

Town of Woodstock Capital Improvement Plan FY2023 – FY2028

Adopted by Town of Woodstock Selectboard **January xx, 2022**

Prepared for the Town of Woodstock Capital Committee **January xx, 2022**

TABLE OF CONTENTS

TABLE OF FIGURES	2
INTRODUCTION	3
CAPITAL IMPROVEMENT PLAN - A RATIONALE	3
PRIORITIZING CAPITAL PROJECTS AND ASSETS	5
MAINTAINING THE CAPITAL IMPROVEMENT PLAN	6
A LOOK AT PAST YEARS FY2015 TO FY2020	7
PLANNING FORWARD CAPITAL ASSETS & EQUIPMENT FY2023 to FY2028	12
IMPACT ON FY2023 BUDGET	12
IDENTIFIED CAPITAL PROJECT DETAILS	14
ANTICIPATED CAPITAL PROJECT DETAILS	16
CIP FINANCIAL SUMMARY	17
TOWN CAPITAL PROJECTS	17
SEWER CAPITAL PROJECTS	20

TABLE OF FIGURES

Figure 1. Town of Woodstock Sources of Revenue, FY2015 To FY2020.....	7
Figure 2. Town of Woodstock Town Expenditures, FY2015 To FY2020	8
Figure 3. Town of Woodstock Capital Expenditures, FY2015 To FY2020	9
Figure 4. Town of Woodstock Debt, FY2015 To FY2020.....	9
Figure 5. Town of Woodstock Current Debt, as of June 30, 2021	9
Figure 6. Town of Woodstock Capital Reserve Funds, FY2015 To FY2020.....	10
Figure 7. Town of Woodstock Capital Reserve Balances, as of June 30, 2021.....	10
Figure 8. Town of Woodstock Ratio of Capital Expenditures to Total Expenditures	11
Figure 9. Town of Woodstock Tax Rate, FY2015 to FY2020.....	11
Figure 11. Cost of Asset Acquisition or Construction, Town General Fund.....	18
Figure 12. Existing and Proposed Debt Service Payments by Project, Town General Fund	18
Figure 13. Summary of Funding Sources which Impact the Tax Levy, Town General Fund	19
Figure 14. Proposed New Debt by Project, Town General Fund.....	19
Figure 15. Summary of All Funding Sources, Town General Fund	19
Figure 16. Cost of Asset Acquisition or Construction by Project, Sewer Fund.....	20
Figure 17. Existing and Proposed Debt Service Payments by Project, Sewer Fund	20
Figure 18. Summary of Funding Sources which Impact User Fees, Sewer Fund	21
Figure 19. Proposed New Debt by Project, Sewer Fund.....	21
Figure 20. Summary of All Funding Sources, Sewer Fund	21

INTRODUCTION

The Capital Improvement Plan addresses the Town's capital needs within the constraints of available funding over the next six fiscal years. It outlines a plan of action for the Town that furthers the goals of the Woodstock Town Plan. This is the first year such a detailed plan has been created. The CIP will become more complete each year as the process is used and experience grows.

CAPITAL IMPROVEMENT PLAN - A RATIONALE

Capital improvement planning is used to aid communities identify all the capital improvement projects, equipment purchases, and major studies as well as completion schedules and financing plans. The budgetary document creates a schedule for all planned major municipal expenditures for a period of six years. Year one of the Capital Improvement Plan (CIP) is the proposed capital budget for the next fiscal year and years two through six are the proposed capital plan or a schedule of investments to be re-evaluated in each subsequent year.

DEFINITION OF A CAPITAL PROJECT OR ASSET

For the purposes of this document a capital project or asset is defined as:

- A major expenditure that has a gross cost of at least three thousand (\$3,000) dollars; and
- Having a useful life of five years or more, or
- Any project that requires bond financing.

As defined by statute ([24 VSA §4430¹](#)) a capital project or asset is one or more of the following:

- A physical betterment or improvement, including furnishings, machinery, apparatus, or equipment for that physical betterment or improvement when first constructed or acquired; or
- Any preliminary studies and surveys relating to any physical betterment or improvement; or
- Land or rights in land; or
- Any combination of the three.

