

Town Article 13 – Capital Improvements

This article will raise and appropriate \$355,350 for the purpose of funding seven previously established Capital Reserve Funds (CRFs) to support the Towns' Capital Improvement Plan (CIP). The CRFs were created to purchase, repair, or maintain Town equipment and buildings that cost over \$20,000 or have a lifespan of at least 5 years. The total amount requested is an increase of \$10,500 or approximately \$0.005 (one-half a cent) as compared to last year.

If this article passes, the funds would be distributed as follows:

- Highway Department Heavy Equipment is increased by \$15,000 to \$45,000;
- Police Department & Dispatch Equipment, Vehicle, and Facilities is increased by \$10,500 from zero dollars in 2020;
- Fire Department Equipment and Vehicle increases by \$70,000 from \$30,000;
- General Government Buildings Maintenance & Improvements is decreased by \$5,000 to \$115,000;
- Highway Department Vehicle Repair and Replacement is decreased by \$10,000 to \$40,000;
- Bridge & Culvert is decreased by \$47,500 to \$34,500;
- Parks Equipment and Facilities would decrease by \$22,500 to \$10,500.

The following CRFs continue to be zero funded: Sidewalks, Master Plan Updates, New Town Facilities, Library, and Recreation Department Equipment, Vehicles and Facilities. (1)

An ongoing, annual 3% increase in Capital Improvements has been recommended by Town Manager and the CIP Committee based on the Town's 40-year analysis (2) in order to project needs. Estimated 2021 tax impact is \$0.368 or \$73.60 on a \$200,000 home.

A YES vote will raise and appropriate \$355,350 to fund seven of the Town's twelve CRFs.

A NO vote will raise no funds for the Town's CRFs.

Reasons why some voters might vote yes:

- To save gradually and avoid spikes in the tax rate.
- To be able to make direct purchases without borrowing or without borrowing the entire amount.

Reasons why some voters might vote no:

- Disagreement with one or more of the areas to be funded.
- To finance higher cost items with bonds and pay for items as built/purchased/used.

References:

1. When these CRFs were originally built, they were built...either by departments (even if there was no defined Capital need) or for a very specific...short-term effort. This previous approach to Capital funding not only cost approximately 16% more to sustain in annual funding to meet defined capital needs and also has frozen funding in CRFs that A) have no defined CIP projects B) been so underfunded they serve no real purpose or C) were created to address a very specific short-term (sometimes unexecuted) goal or effort.
-Town Manager Joe Ilsley in an email 1/4/21.
2. This analysis mapped each CRF over 2 or 3 replacement cycles until 2061. Changes in population were not considered but annual reviews can allow adjustments. -Town Manager Joe Ilsley speaking to Budget Committee, 1/5/21.