



CAPITAL BUDGET AND PROGRAM

2015 - 2020

Prepared with assistance from Central Vermont Regional Planning Commission.

Warren Capital Budget and Program

PURPOSE:

Municipalities are authorized to adopt capital budgets and programs under 24 VSA Section 4430, the Municipal and Regional Planning and Development Act, provided a facilities and services plan has been adopted as part of the town plan. Such a plan has been adopted by the Town of Warren. The purposes of the capital budget and program are:

- to stabilize the tax rate;
- to improve municipal management practices;
- to enable orderly growth and development consistent with the town's fiscal ability to provide facilities and services, in accordance with the town plan; and
- to anticipate facility and service problems and take advantage of opportunities for service efficiencies.

As a planning tool, the expenditures listed in the capital program are not binding on the Town until adopted by the voters as part of an annual budget.

PROCESS FOR DEVELOPMENT OF A CAPITAL BUDGET AND PROGRAM:

1. Identification of Capital Projects

A capital project is any major, nonrecurring expenditure, such as land or road equipment purchase, or building construction or improvement. These differ from regular, ongoing operating expenses, such as salaries, utilities, road maintenance, etc.

According to Vermont's law, "A capital budget shall list and describe the capital projects to be undertaken during the coming fiscal year, the estimated cost of those projects, and the proposed method of financing. A capital program is a plan of capital projects proposed to be undertaken during each of the following five years, the estimated cost of those projects, and the proposed method of financing." (24 VSA Section 4430).

To develop Warren's capital program, the Selectmen identified the capital projects they anticipate over the next six years. Among their considerations were condition of present equipment, equipment needs, new growth requirements, and facilities to store additional equipment. The School Board identified capital projects they anticipate. Due to the lack of a capital program at Harwood Union High School, additional capital costs at the High School could not be factored.

Prepared with assistance from Central Vermont Regional Planning Commission.

2. FINANCIAL ANALYSIS

In order to determine Warren's capacity to finance future capital expenditures, a financial analysis of the Town's expenditures and revenues was developed. Trends in expenditures, both operating and capital, since 2009 were studied. Types of expenditures, such as roads, schools, solid waste, fire and police, wastewater treatment system, and general administration, were broken out to identify where growth is occurring. Changes in the grand list, tax rate, and other sources of revenue were also analyzed.

Based on past trends, as adjusted, projections were made of the Town's future revenue base and operating expenditures to 2020. Capital project costs and grand list growth (the major revenue base) are given in today's dollar. Where applicable, debt service already committed to by the Town was factored into the projections, as well. A constant tax rate was applied to the projected grand list to estimate future revenues. By subtracting projected operating costs, an estimate of revenue available for capital and State expenditures was derived. These calculations are contained in the Appendix.

3. BUDGET AND PROGRAM

Capital projects were programmed according to the expected timing of their need. The method of funding for the projects (outright purchase, short term notes, reserve fund, etc.) was based on municipal financial practices and the ability of the budget to absorb expenditures. In other words, if a project would result in a major increase in the tax rate for one year, phasing of the expenditure either by funding through a note, depreciation account, or reserve fund was proposed. The result is a more even distribution of annual expenditures by the municipality and a more stable tax rate.

Adoption of the Capital Budget and Program:

The capital budget and program is adopted in accordance with the provisions of 24 VSA Section 4404(a) of the Municipal and Regional Planning and Development Act. This section requires at least one public hearing by the Selectmen and filing of the proposal with the Town Clerk and Secretary of the Planning Commission at least fifteen days prior to the hearing. The Planning Commission may submit a report to the Selectmen on the proposal prior to the hearing. The capital budget and program is then adopted by an act of the legislative body promptly after the final public hearing.

Process for Use and Updating a Capital Budget and Program:

As the Selectmen prepare their budget for Town Meeting, the first year of the capital program is reviewed for inclusion as the capital budget for that year. Adjustments are made as necessary to the capital budget to reflect more recent cost data and any changes in financing.

The projections for operating expenses and grand list used in developing the program should be weighted against actual experience and modified as necessary. At the same time as the budget is prepared, other capital items in the program should be reviewed. If there are any changes in these items, they can be made at this time. Examples of changes are deferral of a project due to unforeseen priority needs or financial constraints, and additions to the program. Each year as the capital budget is finalized, one more year is added to the capital program. Suggestions for new capital projects should be solicited from the planning commission and road commissioner. The school board should prepare their capital projects so they can be factored. As the capital projects are added, consideration should be given to the method of financing them. Projections of operating expenditures and debt service should be extended at the same time to determine the effect of any capital items on the budget for the additional year.