The capital plan provides a list of the capital projects and assets to be undertaken during the coming fiscal year and the next five years, estimates the cost for each project and identifies how each project will be funded (24 VSA 117 §4430). Year one of the Capital Improvement Plan (CIP) is the proposed capital budget for the next fiscal year and should match the capital projects and assets included in the annual budget prepared by the Selectboard and presented to the voters for their approval. It is a working document intended to provide guidance for the Town's future decisions on capital projects.

Ideally a CIP would be used in conjunction with the Town Plan. The Town Plan should provide actions to determine needs for potential studies, short term investments to support longer term needs, and assess whether current facilities are adequate to serve the needs of the future growth. The CIP would then be used to identify how these would be funded and scheduled over time. The CIP can also be used to provide the necessary project information and analysis of growth trends to serve as the basis for charging impact fees on new development.

¹ <http://legislature.vermont.gov/statutes/section/24/117/04430>

Examples of capital projects and assets include:

- Buildings
- Equipment and machinery with a useful life greater than 3 years
- Land acquisition for the public purpose such as conservation
- Major building or facility renovations and repairs
- Road renovations resulting in long-term improvement in road conditions
- Drainage infrastructure
- Special studies

ADVANTAGES OF A CAPITAL IMPROVEMENT PLAN

- Stabilizes year-to-year variations in capital expenditures by planning for major purchases or improvements
- Integrates implementation of the Town plan with the annual capital planning process through scheduling of proposed projects over a period of time
- Establishes priorities for projects on the basis of needs and costs
- Provides information to anticipate future revenues and expenditures
- Creates a platform for pre-emptive acquisitions that are more feasible and defensible e.g., land acquired for town uses such as waste disposal, and recreation
- Allows for the creation of capital reserve accounts which can reduce overall cost of capital expenditures by avoided interest and financing costs
- Enables the Town to levy impact fees in accordance with (24 VSA 117 §4430, [\(24 VSA §5200²\)](#))
- Creates a transparent budgetary process with a public information tool that explains to the public the Town's plans for major expenditures
- Provides a basis to phase development to avoid or mitigate impacts on existing or planned municipal facilities or services

² <http://legislature.vermont.gov/statutes/section/24/131>

PRIORITIZING CAPITAL PROJECTS AND ASSETS

In order to identify which capital projects and assets should be included in the Capital Improvement Plan, the following two-part process will be used to review and establish their priority.

Evaluate the Need: Capital projects and/or assets will be evaluated based on the criteria below to assess the need and readiness of the project or asset for incorporation into the plan.

- The project or asset is required under a state or federal mandate, law or regulation
- The project or asset will mitigate or eliminate a known health or safety threat
- The project or asset is based on a contractual obligation of the Town
- The project or asset will improve the quality of existing infrastructure
- The project or asset will maintain or improve the delivery of public services to the majority of the population
- The project or asset is identified in an existing plan or report
- The project or asset is identified as being feasible based on prior planning
 - The project or asset conforms to the Town Plan
 - The engineering and architectural designs are satisfactory
 - The implementation schedule seems reasonable in terms of timing phasing and available funding
 - The purchase of the asset results in future cost savings
- State or federal grant funds are available to assist in funding the project or asset
- Private funds are available to assist in funding the project or asset

Establish the Priority: The following system will be utilized to assess the relative priority of capital projects and/or assets requested by the various departments. Each proposed project and/or asset will be initially prioritized by the Department heads. Their prioritization will be reviewed by the Capital Committee.

Each capital project or asset will be assessed a priority rank based on the description below:

U — Urgent	Cannot be delayed; Need to address health or safety concern
C — Committed	Part of an existing contractual agreement or otherwise legally required
N — Necessary	Need within one, two, or three years to maintain basic level and quality of community services
D — Desirable	Needed within four, five or six years to improve quality or level of services
F — Deferrable	Can be placed on hold until after 6-year period, but supports community development goals
R — Research	Pending results of ongoing research, planning and coordination
I — Inconsistent	Conflicts with an alternative project or solution recommended by the Capital Budget. Contrary to land use planning and community development goals.

