

ACTION

Background Information:

Capital planning has a fundamental purpose to good management: conducting a thorough analysis of future needs, monitoring, and evaluating projects throughout their implementation and conducting appropriate maintenance of capital assets.

Administrative Consideration:

Planning for capital maintenance and improvements is a matter of prudent financial management. Large nonrecurring capital outlays require careful planning for many reasons. Good planning spreads out costs to eliminate large-peaks in expenditures over any given year. It is also a sound development practice to plan for capital maintenance and improvements. By strategically targeting dates for facility renovations and major repairs, the service center's economic base will be better able to expand.

The advantage of capital improvements planning is that it focuses attention on service center goals, needs, and capabilities, achieves optimum use of available funding, provides for an orderly replacement of capital expenditures, and helps ensure that major improvement projects are thought out in advance of implementation.

The Service Center's Capital Improvement Plan (CIP) is designed to help strategically plan for future capital improvements to facilities, network services, fleet operations, and other service center operations and equipment.

Administrative Recommendation:

It is recommended the Board approve the Capital Improvement Plan (CIP) as presented at the meeting.

Board Action Requested:

Motion for approval.