Format for the Capital Budget and Program:

The chart on the following page represents the Warren Capital Budget and Program for the period 2015 - 2020. The chart, Capital Projects, lists the Town's anticipated capital needs, including various road equipment, school bus, road and bridge improvements, and town buildings. A cost is listed for each item in columns representing the years within the program period. A total dollar amount for capital expenditures is provided by year.

TOWN OF WARREN
CAPITAL BUDGET AND PROGRAM
2015

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TABLE 1: HIGHWAY RESERVE FUND BALANCE PROJECTIONS

INTRODUCTION:

The Capital Budget and Program is a plan that addresses the Town capital needs within the constraints of available funding over the next few years.

Capital Improvement Program

The Selectmen in 1984 began a financial management process known as Capital Improvement Program (CIP). The purpose of the CIP is to identify and schedule capital expenditures over a six year period. A Capital Expenditure is a one-time, non-recurring expense item, such as the purchase of land, or equipment, or the construction or improvement of a town building. It differs from operating expenses such as payroll or utility cost, which are ongoing. The principle benefit of the CIP is its help in maintain a stable tax rate. Generally speaking, it is an unanticipated capital expense (a new grader, truck or building addition) that will cause the tax rate to vary widely from one year to the next. By state law, the CIP can also be used to the Town in controlling its rate of growth, and in insuring that a large development pays its fair share for any capital expenditure that it may require of the Town. The CIP is of value or planning purposes only. However the annual budget may include contributions to reserve accounts in anticipation of a capital item scheduled for the future.

The Selectboard will hold a public hearing yearly to review and discuss the CIP. Your attendance is encouraged.

Goals of a Capital Budget and Program include:

- Provision of a policy framework for the expenditure of public funds for capital projects.
- Provision of public facilities and services based on reasonable expectations of population and economic growth.
- Efficient and effective use of public funds without exceeding the ability of local government to pay for adequate facilities and services.
- Support for the goals of the municipal plan.

In Support of these goals, the Capital Budget and Program for the Town of Warren includes:

- Review of recent trends in capital and operating expenditures.
 - Identification of existing capital assets and replacement schedules.
 - Identification of additional capital needs based on new facilities/services or population growth.
 - Approval of a 6-year plan of capital expenditures and funding sources based on review of capital needs with the Select Board and department representatives and approval by the Select board.
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In the first of the six years covered by the Capital Budget and program, the list of projects associated costs and funding sources should match the annual budget presented to voters at Town Meeting. Years two through six of the Capital Budget should reflect the best current estimate of capital needs in those years. The Select Board should review the list of projects annually as new information on department needs, project costs and funding sources becomes available. The project list in the Capital Budget and Program should be reviewed and if necessary updated annually.

HISTORIC EXPENDITURES

Annual Reports for the Town were reviewed from 2008 through 2012. The review of Town expenditures covered all departments including highway, library, recreation and general administration costs. School costs were not included. Table 1 provides an itemized list of major capital expenditures for the Town for a 5 year period.

TOWN DEPARTMENTS

At this time the two major components of the Capital Budget and Plan will focus on the Highway Department and the Administrative Departments.

Highway Equipment -

The Town Highway Departments owns and operates 4 tandem Dump trucks, 1 small 5500 work truck, and a pickup. Four of the dumps trucks are replaced on a rotating basis with a useful life of approximately 8-10 years. The smaller work truck is has a replacement useful life of 7.8 and the parts pickup has a useful life of 6 years. The department also has two graders and a loader with a useful life of 14.26 years and 12 years respectfully. Other equipment includes a screen all, 1968 tiger mower, a 2012 chipper, and a 2012 hydro seeder and a 2006 backhoe.

The Select Board has carefully considered a variety of useful lives of the various highway departments' equipment. Other towns were surveyed to determine what useful lives they employ in their capital budgeting. Equipment dealers were interviewed to determine estimates of trade in or salvage values at various different useful life scenarios. For example, there are some towns replacing large trucks at 5 to 7 years and another grouping at 10-15.

