



FAYETTEVILLE PUBLIC LIBRARY

# Memo

**To:** Library Management Team  
**Through:** David Johnson, Executive Director  
**From:** Stephen Davis  
**Date:** April 16, 2014  
**Re:** 2015-2019 Capital Improvements Program (CIP)

The City of Fayetteville has announced their CIP calendar to update the City's 5-year Capital Improvement Program with the following key dates:

- 4/14/2014 CIP Workpapers Distributed
- 5/30/2014 CIP Workpapers Due

The calendar for the Library is as follows:

- 4/16/2014 Initiate CIP Development
- 5/2/2014 Submit Project Requests to Accounting
- 5/9/2014 FPL Strategic Retreat
- 5/15/2014 Final Revision of Library CIP with Priority Ranking
- 5/19/2014 Possible FPL Board meeting to Adopt FPL Proposed CIP
- 5/30/2014 Submit FPL CIP Requests to City of Fayetteville

## CIP Projects

Generally we should identify, describe and prioritize every expenditure that is at least \$5,000.00 or more and will have a useful life of at least three (3) years.

### *CIP Purpose*

*The CIP is an essential mid-term planning tool to be used by Fayetteville Public Library in the budget process. It is a five year plan which addresses the capital needs of the Library for future periods. The CIP is not an appropriation in itself or an authorization by the Board of Trustees to expend funds. It is instead a future plan which must be re-evaluated and or adjusted each year prior to incorporation into the annual budget. Each year the plan must be evaluated in response to changes in economic conditions or project priority modifications. Once included in the annual budget it must be approved by the Board of Trustees and only at that time does it become an appropriation authorized for expenditure by the Board.*

### *What is Included in the CIP*

*The City financial policy is to address the majority of capital needs on a pay as you go basis utilizing current revenue. Major capital programs which are too large to address with current revenue streams must be accommodated through the use of bond issues.*

Examples of types of projects are as follows:

- Planning Studies that result in a larger project:
  - Architectural & engineering fees that result in new facilities or repurposing existing facilities;
  - Due diligence studies that lead to a land purchase, etc.
- Major Maintenance Projects:

- Replacement/refurbishment of cork floors;
- Replacement of air handling equipment;
- Construction of air dam to restrict air flow to the Level 400;
- Replacement of the roof, etc.
- Material Purchases:
  - Hard cover book purchases;
  - E Book Purchases where FPL owns the rights to the book;
  - DVD's;
  - Music, etc.
- Materials Distribution Equipment:
  - Self-serve Kiosks for Remote Drop off & Pickup;
  - Purchase & installation of quick sort equipment;
  - Library in a Box equipment, etc.
- Computer & Technological Equipment Replacements:
  - Replacement of PC's;
  - Expansion/Replacement of Self-check Units;
  - Web site redevelopment;
  - Maker Space Equipment;
  - Envisionware scanning/copying equipment;
  - Upgrade of ILS software,
  - Replacement/upgrade of PC software; etc.
- Outreach Equipment
  - Vehicle to service the self-serve Kiosks
  - Portable cart equipped to provide portable library services & portable "hot spot", etc.

In summary, anything that will need to be replaced at some time in the future needs to be included in the FPL Capital improvement Program.

I also suggest that an appointment be made with between Accounting & HR and each department to review the City of Fayetteville forms and instructions so FPL CIP development is completed with as little disruption as possible.

The City of Fayetteville transmittal letter for the 2013-2017 CIP contained the following descriptions of the CIP Purpose and What is Included in the CIP.

#### *CIP Purpose*

*The CIP is an essential mid-term planning tool used by Fayetteville in the budget process. It is a five year plan which addresses the capital needs of the City for future periods. The CIP is not an appropriation in itself or an authorization by the Council to expend funds. It is instead a future plan which must be re-evaluated and or adjusted each year prior to incorporation into the annual budget. Each year the plan must be evaluated in response to changes in economic conditions or project priority modifications. Once included in the annual budget it must be approved by the City Council and only at that time does it become an appropriation authorized for expenditure by the Council.*

#### *What is Included in the CIP*

*The City financial policy is to address the majority of capital needs on a pay as you go basis utilizing current revenue. Major capital programs which are too large to address with current revenue streams must be accommodated through the use of bond issues. Capital programs funded by previous bond issues such as the Waste Water Improvement Project and the Street and Trails Bond Program are, therefore, not included in this CIP. Similarly, grant funded programs are not included. Approval for and appropriation of funds for these programs are done by the City Council upon acceptance of the grant or authorization of the bond issue.*

*The comprehensive CIP includes projects funded by several funds within the fund structure of the City most of which are restricted by use such as the Water & Sewer Fund, Solid Waste Fund, Street Fund and Shop Fund.*

*Balances in these funds must be used for specific purposes. In contrast the Sales Tax Capital Fund is not restricted as to purpose and can be used in a more discretionary manner for general governmental purposes.*