt Service	-	174,000	-	-	-	-	-	-
Capital Projects Fund: Closed Projects	94,085	233,838	51,434	-	-	-	-	-
ESTIMATED REVENUES & TRANSFERS	\$ 9,180,938	\$ 10,707,250	\$ 10,367,929	\$ 10,045,082	\$ 8,025,449	\$ 7,012,478	\$ 6,346,449	
DEDUCTIONS								
CAPITAL IMPROVEMENT PROJECTS								
Authorized or Proposed - July 1**	\$ 6,315,000	\$ 9,707,000	\$ 6,605,000	\$ 9,886,300	\$ 8,025,449	\$ 7,012,478	\$ 6,346,449	
Appropriation for Cotton Hollow Mill	\$ -	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ -	
Possible Repayment of Grant Receipts***	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	
Fisher Hill Bridge Replacement	-	1,450,000	-	-	-	-	-	
Public Water Service Uranium	-	50,000	-	-	-	-	-	
Appropriation for Multi-Use Trail (Lotcip Grant)	-	253,000	-	-	-	-	-	
Appropriation for Hebron Avenue (Lotcip Grant)	-	26,806	-	-	-	-	-	
Outdoor Pool (Grange)	350,000	-	-	-	-	-	-	
Cedar Ridge Public Water Project	250,000	-	-	-	-	-	-	
PD - Tower Lease to Public Comm. Project	18,000	-	-	-	-	-	-	
TOTAL DEDUCTIONS	\$ 6,933,000	\$ 11,486,806	\$ 7,230,000	\$ 9,886,300	\$ 8,025,449	\$ 7,012,478	\$ 6,346,449	
Period Increase (decrease)	\$ 2,247,938	\$ (779,556)	\$ 3,137,929	\$ 158,782	\$ -	\$ -	\$ -	
Unreserved Fund Balance Beginning	\$ (2,515,257)	\$ (267,319)	\$ (1,046,875)	\$ 2,091,054	\$ 2,249,836	\$ 2,249,836	\$ 2,249,836	
Unreserved Fund Balance Ending	\$ (267,319)	\$ (1,046,875)	\$ 2,091,054	\$ 2,249,836	\$ 2,249,836	\$ 2,249,836	\$ 2,249,836	

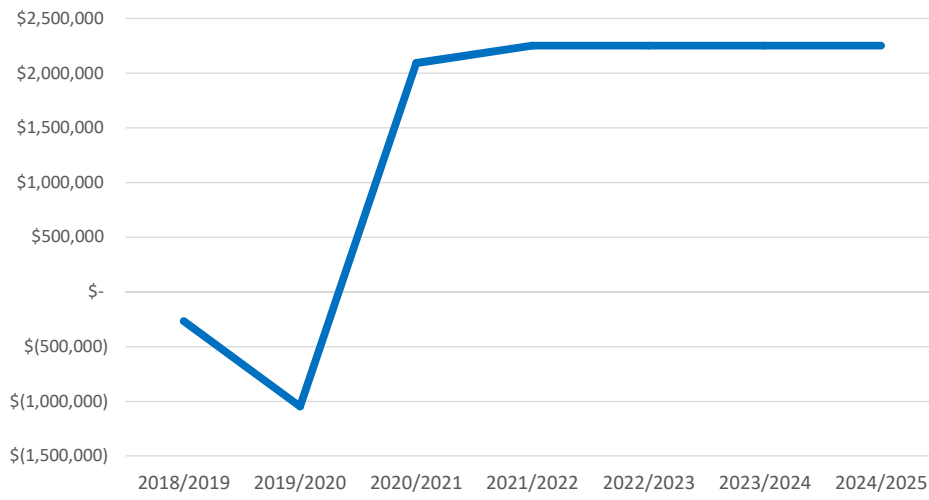
* Includes Anticipated Grants to be Received.

** CIP in FY 2022-2024 assumed to equal estimated revenues and transfers.

*** Estimate of possible repayment to the State for grant proceeds that exceed actual project expenditures for Multi-Purpose Trail and Glastonbury Boulevard.

Capital Reserve Fund Projection

CAPITAL RESERVE FUND BALANCE RESERVES



Blue line assumes net project costs equal capital funding for FY2023, FY2024, and FY2025.