Based on their research, the Select Board has determine that the useful lives proposed in this Capital Plan and Budget are a good balance between the initial purchase price, cost of financing, trade in values and reliability of the equipment for its intended purposes. This is not an exact science and different useful lives could be used by applying different weights to the above criteria. The Select Board believes that giving the roughly equal weight to the above criteria provides the right balance for Warren residents and taxpayers.

The Town has established equipment Reserve Fund, which can be used to pay for or offset the costs of replacement of major capital equipment.

Land and Buildings

The existing highway garage is in need of major repair and is not suitable for the town's needs for the foreseeable future. The Town owns the 140.6 acre parcel which includes Brooks Recreational Field, and the land that the Warren School is built on.

The town has established a Town Buildings Reserve Fund that can be used to pay for or offset the costs of town owned buildings.

Other Facilities and Structures

Normal highway maintenance, including resurfacing and drainage work, is considered an operating expense rather than a capital expense. However, the Town does have established a paving reserve account. However, re-constructed roads and upgrades of major culverts, bridges and other facilities may be included as capital projects as the need arises. The town has established a Reserve Fund for Bridges, which can be used for bridge and major culvert replacements. This fund is intended to be used primarily to pay for or offset the town's match for state funded grant programs for the replacement of these major structures.

Administration

Equipment

Administration is listed in the general operating budget. Existing administrative equipment includes 2 copiers, office computers, a fire alarm system and communications equipment. Replacement schedules for these items of equipment are relatively short, ranging from 5 years for copiers and computer to 10 years for communications systems to 15 years or more for the security/alarm system.

Land and Buildings

The town owns the Municipal Building, Warren Fire Station (Main Street), The Town Hall and the Ruby Blair Building. The municipal building houses the administrative office functions of the town and also provides a multi-use meeting space. The fire station was built in 1977, the municipal building was built in 1867, and the Town Hall in 1872. The Ruby Blair House 1830 and the Town Garage 1969, East Warren School House 1896. The buildings have been in need of repair and are starting to have energy efficiency measures done to them. The Town Hall was recently renovated to house the Library.

The town also owns various parcels of land, including the Brooks Recreation Field, Town Garage, and Warren School Land for a total of 140.6 acres, Riverside Park 6 acres, The Eaton Parcel, the Coates Parcel and the old Town Dump. The Village Park & Ride .30 acres, Blair House, Town Hall, Church & Park and the muni building lot 1.93 acres. East Warren School and Common 1 acre.

The town has established a Town buildings and Town improvements reserve funds that can be used to pay for or offset the cost of the town owned buildings and grounds and non-highway equipment.

FUNDING METHODS

A variety of funding methods are available to pay for Capital Projects in Warren. A brief description of each of those methods is given below.

Single-Year General Fund

Most operating costs and capital costs are funded as part of the annual Town budgets, prepared by the Select Board and approved by the voters at the annual Town meeting. Many small capital items are funded in this manner. Capital items under \$3,000 generally are not considered under this Capital budget and program.

Bonding/Borrowing

Large capital items frequently are paid by municipal bonds or through borrowing. By state statute, borrowing for a period of five years or less requires voter approval at an annual or special town meeting (except that the Select Board can borrow without voter approval for highway equipment). Anything over five years requires a "bond vote", which requires an Australian ballot vote. With voter approval the Town determines the best financing options and takes the appropriate action. Payments of principle and interest are spread over a number of years. Terms will depend on the size of the loan, the useful life of the capital item, and the amount of annual debt service that the town wishes to pay.

Reserve Funds

When large capital costs are anticipated some municipalities choose to establish reserve funds. Voter approval is necessary to establish a reserve fund. Once established, the Selectboard has the sole discretion over spending from the reserve fund but they may only use the funds for the purpose for which the fund was established (unless authorized by the voters for some other purpose). The use of reserve funds is a proven method for reducing the impact on tax rates by "smoothing" the cost of major purchases over several years.

Land Records Reserve Fund - Was established for the purpose of making a digital or electronic recorded of existing and future land records which are the responsibility of the Town to maintain with the funding from a \$2.00 per page recording fees paid by person recording documents in the Land Records. The fund allows for the year end transfer of these funds.

Grants, Donations

A variety of outside funding sources, not requiring local tax payments are available. The state has various grant programs for highway, recreation and other projects. An example is the State highway grant programs for Class II paving, structures and bridge replacement programs, and enhancement grants. Warren has been very successful in securing these grant programs over the past 10 years.