MAINTAINING THE CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) outlines capital improvements over a six-year period. In year one of the CIP, the list of capital improvements, associated costs and method for financing should match the annual budget presented to voters at Town Meeting. The years two through six of the CIP should reflect the current best estimate of capital needs in those years. In order to maintain the CIP, the information in the plan should be updated annually as part of the town's budgeting process.

The Municipal Manager will be responsible for coordinating the CIP update process.

The first step in the preparation of the CIP is the identification of capital improvement needs. At the start of each fiscal year (July), the Municipal Manager will distribute Capital Request forms and a copy of the Capital Assets Inventory to department heads. The request form is used to identify the department's anticipated needs for the next six-year period. As a part of their request, departments will submit an initial prioritization of capital improvement projects or assets based on the outlined criteria. Department requests and changes to the capital asset inventory shall be submitted to the Municipal Manager by August 31st.

The Municipal Manager will coordinate with the Capital Committee to draft the CIP.

The Capital Committee will review the capital improvement projects and assets and assigned prioritization based on long-range strategic plans for provisions of municipal services and conformance to the Town Plan.

The Capital Committee will assess the impact the recommended capital projects and assets will have on the municipal tax rate and ensure the best allocation of payments to stabilize annual expenditures.

The Municipal Manager will submit a draft CIP to the Selectboard by November 1st for review and incorporation into the annual budgetary process.

The CIP should be adopted annually prior to Town Meeting Day. As provided in statute ([24 VSA §4444³](#)), the Selectboard may adopt, amend, or repeal the CIP following one or more public hearings.

³ <http://legislature.vermont.gov/statutes/section/24/117/04430>

A LOOK AT PAST YEARS FY2015 TO FY2020

The following information provides a historical summary of the fiscal trends in Woodstock Town.

TOWN REVENUES

Figure 1 provides historical information on revenues collected by the Town of Woodstock for each fiscal year. The fiscal year starts July 1. The sources of revenue are shown in the seven categories used in the Financial Statements and Independent Auditor's Reports. Note the revenues include the General Fund and the Sewer Fund.

Figure 1. Town of Woodstock Sources of Revenue, FY2015 To FY2020

Sources of Revenue						
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Property Taxes	\$3,554,267	\$3,592,363	\$3,695,194	\$4,158,351	\$4,376,511	\$4,506,115
Charges for Services	\$1,385,500	\$1,343,767	\$1,466,018	\$1,511,378	\$1,682,664	\$1,650,390
Grants and Contributions	\$1,196,317*	\$272,156	\$350,607	\$567,495	\$1,287,662	\$294,906
Local Options Tax		\$208,112	\$249,973	\$265,426	\$286,511	\$281,974
Other Program Revenue	\$70,255	\$28,112	\$34,054	\$80,957	\$114,267	\$261,277
Investment Income	\$35,325	\$54,147	\$40,483	\$28,501	\$36,636	\$45,693
Bridge Donation**				\$2,022,317		
Total	\$6,241,664	\$5,498,657	\$5,836,329	\$8,634,425	\$7,784,251	\$7,040,355

* Includes Community Development Grant of \$912,431 for Safford Commons development

** Central St Bridge Payment of \$2,022,317 from VT State

Source: Source: Town of Woodstock Audited Financial Statements - Changes in Net Positions

Revenue Categories:

Property Taxes	Real estate taxes, delinquent interest and penalties, in lieu of taxes, land use, Rockefeller Endowment annual contribution
Charges for Services	Town Clerk fees & licenses, Planning and Zoning fees & permits, Dispatch, Net Ambulance Service fees, Sewer fees & hook-ups
Grants & Contributions	Grant revenue for highway projects, VT State aid, FY2015 includes Community Development Grant for Safford Commons development
Local Option Tax	The Town keeps 70% of the 1% Local Option tax collected on meals, rooms and alcohol. The revenue is used to fund projects of the Economic Development Commission
Other Program Revenue	Rental income (Pentangle, Chamber of Commerce), Town Forest lease
Investment Income	Investment income from Town owned account (not including Rockefeller Endowment Fund or Public Trust Funds)
Bridge Donation	VT State payment for Central Street bridge

TOWN EXPENDITURES

An analysis of Woodstock Town's expenditures from Financial Year (FY) 2015-2020 is presented in Figure 2 and Figure 3. The fiscal year starts July 1. The operating expenses are shown in the seven categories used in the Financial Statements and Independent Auditor's Reports.