TOWN OF GLASTONBURY LONG TERM DEBT AMORTIZATION SCHEDULES

Excludes Authorized/Unissued Bonds -

Year Ending June 30	Total Interest & Principal	Annual Interest & Principal	2020 Refunding of 2011 Series A Bonds	2020 GO Bonds Series B for Library Renovation and Various Land	2020 Refunding of 2010 Refunding of 2004 & 2005 Bonds ADV REFUND	2018 Refunding of 2009 Series A & PARTIAL 2009 Series B Bonds; 2018 Series A Land	2014 Refunding of 2004, 2007 & PARTIAL 2009 Bonds ADV REFUND	2013 Riverfront Park Phase II	2012 Refunding Police Com., Land, Elm. & High School ADV REFUND	2011 Saglio, Nayaug
2022-Principal	6,629,742	5,135,000	125,000	515,000	1,560,000	795,000	30,000	445,000	1,470,000	195,000
Interest		1,494,742	50,275	291,550	310,000	170,888	97,501	265,296	234,257	74,975
2023-Principal	6,396,363	5,120,000	120,000	515,000	1,820,000	530,000	30,000	450,000	1,460,000	195,000
Interest		1,276,363	44,150	270,950	232,000	137,763	96,863	251,030	175,457	68,150
2024-Principal	6,254,242	5,210,000	120,000	520,000	1,905,000	530,000	585,000	450,000	905,000	195,000
Interest		1,044,242	38,150	250,250	141,000	111,263	90,329	235,843	117,057	60,350
2025-Principal	5,094,495	4,280,000	120,000	520,000	915,000	535,000	585,000	500,000	910,000	195,000
Interest		814,495	32,150	229,450	45,750	86,663	77,532	218,593	71,807	52,550
2026-Principal	4,030,344	3,400,000	125,000	520,000	-	540,000	575,000	530,000	915,000	195,000
Interest		630,344	26,025	208,650	-	63,669	62,325	198,618	26,307	44,750
2027-Principal	2,986,325	2,475,000	125,000	520,000	-	135,000	975,000	530,000	-	190,000
Interest		511,325	19,775	187,850	-	50,422	39,075	177,153	-	37,050
2028-Principal	2,340,615	1,910,000	125,000	520,000	-	135,000	410,000	530,000	-	190,000
Interest		430,615	13,525	167,050	-	47,132	18,300	155,158	-	29,450
2029-Principal	2,269,755	1,910,000	130,000	520,000	-	135,000	405,000	530,000	-	190,000
Interest		359,755	7,150	148,850	-	43,672	6,075	132,633	-	21,375
2030-Principal	1,802,213	1,505,000	130,000	520,000	-	135,000	-	530,000	-	190,000
Interest		297,213	1,950	133,250	-	39,875	-	109,313	-	12,825
2031-Principal	1,618,213	1,375,000	-	520,000	-	135,000	-	530,000	-	190,000
Interest		243,213	-	117,650	-	35,825	-	85,463	-	4,275
2032-Principal	1,380,107	1,185,000	-	520,000	-	135,000	-	530,000	-	-
Interest		195,107	-	102,050	-	31,775	-	61,282	-	-
2033-Principal	1,343,469	1,190,000	-	520,000	-	140,000	-	530,000	-	-
Interest		153,469	-	89,050	-	27,650	-	36,769	-	-
2034-Principal	1,304,357	1,190,000	-	520,000	-	140,000	-	530,000	-	-
Interest		114,357	-	78,650	-	23,450	-	12,257	-	-
2035-Principal	747,500	660,000	-	520,000	-	140,000	-	-	-	-
Interest		87,500	-	68,250	-	19,250	-	-	-	-
2036-Principal	732,900	660,000	-	520,000	-	140,000	-	-	-	-
Interest		72,900	-	57,850	-	15,050	-	-	-	-
2037-Principal	718,300	660,000	-	520,000	-	140,000	-	-	-	-
Interest		58,300	-	47,450	-	10,850	-	-	-	-
2038-Principal	703,613	660,000	-	520,000	-	140,000	-	-	-	-
Interest		43,613	-	37,050	-	6,563	-	-	-	-
2039-Principal	688,838	660,000	-	520,000	-	140,000	-	-	-	-
Interest		28,838	-	26,650	-	2,188	-	-	-	-
2040-Principal	536,250	520,000	-	520,000	-	-	-	-	-	-
Interest		16,250	-	16,250	-	-	-	-	-	-
2041-Principal	525,525	520,000	-	520,000	-	-	-	-	-	-
Interest		5,525	-	5,525	-	-	-	-	-	-
	48,103,166	48,103,166	1,353,150	12,924,275	6,928,750	5,643,948	4,083,000	8,554,408	6,284,885	2,330,750
Principal Total		40,225,000	1,120,000	10,390,000	6,200,000	4,720,000	3,595,000	6,615,000	5,660,000	1,925,000
Interest Total		7,878,166	233,150	2,534,275	728,750	923,948	488,000	1,939,408	624,885	405,750
Total	48,103,166	48,103,166	1,353,150	12,924,275	6,928,750	5,643,948	4,083,000	8,554,408	6,284,885	2,330,750