Effect of Capital Plan on Tax Rates

There is no doubt that the cost of equipment has risen and will continue to rise during the projections of the next 6 years. For purposes of estimating we have used 2% annual increase for large capital purchase. These increases will directly impact the tax rate; there is simply no way around this issue if we are going to replace capital equipment on a regular basis. The primary benefit of a capital plan and budget and use of reserve funds is to spread those increases over time with incremental increases to the annual budget appropriations.

In addition, the replacement of equipment while it still has some trade in or salvage value, reduces the purchase price. Trading before the equipment is entirely worn out also lowers annual maintenance and major costs, we know that one major repair, such as replacement of a truck body, on a large piece of equipment can cost many thousands of dollars.

Finally, most of our large equipment can be reasonably considered "emergency" equipment due to change expectations of the public. The public expectation for maintenance of the roads has become one of "access all the time under any conditions". Fire, police, school buses and these services, we are not able to meet the public expectations. Planned replacement of equipment and planned and regular maintenance of the equipment are key elements in providing service that our residents want and desire.

Warren has established several Reserve Funds including: Capital Highway Equipment (1984), Fire Department Equipment (1984), Town Reappraisal (1993), Town Mapping (1994), Conservation Fund (1999), Bridge Repair (2002), Paving (1996), Fire Protection/Stand Pipes (1996), Fire Fighter Training & Personal Equipment (2010), Library Building (1997) Town Building Renovations (1997) Town improvements (1997) Town Planning & Development (2007), Warren Wastewater System (1998), State Lister Training Fund (2009), Cemetery (2011), Dam & Covered Bridge (1999). The articles as approved by the voters for the establishment of these funds are listed in an appendix to this plan.

The Capital Equipment Reserve Accounts (Capital Highway Reserve Fund) is used for the purchase of large capital equipment items for the Highway Department. It is funded by annual appropriation line item "Capital Highway Equipment Fund". This method provides a relatively, consistent balance to the reserve fund, which provides a "buffer" in any given year that a piece of equipment was needed on an emergency basis. It is funded, upon voter approval, by an annual appropriation in the Selectboard's budget form the line item "Capital Equipment Reserve Fund".

A spreadsheet listing major capital purchase and estimating reserve fund balance is included in this plan, which estimates the annual contribution necessary to meet the planned purchase. In 2013 the annual appropriation is \$180,000. By 2019 the appropriation will need to increase to \$220,000 keep pace with increase costs.

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Highway Capital Reserve Fund – 1984

Establishing a capital equipment fund to pay for highway equipment to be identified in the Capital budget which will be funded by annual contributions set forth in the Town's annual budget as line items.

Fire Dept Equipment Capital Reserve Fund – 1984

Establishing a Capital Equipment Fire Equipment fund to pay for fire department equipment to be identified in the Capital Budget which will be funded by annual contributions set forth in the Town's annual budget as line items.

Bridge Repair Reserve Fund – 2002

"Shall the Town vote to change to change the Capital Reserve funds known as "RT 100 Access s Road to "bridge," this fund would be used for maintenance and repair bridges.

Article passed as Warned.

Town Mapping (Stare Refund) 1994

This Fund was established during the Capital Budget hearing as money was given to the town for mapping of the town. Each year Capital Allocations are added to this Capital Account as an line item.

Town Planning & Development – 2007

Capital Account added during budget hearing for future town planning and development.

State Lister Training Fund – 2009

Capital account added to receive funds from the State for Lister Training to manage the Towns tax parcels.

Warren Wastewater 1998 – Account was set up to add the revenue from the existing 5 properties of the wastewater system when the Warren Decentralized Wastewater system was planned and constructed.

Dam & Covered Bridge Reserve Fund 1999

Article as warned:

Article 4: Shall the Town create, and fund with \$10,000 this year, a reserve fund for the maintenance and preservation of Warren Villages' covered bridge and dam.

Article passed was warned.

Conservation Fund 1999

Article as warned:

Shall the Town combine the existing Transfer of Development Rights (TDR) Reserve Fund and the Blueberry Lake Reserve Fund into a newly created Conservation Reserve fund for the purpose of acquisition and perpetual protection of critical agricultural, forest, and open land in the Town?

Article passed as warned.

Cemetery Reserve Fun 2011

Article as warned:

"Shall the Town vote to create a new Capital Reserve Fund called "Warren Cemetery" and allocate \$7,000 for 2011?"

