

CPC FY21 Capital Budget Recommendations [1/2/2020]

Notes:

- Capital Expense = one-time capital expense of \$5,000 or more (equipment, project, grant match, etc.), per current adopted town policy
- Select Board request to include paving/roadwork in capital planning, budgeting going forward. **Highway management plan needed -- include in FY21 CCRPC UPWP request**
- CPC once again recommends budgeting up to \$10,000 from the town garage reserve fund for a comprehensive building/code assessment:**
 Constructed in 1994, the building is now 25+ years old; for capital budgeting, useful building life is estimated at 30 years w/ normal maintenance
 Since construction the garage has had wind and flood damage; floor located 5+ feet below surveyed base flood elevation; floodproofing recommended
 Garage floor is in need of major repair or replacement (drainage, voids, rotted rebar; 2016 assessment -- repairs estimated at \$12,000 or more; more testing recommended
 Floor drains through east wall rather than out bay doors -- wall rot along foundation slab also noted as a concern
 Code deficiencies (e.g., fuel storage) also noted in 2016
Evaluation, assessment of structural condition, major systems requested; to also include repair/renovation cost estimates for capital planning/budgeting purposes
- Capital projects included in the FY21 capital budget (below) were identified from the CIP and/or added in consultation with department heads.
Proposed for FY21: \$318,925 in capital expenditures, funded through grants (71%), reserve funds (24%), and in-kind match (5%)
- Per CCRPC recommendation (2016 highway assessment), the CPC recommends adjusting highway operating budget for resurfacing by inflation (3%/yr) to invoid large, unplanned increases in the operating budget; and to fund planned highway projects through grants and the town's highway project reserve fund. Related in FY21:
Allocate \$25,000 to the highway project reserve fund in the FY21 operating budget
Request voter approval to transfer an additional \$150,000 from the Unassigned Fund Balance to the Highway (Project) Reserve Fund, per the town's adopted Fund Policy
Required matches for FY21 highway grants (Class 2 paving, Better Roads MRGP) to be covered by highway reserve fund (as included below).
- Unbudgeted emergency, disaster recovery repairs:
Cover initial costs through Contingency Fund established for this purpose (in FY20 = \$207,200); included in FY19 unassigned fund balance as reported in audit
Apply for FEMA, NRCS, VTrans disaster assistance as available;
Request voter approval to finance substantial, ineligible costs (e.g., Notch Road slide) to spread costs over several years; avoid large increase in operating, capital budget

FY21 Capital Budget (7/1/2020 -6/30/2021) (Does not include FEMA projects)

Department	Capital Asset/Project	Cost	Trade	Funding Source(s)				Notes
				Grant	Reserve	Financing	Other	
Highway								
Garage	25-Yr Building Condition/Code Assessment	\$10,000			\$10,000			Building assessment /\$ estimates - floor, flood, etc
Highway	BV Access Road Paving Project	\$210,000		\$175,000	\$35,000			FY21 Class 2 Paving Grant; 20% local cash match
Highway	BV Access Road MRGP Project	\$28,325		\$20,000			\$8,325	FY21 Better Roads Grant (3 Segments); in-kind match
Highway	Inventory/Assessment	TBD			TBD		TBD	CCRPC Project -- FY21 UPWP Request, \$ TBD
Fire								
Equipment	SCBA, Air Tank Replacements (20)	\$21,000			\$21,000			Replace 20 bottles (15 yr)
Equipment	Thermal Imaging Camera	\$8,500			\$8,500			Replace thermal imaging camera
Town Office/EOC								
Equipment	Generator							Hold in FY21; increase \$ to reserve fund--see below
Town Property								
Preston Pond	Libby's Look Trail Relocation	\$41,100		\$31,600	\$2,840		\$6,660	Rec Trail Grant, 20% match--cash, in-kind
TOTALS FY21		\$318,925	\$0	\$226,600	\$77,340	\$0	\$14,985	

FY21 Capital Reserve Fund Contributions, Operating Budget

FY19-20 CIP Budget (Debt Service + Reserves)	\$169,600	CIP; assumes 1% increase in FY21
Less FY21 Budgeted Debt Service	(\$99,600)	Adjusted per payment schedules (actuals) from Amy
Total for Budgeted FY21 Reserve Contributions	\$70,000	Available for operating budget reserve fund allocations

CPC Recommended FY19-20 Reserve Fund Budget Allocations:		
Highway Equipment	\$14,000	Reduce in FY21 given current debt service levels
Highway Garage	\$0	No additional, pending building assessment, cost estimates
Highway Projects (assessments, paving, MRGP, \$ match)	\$25,000	Added (consolidated); increase annually per hwy management plan
Fire Equipment	\$23,500	Increase to cover budgeted, anticipated equipment replacements
Fire Station	\$2,500	Level funded
Town Office	\$5,000	Increase of \$2,500; for generator, future repairs
TOTAL FY21	\$70,000	

FY21 Capital Reserve Fund Contributions, Warned Vote

Unassigned Fund Balance (FY19)		\$521,136	
Less FY20 reserve fund transfers	(\$55,443)		Transferred Aug 2019
Less FY20 Contingency Fund expenditures	\$0		To date; subject to change
Less FY21 Contingency Fund (=20% Operating Budget)	(\$213,400)		Estimated based on 3% increase in operating budget; final to be determined by SB
Available for voter approved reserve fund allocations	\$252,293		Per adopted Fund Policy

FY21 CPC Recommendations:

Request voter approval to transfer up to \$150,000 to Highway (Project) Reserve Fund

Maintain additional \$100,000 in Unassigned Fund Balance to help offset disaster recovery costs (e.g., Notch Road slide) as needed in FY20/FY21