**TOWN OF GLASTONBURY
PROPOSED TIME SCHEDULE
CAPITAL IMPROVEMENT PROGRAM**

2021	MEETINGS
January 20	Annual Capital Improvement Workshop to Review Capital Plan
January 26	Town Council Refers Priorities to Board of Finance
January 27	Annual Town Meeting
February 8	Board of Finance Review Recommendation
March 9	Town Council Recommends CIP Projects for Funding for Final Budget Hearing
March 17 or 23 (TBD) <i>Not later than March 27</i>	Final Budget Hearing – Adoption of Capital Projects

TOWN OF GLASTONBURY
CAPITAL IMPROVEMENT PROGRAM CRITERIA

Purpose

In recognition that buildings, infrastructure, technology and major equipment are the physical foundation for providing services to the residents of the Town of Glastonbury, a multi year Capital Improvement Program (CIP) is prepared and reviewed annually. The purpose of the CIP is to budget for the acquisition, replacement or renovation of major capital/fixed assets. These items are generally not of a recurring nature and not included in the regular operating budget process. Careful planning during this process is critical to the procurement, construction, and maintenance of capital assets to meet the needs and activities of the Town.

A comprehensive capital plan will help ensure the future financial health of the Town and the continued delivery of public services to citizens and businesses.

Capital/Fixed Assets are categorized as follows:

- Land
- Land Improvements
- Buildings and Improvements
- Machinery and Equipment
- Infrastructure

The following Capital/Fixed Asset items may be included in the Town's annual operating budget:

- Fixed assets that cost less than \$75,000
- Fixed assets that are of a recurring nature and acquired each year

The following Capital/Fixed Asset items are to be included in the Town's CIP:

- The acquisition of and improvements to assets that cost \$75,000 or more and,
- The Capital/Fixed Assets, or improvements, that have an anticipated life expectancy of ten years or more. Most non-recurring major expenditures are the result of the Town's acquisition of capital items that form the physical foundation for municipal services such as land, buildings, infrastructure improvements, machinery and equipment. However, there can be major expenditures for non-capital items that can be anticipated on a recurring and periodic basis and require significant funding. In addition to the above items, the following proposed expenditures may be considered in the CIP, although they may not constitute capital/fixed assets with useful lives of ten years or more.
- Property revaluation required by the Connecticut General Statutes
- Technology programs and systems
- The annual road paving program can be anticipated on a recurring basis; however, it requires funding of significantly more than \$75,000 and should be included in the CIP process.

The above items and other similar items that may require significant funding of \$75,000 or more, and are not anticipated to be acquired each year, may be appropriate to be included in the CIP process.

This CIP provides for a five-year plan of acquisition, renovation, replacement and construction of the items included in the CIP and includes a planning, budgetary and financing process.

CAPITAL IMPROVEMENT PLANNING PROCESS

Identification of Needs

Annually, each department, board or agency shall submit a proposed five year CIP to the Town Manager in accordance with the CIP schedule. Requested items shall include acquisition of capital assets, new construction, major renovations and improvements to municipal facilities, purchase of machinery and equipment and other items that satisfy the CIP criteria. Capital improvement proposals received outside of the formal CIP process from departments, citizens, agencies or organizations shall be forwarded to the Town Manager for review and recommendation to the Town Council as applicable.