Article passed as warned.

Firefighter Training and Personal Protective Equipment Reserve Fund 2010

Article as warned:

"Shall the Town vote to create a new Capital Reserve Fund called "firefighter Training & Personal Protective Equipment.?"

Article passed as warned.

Town Reappraisal Reserve Fund 1993

Article as warned:

"To appropriate the sum \$10,000 to create a reserve fund for the purpose of financing a town Re-appraisal.

Article passed as warned.

Library Building Reserve Fund 1997

Article as warned:

To see if the Town will vote to appropriate up to \$5,000 to the Library Matching Reserve Fund the frits \$2,500 of which to be guaranteed even if enough matching funds are not raised.

Article passed as warned.

Paving Reserve Fund 1996

Article as warned:

To see if the Town will vote to appropriate the sum of \$50,000 to create a reserve fund for the purpose of financing the pavement of roads.

Article Passed as warned

“Shall the Town establish a policy of reconstructing and paving in an orderly fashion existing gravel roads that serve as feeder roads in Town, establishing capital reserves for this purpose at the rate of \$150,000 annually. The purpose of such a program would be to eliminate “mud season” on major arteries; to facilitate access by fire, police, ambulance and other emergency or essential services; to improve the public road system and in the long term to reduce the annual cost of maintain gravel roads?”

Article Passed as warned. 2008

Fire Protection/Stand Pipes Reserve Fund 1996

Article as warned:

To see if the Town will vote to appropriate the sum of \$5,000 to create a reserve fund for the purpose of financing extension of the Sugarbush Pipeline Fire Protection System.

Article Passed with amendment that it can be used for other fire protection standpipes/hydrants.

Warren Village Improvements Reserve Fund – 1997

Article as warned:

To see if the Town will vote to appropriate \$10,000 to create a Warren Village Improvements Reserve fund.

Article passed as warned.

Town Buildings Reserve Fund 1997

To see if the Town will vote to appropriate \$30,000 to create a Town Building Renovations Reserve Fund.

Article passed as warned.



DEPT	VEHICLE	MAKE	PURCHASE YEAR	REPLACEMENT VALUE	LIFE CYCLE	FY12	Actual Exp FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Highway	Tony's Tandum	Western Star	2013	\$220,000	8		\$ 194,627								\$ 240,000	
Highway	Chris' Tandum	Internation 7600	2007	\$220,000	8				\$ 220,000							
Highway	(Tony's Old Tandum) - Spare	International7600 (2005)	2005	\$220,000	8											
Highway	Elwins	Mac	2012	\$184,625	8								\$ 220,000			
Highway	Andrew's Dodge	Dodge 5500	2008	\$60,000	7.8			\$ 130,000								\$ 130,000
Highway	Ray's Tandum	International	2000	\$230,000	8						\$ 230,000					
Highway	Foremans P/U	Ford f350	2013	\$40,000	6		\$45,018						\$ 60,000			
Highway	Grader	Deere 672CH	2004	\$260,000	14.26											\$ 260,000
Highway	Grader	Deere 672CH	1987	\$252,000	14.26						\$ 275,000					
Highway	Loader	Deere 544H - Loader	2002	\$153,000	12									\$ 190,000		
Highway	Backhoe	Deere 710K Bachhoe	2015	\$186,773	7				\$140,000							
Highway	Screenall	Kohlger/Reed														
Highway	Sidarm Mower	Tiger	1968	\$80,000	10											
Highway	Chipper	Chipper	2012	\$20,000	20											
Highway	Culvert Steamer	Novae 8' trailer														
Andrews Dodge To be Sold																

Assumptions	Capital Budget Balance 12/31/2014	\$ 488,202	\$ 326,202	\$ 524,202	\$ 492,202	\$ 415,202	\$ 333,202	\$ 343,202	\$ 323,202
**Based on Local Roads Survey	Capital Budget Expenditure FY 15	\$ 360,000	\$ -	\$ 230,000	\$ 275,000	\$ 280,000	\$ 190,000	\$ 240,000	\$ 390,000
**1987 Grader would be replace, 2004 would be Backup Rotation	Capital Allocation	\$ 198,000	\$ 198,000	\$ 198,000	\$ 198,000	\$ 198,000	\$ 200,000	\$ 220,000	\$ 220,000
**Mower - Lease to Buy 8 years - at \$12,064.21 5% interest	Ending Fund Balance: \$	\$ 326,202	\$ 524,202	\$ 492,202	\$ 415,202	\$ 333,202	\$ 343,202	\$ 323,202	\$ 153,202
Over 8 years interest payment \$14,513.68 , \$82,000 P T= \$96,513.68									