Figure 2. Town of Woodstock Town Expenditures, FY2015 To FY2020

Annual Expenditures by Department						
	FY2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
General Government	\$1,049,417	\$1,146,460	\$1,144,827	\$1,257,374	\$1,408,523	\$1,365,140
Public Safety- Fire, Ambulance, Police	\$1,297,190	\$1,354,512	\$1,451,349	\$1,482,734	\$1,576,106	\$1,581,409
Public Works - Highway	\$1,636,293	\$1,517,905	\$1,619,978	\$2,161,197	\$2,685,145**	\$1,934,581
Economic & Community Development	\$915,431*	\$107,614	\$94,323	\$172,388	\$201,498	\$226,894
Culture & Recreation	\$700,564	\$731,002	\$859,712	\$725,641	\$665,894	\$595,571
Interest	\$48,575	\$45,397	\$59,466	\$53,472	\$46,253	\$46,365
Public Works - Sewer	\$822,341	\$849,631	\$1,026,458	\$897,765	\$1,031,580	\$1,000,836
TOTAL	\$6,469,811	\$5,752,521	\$6,256,113	\$6,750,571	\$7,614,999	\$6,750,796

* Includes Community Development Grant of \$912,431 for Safford Commons development

** includes Central St Bridge donation payment of \$2,022,317 from VT State

Source: Town of Woodstock Audited Financial Statements - Government-Wide Statement of Activities

Operating Expense Categories:

General Government	Personnel (Municipal Manager, Treasurer, Accounting, Planning & Zoning, Town Clerk, Listers), Office Expenses, Board Expenses, Town Hall Building, Audit, Dues, Insurance, Tropical Storm Irene Bond, Cemeteries, Welcome Center, Upper Valley Solid Waste
Public Safety	Fire, Ambulance, Police, Dispatch Services; Health Officer; Constable, Animal Control
Public Works - Highway	Office & Personnel; Equipment Leases, Repairs & Maintenance; Highway, Sidewalk, Bridges, Culverts and Storm Drain Maintenance; Town Garages; Street Lights; Parks; Trash Removal
Economic & Community Development	Grants Expense
Culture & Recreation	Contributions to Rec Center, Library, Pentangle, Thompson Center, Little Theater Bond, Fireworks, Parades
Interest	Loan Interest
Public Works - Sewer	Personnel, Office Expenses, Building, WWT Plants, System, Vehicle maintenance, Dewatering, Testing

Figure 3. Town of Woodstock Capital Expenditures, FY2015 To FY2020

Capital Assets Acquired						
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Buildings & Improvements	\$123,094	\$122,944	\$218,107		\$118,999	\$105,179
Vehicles & Equipment	\$205,462	\$391,563	\$200,426	\$159,824	\$276,111	\$667,757
Infrastructure	\$138,327	\$139,472		\$2,140,409*	\$422,448	\$396,816
Sewer	\$371,795	\$164,934	\$58,700	\$2,075	\$55,913	\$651,082
Office Equipment	\$33,367	\$41,146	\$72,971	\$7,018		
Total	\$872,045	\$860,059	\$550,204	\$2,309,326	\$873,471	\$1,820,834

* Includes Community Development Grant of \$912,431 for Safford Commons development

Source: Town of Woodstock Audited Financial Statements - Capital Asset Note

TOWN DEBT

Figure 4 illustrates that the Town's debt has been steadily reduced since FY 2015.