Items that are to be included in the Capital Improvement Program include the following with an estimated cost of \$75,000 or more and have a useful life of not less than ten years:

- Purchase of Land and Development Rights
- Construction of New Buildings
- Land and Building Improvements and Renovations
- Machinery and Equipment
- Infrastructure Improvements (streets, sewers, sidewalks, etc.)
- Vehicles and Construction equipment
- Feasibility Analysis/Design/Cost estimates and other professional services relative to anticipated major projects
- In addition to the above items, the CIP may include certain recurring expenditures/projects that due to their nature and anticipated cost are best appropriated through the CIP (e.g. revaluation or major software acquisition)

Capital Improvement Program Timing/Schedule

Capital Improvement items are considered on the basis of need and value to the community. In general, the CIP will be prepared, presented and acted upon in accordance with the following schedule:

No later than January 29	Town Manager shall provide a five year planning document to the Town Council summarizing department proposals for capital improvements, a recommendation of items to be included in the CIP, project priorities for the following fiscal year and proposed method/sources of funding for all recommended projects.
On or about February 1	Town Council shall recommend preliminary capital improvement priorities to the Board of Finance
On or about February 15	Board of Finance shall recommend CIP to Town Council
No later than March 27	Town Council adopts capital program for the following fiscal year

The Town Manager will provide the Town Council periodic status reports throughout the year and present detailed project status reports or design plans on an as needed basis in accordance with the applicable project schedule.

Estimated Costs

Costs shall be estimated for all items requested as part of the five-year Capital Improvement Program. Costs for items requested in years two through five shall anticipate an escalation rate to be determined by the Town Manager at the beginning of the CIP process.

The steps for **major** construction projects, those estimated to exceed \$250,000, shall be recommended by the Town Manager and will generally include the following:

- A. Evaluation/feasibility phase, as necessary
- B. Preliminary design and cost estimating phase
- C. Final Design and construction

Subject to the specifics of the project, funding for steps A and B may be combined in the initial request. Cost estimates should include preliminary design fees, final design fees, architectural fees, construction management fees, construction costs, acquisition costs, contingency, escalation, legal and financing fees, including short term interest, and any other costs applicable to the project. The scope and estimated costs of in kind services shall be identified and presented along with the initial cost estimates for the project.

CAPITAL IMPROVEMENT BUDGETARY PROCESS

Funding

The Town Council, as part of the annual operating and capital budget process, will review the capital projects recommended by the Town Manager. The Town Manager will develop a recommended financing plan, with options, based on total project costs, cash flow, projected method(s) of financing the projects, Capital Reserve fund projections, mill rate and debt service impact on future operating budgets. The Town Council shall review these projections when developing project priorities and the recommended capital program for the following year. The goal is to effectively balance the total of the annual Capital Reserve Transfer and Debt Service requirements to minimize fluctuations in the mill rate in accordance with established guidelines set forth in this document.

An annual financing plan for the multi-year capital improvement plan is critical to the CIP process. Factors to be considered shall include:

- Anticipated revenue and expenditure trends and the relationship to multi-year financial plans
- Cash flow projections of the amount and timing of the capital improvement projects
- Compliance with all established financial policies
- Legal constraints imposed by Town charter or State statute
- Evaluation of various funding alternatives
- Reliability and stability of identified funding sources
- Evaluation of the affordability of the financing strategy, including debt ratios, future budgets and mill rate.

The Capital Improvement Program shall generally be funded as follows:

A. Capital Reserve Fund – The Town will use the Capital Reserve Fund as the primary funding source for CIP projects to be funded on a cash basis.

Based on factors referenced herein the Town Council shall review the following when considering the annual general fund appropriation and transfer to the Capital Reserve Fund:

- Capital projects proposed for funding on a cash basis through the 5 year CIP.
- Annual depreciation for Capital/Fixed Assets including but not limited to buildings, machinery and equipment, vehicles, improvements with a depreciation schedule of less than 50 years
- Appropriations for acquisition, replacement and renovation of Capital/Fixed Assets not part of the CIP (Capital Outlay) through the Town and Education operating budgets.
- Unassigned fund balance in the Capital Reserve Fund and potential reserve for future large scale capital projects to be funded on a “cash” basis.