*A printout of the projected Equipment Fund through fiscal year 2020 is available at the Town offices or on the Town of Warren website www.warrenvt.org

CAPITAL BUDGET PROJECTED FUND 2015

	<i>Reserve Fund Budget Forecast Future Transfers</i>					<i>Forecast Expenditures</i>					
	<i>Beginning Balance 1/31/2014</i>	<i>From General to Reserve Fund</i>				<i>2014 Actual Expend</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>Ending Balance 12/31/2014</i>
Highway Department Equipment	\$ 372,369.85	\$ 198,000	\$ 198,000	\$ 198,000	\$ 198,000	\$ 85,515	\$ 356,000	\$ -	\$ 230,000	\$ 252,000	\$ 488,202.08
Fire Department Equipment	\$ 465,039.97	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ 490,463.47
A. Town Reappraisal	\$ 260,573.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 291,808.37
Town Mapping (State Refund)	\$ 55,400.58	\$ -	\$ -	\$ -	\$ -	\$ 4,740	\$ -	\$ -	\$ -	\$ -	\$ 50,709.19
Conservation Fund	\$ 170,835.45	\$ -	\$ -	\$ -	\$ -	\$ 6,651	\$ -	\$ -	\$ -	\$ -	\$ 174,338.94
Bridge Repair	\$ 212,141.36	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,335.06
Paving	\$ 305,450.52	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 476,851	\$ 200,000	\$ -	\$ -	\$ -	\$ 3,832.36
Fire Protection/Stand Pipes	\$ 19,510.33	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,278.75
Fire Fighter Training & Personal Equipment	\$ 31,764.00	\$ 180,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 2,904	\$ 120,000	\$ -	\$ -	\$ -	\$ 48,888.55
Library Building	\$ 39,756.11	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,792.52
Town Building Renovations	\$ 43,334.11	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 17,566	\$ 38,500	\$ -	\$ -	\$ -	\$ 55,803.57
Town Improvements	\$ 40,117.18	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 44,033	\$ -	\$ -	\$ -	\$ -	\$ 16,114.53
Town Planning & Development	\$ 62,695.14	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 61,761	\$ 3,507	\$ -	\$ -	\$ -	\$ 35,983.24
Warren Wastewater System	\$ 5,442.03	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 5,625	\$ 6,000	\$ 6,000	\$ 6,000	\$ -	\$ 6,820.92
State Lister Training Fund	\$ 1,331.43	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,332.62
Cemetery	\$ 21,027.35	\$ 14,000	\$ -	\$ 7,000	\$ 7,000	\$ 1,079	\$ 25,000	\$ -	\$ -	\$ -	\$ 26,967.48
Dam & Covered Bridge	\$ 64,143.12	\$ 40,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 32,403	\$ -	\$ -	\$ -	\$ -	\$ 77,648.37
TOTAL	\$ 2,170,932.43	\$ 809,000	\$ 595,000	\$ 602,000	\$ 602,000	\$ 774,128	\$ 749,007	\$ 6,000	\$ 236,000	\$ 252,000	\$ 2,071,320.02

