

CAPITAL IMPROVEMENT PROGRAM

The Capital Planning Committee was created as a result of the bylaw passed at the Annual Town Meeting on April 24, 2015. The Committee annually prepares a report recommending a Capital Improvement Budget for the next fiscal year and a Capital Improvements Program, including recommended capital improvements, for the following five fiscal years. Recommendations are then presented to the voters for approval. A list of the Committee's Recommendations for FY 19 is provided on the reverse side of this handout. These recommendations will be presented for approval at the Annual Town Meeting on Friday, April 27, 2018.

Funding for capital improvements is partially provided by the Capital Stabilization Override that was voted at the May 3, 2014 Annual Town Election. This approval allows the Board of Selectmen to assess an additional \$100,000 (plus 2.5% in subsequent years beginning with FY 16) in real estate and personal property taxes for the purpose of funding the Capital Stabilization Fund. Funds can ONLY be used for capital improvements. Additional capital funding is provided as outlined under the town's financial management policies, which allocates up to 30% of Free Cash annually for capital improvements. Other potential funding sources include the General Stabilization Fund, Community Preservation Funds, Chapter 90, Grants, Free Cash, excess tax levy capacity and Sewer Reserve.

At the Committee's meeting on March 27th, the Committee voted to recommend the purchase of new fire truck for the Fire Department. If approved by voters, this purchase will be funded through borrowing with a debt exclusion. A Debt Exclusion is a means to raise tax revenue, above and beyond Proposition 2 ½ limits, to pay debt service when borrowing is the funding source for a capital expenditure. The tax increase remains only for as long as the borrowing term and requires voter approvals at both a town meeting and a town election. Presently, the Town is working with the USDA on an application under the Community Facilities Loan and Grant Program. Final terms have not yet been decided. The current interest rate is 3.875%. Depending on the term (10 or 20 years) of the loan, annual payments could be approximately \$28,000-56,000 plus interest.

The following is some highlights of the Committees accomplishment since 2015:

- ✓ Received a Community Compact Best Practices Technical Assistance Grant to Develop a Capital Improvement Program. Technical Assistance Provided by the Franklin Regional Council of Governments (FRCOG). Capital Committee Adopted the Program on 3/21/17. Board of Selectmen adopted on 3/7/17.
- ✓ Developed and Issued a Request for Proposals (RFP) for a Municipal Building Assessment and Space Study to develop a long range capital plan for town buildings. Funding for this Study was provided in FY 18 Capital Budget.
- ✓ Contract for Assessment and Study Awarded to Roy S. Brown Architects.
- ✓ Final Report Due Late Summer 2018

CAPITAL PLANNING COMMITTEE FY 19 RECOMMENDATIONS

Priority	Department	Purpose	Amount
VH	FIRE	Truck Replacement	\$ 536,868.00
TOTAL FIRE			\$ 536,868.00
<i>Note: Funding for this purchase is through borrowing and approval of a debt exclusion</i>			
VH	HIGHWAY	Truck Lease/Year 2	\$ 27,206.48
VH	HIGHWAY	Fuel Dispenser Replace	\$ 5,000.00
H	HIGHWAY	F250 w/Plow	\$ 40,000.00
TOTAL HIGHWAY			\$ 72,206.48
VH	LIBRARY	Roof Cleaning	\$ 3,863.00
VH	LIBRARY	Masonry Repairs	\$ 3,953.00
H	LIBRARY	HVAC Repair/Replace	\$ 6,325.00
TOTAL LIBRARY			\$ 14,141.00
H	POLICE	Replace Security System	\$ 6,651.00
H	POLICE	Key FOB Door System	\$ 7,450.00
TOTAL POLICE			\$ 14,101.00
H	ADMIN	North Main St. Engineering	\$ 65,000.00
H	ADMIN	IT & Telephone Upgrade PSC/Lib	\$ 24,586.00
TOTAL ADMINISTRATION			\$ 89,586.00
RECREATION	RECREATION	Renovate & Reseed Fields	\$ 12,000.00
TOTAL RECREATION			\$ 12,000.00
H	SCHOOL	Hot Water Heater	\$ 17,500.00
	SCHOOL	Upgrade Security Camera	\$ 15,500.00
TOTAL SCHOOL			\$ 33,000.00
TOTAL FY 19			\$235,034.48

Note: Total FY 19 recommendations, excluding those funded through the Sewer Reserve Fund and Debt Exclusion

Priority	Department	Purpose	Amount
H	WWTP	I & I Phase A	\$ 75,000.00
H	WWTP	Replace Chlorine Analyzer	\$ 4,992.00
VH	WWTP	Remove Rebuild Reinstall Pump	\$ 5,880.00
Total WWTP			\$ 85,872.00

Note: Funding for WWTP Capital is through the Sewer Reserve Fund