Other factors to be considered for funding the CIP include:

- Debt Service requirements for projects authorized pursuant to referendum
- Approved state and federal grants for authorized and proposed capital projects
- Opportunity to transfer funds from the General Fund unassigned fund balance for “one time” capital projects through the sale of assets (e.g. land, buildings).
- The Town’s bond rating
- Other factors influencing the annual budget and mill rate with the goal of minimizing significant fluctuations in the mill rate
- Funding available through the Sewer Sinking and Sewer Operating Funds

The minimum annual funding for the CIP shall equal the annual depreciation of assets deemed appropriate for CIP funding as defined herein.

Annually the Board of Finance shall review the General Fund unassigned fund balance, Capital Reserve Fund unassigned fund balance and other funding sources and may recommend a transfer of additional funds to the Capital Reserve. The goal of the Town is to maintain an unreserved and undesignated

balance in the Capital Reserve Fund of an amount equivalent to \$1,000,000, except as needed to meet emergencies. The reserve policy will be reviewed annually and adjusted accordingly as part of the CIP process. Factors to be considered include evaluation of the projects in the multi-year plan, the method of financing and their effect on projected mill rates.

B. Donations/Grants/Loans – Anticipated grants and contributions from various organizations, groups or individuals for CIP projects shall be used to reduce the estimated cost to the Town.

C. General Obligation Bonds – CIP projects of a significant cost and not reasonably funded on a cash basis may be considered for funding through the issuance of general obligation bonds to be authorized and issued in accordance with Section 312 of the Glastonbury Town Charter.

Debt Limitations

Subject to referendum approval, the Town may issue bonds for projects of a scope and cost not reasonably funded on a cash basis from current revenues. Debt Service is typically issued for major improvements and renovations. When considering debt service, a strong credit rating is a valuable asset. The following general guidelines and standards shall be used to preserve the Town's strong credit rating and effectively manage ongoing debt service requirements.

- Ratio of net debt to equalized full value of Grand List not to exceed 2.5%
- Debt Service as a percent of budgeted expenditures not to exceed 10%
- Long-term debt will be repaid within a period not to exceed the expected useful life of capital improvements financed by such debt.
- Bonds will be issued to keep the average life of the general obligation bonds at or below ten years and to retire sixty-five percent of the debt at or below approximately ten years
- Standards published by bond rating agencies

Referendum Threshold – Expenditures of Cash Resources

In accordance with Section 312 of the Glastonbury Town Charter projects involving the issuance of debt require authorization at public referendum.

The purpose of this section is to establish a Council policy for approval of Capital projects involving the appropriation of significant cash resources. Such funding would typically be appropriated from the General Fund and Capital Reserve Fund and could involve grants, community donations and other funding sources. A referendum threshold is established under this section as a general Council policy for cash funded Capital projects.

The referendum threshold shall be defined as cash funded projects which exceed two percent (2%) of the adopted Town, Education, and Debt & Transfers budget, rounded to the next highest \$50,000. Generally, projects exceeding the Town's referendum threshold will be submitted to public referendum. However, in establishing this policy, the Council recognizes there will be circumstances and conditions for which a public referendum is not practical or in the best interests of the community. Examples include Capital Improvements involving:

- exigent circumstances affecting the health or safety of the community;
- grant funding and community donations which reduce the net project cost below the applicable threshold;
- care and maintenance of Town buildings, roads, bridges, facilities, sanitary sewers and other infrastructure;
- projects that are of a recurring nature and may be funded on an annual basis for which cumulative funding could exceed the referendum threshold. Examples include the annual road paving program; technology systems and upgrades; infrastructure improvements; and other projects and items.

Projects will not be phased over a number of years to circumvent the referendum threshold with the exceptions noted herein.

Annual Review

The Capital Improvement Program Criteria will be reviewed annually and may be amended by action of the Town Council upon recommendations by the Board of Finance

Date Last Revised: December 6, 2016

Date Last Reviewed by Board of Finance: November 18, 2020

Date Adopted by Town Council: December 1, 2020