Town of Warren, Vermont
Capital Project Activity
December 31, 2014

	1/31/2014	Transfer				12/31/2014	
	Balance	In	Revenue	Interest	Expenses	Balance	
Highway Department Equipment	372,369.85	198,000.00		347.23	(82,515.00)	488,202.08	CPF - Assigned
Fire Department Equipment	465,039.97	60,000.00		423.50	(35,000.00)	490,463.47	CPF - Assigned
Town Reappraisal	260,573.90		30,989.00	245.47		291,808.37	SRF - Restricted
Town Mapping	55,400.58			48.61	(4,740.00)	50,709.19	SRF - Assigned
Conservation Fund	170,835.45	10,000.00		154.96	(6,651.47)	174,338.94	CPF - Assigned
Bridge Repair	212,141.36	20,000.00		193.70		232,335.06	CPF - Assigned
Paving	305,450.52	175,000.00		232.63	(476,850.79)	3,832.36	CPF - Assigned
Fire Protection/Stand Pipes	19,510.33	5,000.00	750.00	18.42		25,278.75	CPF - Assigned
Fire Fighter Training and Equipm	31,764.00	20,000.00		28.87	(2,904.32)	48,888.55	CPF - Assigned
Library Building	39,756.11	5,000.00		36.41		44,792.52	CPF - Assigned
Town Building Renovations	43,334.11	30,000.00		35.52	(17,566.06)	55,803.57	CPF - Assigned
Town Improvements	40,117.18	20,000.00		30.06	(44,032.71)	16,114.53	CPF - Assigned
Town Planning & Development	62,695.14	35,000.00		48.89	(61,760.79)	35,983.24	SRF - Assigned
Warren Wastewater System	5,442.03	7,000.00		4.35	(5,625.46)	6,820.92	CPF - Assigned
State Lister Training Fund	1,331.43			1.19		1,332.62	SRF - Restricted
Cemetery	21,027.35	7,000.00		19.13	(1,079.00)	26,967.48	CPF - Assigned
Dam & Covered Bridge	64,143.12	20,000.00	25,861.06	47.07	(32,402.88)	77,648.37	CPF - Assigned
Totals	2,170,932.43	612,000.00	57,600.06	1,916.01	(771,128.48)	2,071,320.02	

APPENDIX

FINANCIAL ANALYSIS

Prepared with assistance from Central Vermont Regional Planning Commission.

TOWN OF WARREN FINANCIAL ANALYSIS

Budget

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
GRAND LIST	8,068,073	7,793,993	7,224,425	7,186,010	7,081,768	7,114,237
TAX RATE	1.42/1.53	1.42/1.56	1.55/1.72	1.51/1.665	1.79/1.88	1.84/1.87
TOTAL ADJ	\$ 11,832,143	\$ 11,785,569	12,014,498	11,551,865	13,034,098	\$ 13,254,363
FED/STATE	367,694	534,847	486,033	1,032,643	768,499	440,056
ACT 60 REAPPRAISAL	-	-	-	-	-	-
WARREN SCHOOL STAGE BOND	-	-	-	-	-	-
OTHER-LOCAL	246,320	199,906	172,103	232,967	164,798	98,800
CONSERVATION GRANTS	12,928	4,668	-	-	470	-
FEMA/HSU FIRE GRANTS	-	-	-	8,950	-	-
STATE PLANNING GRANTS	4,500	-	-	-	5,600	8,400
LIBRARY GRANT	85	3,110	6,385	6,367	4,623	5,255
OTHER-SCHOOL	82,131	101,908	107,574	127,724	129,124	126,916
TOTAL REVENUE	\$ 12,545,801	\$ 12,630,008	\$ 12,786,593	\$ 12,960,516	\$ 14,107,212	\$ 13,933,790
EXPEND TOTAL ALL	\$ 5,863,025	\$ 6,215,831	\$ 6,905,430	\$ 6,720,977	\$ 7,615,470	\$ 7,225,135
ROAD TOTAL	1,068,973	1,299,845	1,993,101	2,002,155	2,335,834	1,881,534
OPERATING	848,973	1,029,845	1,698,101	1,627,155	1,960,834	1,488,534
CAPITAL	220,000	270,000	295,000	375,000	375,000	393,000
PUBLIC WORKS Operating	38,793	42,104	43,154	44,155	45,884	44,045
POLICE TOTAL	36,572	40,442	42,951	33,983	33,917	43,059
OPERATING	36,572	40,442	40,076	33,893	33,917	43,059
CAPITAL	-	-	-	-	-	-
FIRE TOTAL	120,729	112,956	121,003	131,918	153,127	159,630
OPERATING	60,729	57,956	46,003	56,918	68,127	74,630
CAPITAL	60,000	55,000	75,000	75,000	85,000	85,000
FIRE GRANTS	-	-	-	-	-	-
GNL ADM TOT	649,658	641,114	592,368	613,399	632,131	640,498
OPERATING	622,158	613,614	554,868	575,899	587,131	585,498
CAPITAL	27,500	27,500	37,500	37,500	45,000	55,000
TOWN HALL RENOVATIONS	308,056	-	-	-	-	-
PLANNING and ZONING	116,878	137,104	123,010	123,547	122,115	173,488
PLANNING GRANTS	-	-	-	-	-	-
TOWN MAPPING	5,000	11,823	11,770	7,709	8,983	8,500
OPERATING	-	6,823	6,770	2,709	3,983	8,500
CAPITAL	-	5,000	5,000	5,000	5,000	-
REAPPRAISAL	10,000	30,000	-	-	-	-
VALLEY TRANSIT	943	943	943	943	943	943
VILLAGE WASTEWATER TOTAL	2,605	3,583	6,680	10,196	10,728	10,900
OPERATING	2,605	3,583	3,680	3,696	3,728	3,900
CAPITAL	-	-	3,000	6,500	7,000	7,000
WASTEWATER STUDIES	-	-	-	-	-	-
RECREATION TOTAL	45,583	47,236	48,095	46,627	43,551	40,700
OPERATING	45,583	47,236	48,095	46,627	43,551	40,700
CAPITAL	-	-	-	-	-	-
OTHER TOTAL	110,411	148,800	188,493	182,738	198,215	211,803
OPERATING	105,411	123,800	166,493	160,738	138,715	149,803
CAPITAL	5,000	25,000	22,000	22,000	59,500	62,000
WARREN SCHOOL STAGE BOND	22,188	21,502	20,772	-	-	-
RF 1 WASTEWATER BOND	39,376	39,376	39,376	39,376	39,376	39,376
FIRE POND BOND	25,559	25,041	24,506	23,951	23,379	22,793
DEBT SERVICE TOWN	-	-	-	-	-	-
SCHOOL TOTAL	\$ 3,261,701	\$ 3,613,962	\$ 3,649,208	\$ 3,460,280	\$ 3,967,287	\$ 3,947,866
OPERATING	1,755,375	2,081,142	2,094,450	2,104,902	2,234,073	2,317,076
CAPITAL	-	16,000	29,000	22,050	22,050	-
DEBT SERVICE	5,000	5,000	13,938	13,938	41,924	41,039
HARWOOD	1,501,326	1,511,820	1,511,820	1,319,390	1,669,240	1,589,751

