
Sponsor: Finance

Meeting Date: 3/14/2023

Title: Capital Improvement Program Budgeting Process Updates

File Number: 2023-077

Background and Rationale:

In 1987, the Ramsey County Board of Commissioners established the Capital Improvement Program (CIP) through Resolution #87-089. The Capital Improvement Program is how county funds are allocated for the building, repair, and maintenance of physical assets, such as infrastructure, buildings, vehicles and equipment. This budget-setting process takes place every two years in conjunction with the operating budget process.

Resolution #87-089 sets forth specific goals and policies for the capital improvement program budgeting process, including how projects should be reviewed and prioritized for funding and the involvement of a citizen committee, Capital Improvement Advisory Committee (CIPAC). The resolution included ranking criteria CIPAC would use, such as whether the project would enhance Ramsey County's image, but overlooked other important factors, such as the impact of the proposed projects on racial equity. And for more than 30 years, as the mission and vision of Ramsey County have evolved, this policy governing project prioritization has largely remained unchanged.

To adapt to changing social and economic conditions and to better align with Ramsey County's vision, mission, goals, and values, the Finance department recommends that the board no longer requires the use of the policy guidance and ranking factors provided in Resolution #87-089 and instead authorizes the County Manager to amend the capital budgeting process as necessary for the process to remain consistently aligned with the county's vision, mission, goals, and values.

Aligning the capital budgeting process with the operating budget process and the county's mission, vision, goals, values, and strategic priorities will be a multi-year process. Delegating policy authority for this process to the County Manager, in coordination with Finance, will streamline the decision-making process and improve the overall speed and efficiency of incorporating stakeholder feedback and other process improvements. In addition, since the Ramsey County Board sets the mission, vision, goals, values, and strategic priorities, allowing the County Manager to align to those will ensure that the capital budget process is aligned with the Ramsey County Boards' efforts.

Resolution #87-089 also requires submission of the budget by the second Monday of August. It is recommended that the board align the CIP budget submission with the operating budget submission.

Recommendation:

The Ramsey County Board of Commissioners resolved to:

1. Repeal part F of the Capital Improvement Program policies established under Resolution #87-089, *"All projects will be reviewed and analyzed as to the overall priority and relative importance according to the following priority order:*
 - *Protect Life/Safety*
 - *Maintain Public Health*
 - *Replace Facility*
 - *Maintain Physical Property*
 - *Reduce Operating Costs*
 - *Protect Property*
 - *Provide Public Service*
 - *Provide Public Convenience*
 - *Enhance County Image"*
2. Repeal part C of the Capital Improvement Program established under Resolution #87-089, *"No later than the second Monday in August of each year, the Executive Director shall submit the Capital Improvement Budget and Plan to the County Board."*
3. Authorize the County Manager to amend the Capital Improvement Program budgeting process as needed to continuously reflect the vision, mission, goals, and values of Ramsey County.
4. Authorize the County Manager to align the Capital Improvement Program budget submission to the board with the county's operating budget.

A motion to approve was made by Commissioner Xiong, seconded by Commissioner Reinhardt.
Motion passed.

Aye: - 6: MatasCastillo, McGuire, Moran, Ortega, Reinhardt, and Xiong

Absent: - 1: Frethem

By: 

Mee Cheng, Chief Clerk - County Board