

The City of Madison has established a policy to remove from the Capital Budget those items with a useful life of less than the repayment term of General Obligation Debt (usually ten years). Those items should be considered in the Operating Budget under MGO 4.02(6)(c)(3). The City of Madison will use the following minimum guidelines for projects included in the Capital Budget:

- 1) Land purchases and improvements in excess of three thousand dollars (\$3,000);
- 2) All projects requiring the borrowing of money including, but not limited to construction or reconstruction of public utilities, streets, sidewalks, storm and sanitary drainage facilities;
- 3) New construction and construction of buildings in excess of five thousand dollars (\$5,000);
- 4) Major alterations to buildings and facilities which are not routine repairs and which substantially enhance the value of a structure or change its use;
- 5) The original equipment or motor vehicle purchases exceeding twenty thousand dollars (\$20,000) in cost and having a life expectancy of ten (10) years or more.