**FIVE YEAR TRENDS COMPOUND ANNUAL RATE OF CHANGE
BASED ON EXPENDITURES 2009 - 2014**

GRAND LIST	-2.50%
TAX RATE	5.50%
ADJ. TAX REVENUE	2.00%
FED/STATE	4.00%
OTHER	-8.00%
 TOTAL REVENUE	 2.00%

Expenditures

ROADS	12.00%
SCHOOLS	4.00%
POLICE	3.50%
FIRE	6.00%
GENL ADMN	-1.00%
OTHER	5.00%
TOTAL EXPENDITURES	1.50%

OPERATING TRENDS ONLY

ROADS	12.00%
SCHOOLS	3.75%
OTHER MUNICIPAL	5.50%
 TOTAL OPERATING	 9.00%

**PROJECTED OPERATING EXPENDITURES BASED ON
COMPOUND ANNUAL RATE OF CHANGE
2014 as the base**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
ROADS	1,667,158	1,867,217	2,091,283	2,342,237	2,623,306	2,938,102
SCHOOL	4,053,333	4,205,333	4,363,033	4,526,647	4,696,396	4,872,511
OTHER MUNCP	444,555	469,005	494,801	522,015	550,726	581,015
 TOTAL	 \$ 6,165,046	\$ 6,541,555	\$ 6,949,117	\$ 7,390,898	\$ 7,870,427	\$ 8,391,628

**PROJECTED REVENUE AT HISTORIC TREND TAX RATE INCREASE
COMPOUND ANNUAL RATE OF CHANGE 2014 as the base**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
GRAND LIST	6,936,381	6,762,972	6,593,897	6,429,050	6,268,324	6,111,615
TAX RATE	5.5% increase 1.95	2.06	2.17	2.29	2.42	2.55
TAX REVENUE	\$13,538,082	\$13,925,609	\$14,324,230	\$14,734,261	\$15,156,029	\$15,589,871
FED/STATE	457,658	475,965	495,003	514,803	535,395	556,811
OTHER LOCAL	constant 225,716	225,716	225,716	225,716	225,716	225,716
 TOTAL REV.	 \$14,221,456	\$14,627,290	\$15,044,949	\$15,474,780	\$15,917,141	\$16,372,398
FUNDS FOR CAPITAL, STATE ED FUND, TAX STABILIZA, BOND PAYMTS.	\$8,056,410	\$8,085,735	\$8,095,832	\$8,083,882	\$8,046,714	\$7,980,769