

**CITY OF PROSPECT  
ORDINANCE NO.628, SERIES 2023**

**AN ORDINANCE ESTABLISHING A CAPITAL PROJECTS FUND**

**WHEREAS**, the City of Prospect strives for prudent fiscal management and desires the ability to fund future capital projects.

**WHEREAS**, the purpose of this ordinance is to establish a Capital Projects Fund [CPF] to promote and facilitate capital projects in the City of Prospect.

**WHEREAS**, the CPF will serve as a dedicated fund to finance various infrastructure projects and public improvement programs that enhance the quality of life for residents and promote sustainable growth.

**NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS:**

**Section 1.** The City of Prospect hereby establishes a Capital Projects Fund [CPF] as a separate and committed fund within the city's treasury that shall be used exclusively for capital and related expenditures outlined in this ordinance. The city council shall fund the CPF annually at a minimum rate of 3% of projected revenue, and these funds shall be drawn from the city's revenues and/or accumulated surplus.

**Section 2.** The CPF funds shall be used exclusively for projects with cost exceeding \$50,000 that meet the following purposes:

- a. Infrastructure development and public improvements, such as parks and recreation facilities including the purchase of property, real and equipment.
- b. Technological advancements and digital infrastructure initiatives.
- c. Environmental sustainability projects, including renewable energy, waste management, and conservation efforts.
- c. Any other capital investments that align with the City of Prospect's long-term development goals as determined by the city council.

**Section 3.** The mayor shall issue a call for capital projects at the beginning of each calendar year, present to the city council as part of the annual budget message, a listing of proposed capital project expenditures for the next fiscal year and beyond, if applicable. For each proposed capital project expenditure:

- a. Provide the reason(s) for the proposed capital project together with supporting data to explain why the proposed capital project is needed or desired.
- b. A list of proposed sources of funding.
- c. An estimate of the timing of the project(s).

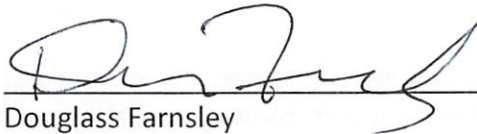
**Section: 4.** The city council shall consider any proposed capital budget ordinance or proposed amended budget ordinance in the same manner it considers the proposed general fund budget ordinances.

First Reading this 20<sup>th</sup> day of June, 2023.

Second Reading this 21<sup>st</sup> day of August, 2023.

Passed by a vote of 6 aye and 0 nays of the City Council.

APPROVED:

A handwritten signature in black ink, appearing to read "Douglass Farnsley", written over a horizontal line.

Douglass Farnsley  
Mayor, City of Prospect

ATTEST:

A handwritten signature in blue ink, appearing to read "John S. Carter", written over a horizontal line.

John S. Carter  
City Clerk