Figure 4. Town of Woodstock Debt, FY2015 To FY2020

Long-Term Debt						
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
LT Debt - Governmental	\$1,967,377	\$1,972,180	\$1,771,943	\$1,549,332	\$1,479,863	\$1,324,452
LT Debt - Sewer	\$226,050	\$214,375	\$163,700	\$113,025	\$75,350	\$37,675

Source: Town of Woodstock Audited Financial Statements - Long Term Debt Note

Figure 5. Town of Woodstock Current Debt, as of June 30, 2021

Loan	Lender	Balance June 2021	Loan	Lender	Balance June 2021
ESB Loan	VT Bond Bank/People's	\$ 4,500,000	Loader	John Deere	\$ 67,987
Highway Garage	VT Bond Bank/People's	\$ 490,000	Ambulance	Bar Harbor	\$ 50,000
Tropical Storm Irene	Bar Harbor	\$ 401,400	Ford F550 2020	Bar Harbor	\$ 47,562
2020 Western Star	Bar Harbor	\$ 177,185	1 Ton/F550 FY 19	Bar Harbor	\$ 44,804
Little Theater	Bar Harbor	\$ 129,701	Town Hall Energy	Mascoma	\$ 40,217
2020 Freightliner	Mascoma	\$ 127,338	WWTP EPA	VT Bond Bank/People's	\$ 38,275
Grader FY 20	John Deere	\$ 118,024	Backhoe	John Deere	\$ 36,279
Welcome Center	Mascoma	\$ 75,458	Manger's Truck	GM	\$ 10,684
			F150	VT Bond Bank/People's	\$ 6,835

Source: Woodstock Municipal Internal Management Report

check numbers vs new audit

CAPITAL RESERVES

The Town has set aside reserves for certain capital projects and draws on that fund to pay for projects or new vehicles. Figure 6 below shows the balance of reserve accounts as of June 30 for the last six years. Each reserve is associated with a specific capital expense. That detail is shown in Figure 7.

Figure 6. Town of Woodstock Capital Reserve Funds, FY2015 To FY2020

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Transfers in	\$298,219	\$402,602	\$349,634	\$390,903	\$343,323	\$324,400
Transfers out	\$273,394	\$596,278	\$270,199	\$203,218	\$241,467	\$485,257
Capital Reserve Fund	\$939,474	\$752,985	\$848,794	\$1,004,983	\$1,077,354	\$1,116,497
Capital Reserve Fund - Sewer	\$508,406	\$501,327	\$485,036	\$516,636	\$546,128	\$346,128

Source: Town of Woodstock Audited Financial Statements - Fund Balance Note

Figure 7. Town of Woodstock Capital Reserve Balances, as of June 30, 2021

DEPARTMENT	ITEM	\$	DEPARTMENT	ITEM	\$
EXECUTIVE	Vail Field	38,100	HIGHWAY	Recycling	453
EXECUTIVE	Town Hall Construction	-5,090	HIGHWAY	Trucks	40,484
EXECUTIVE	Manager’s pickup	4,887	HIGHWAY	Backhoe	781
EXECUTIVE	Selectboard contingency	84,785	HIGHWAY	Highway pickup	16,377
P&Z	Town plan consulting	8,000	HIGHWAY	Bridge construction	165,219
P&Z	Zoning	59,315	HIGHWAY	Snow blower	12,500
CEMETERY	Improvements	11,000	HIGHWAY	The Green archway	3,000
TOWN CLERK	Restoration of records	96,092	HIGHWAY	Culverts	7,774
TOWN CLERK	Office equipment	1,500	HIGHWAY	Emergency Infrastructure	45,200
TOWN CLERK	Vault	44,400	HIGHWAY	Sidewalk construction	88
LISTERS	Equipment	9,207	HIGHWAY	Road construction	25,000
LISTERS	Listers education	894	HIGHWAY	Catch basins	15,000
LISTERS	Grand List reappraisal	61,131	HIGHWAY	Generator – rt 4 garage	6,000
FIRE	Generator	2,911	HIGHWAY	Storm drains pipe repair	15,000
FIRE	Bunker gear	39,834	HIGHWAY	Road improvements	3,224
FIRE	Pager replacement	10,874	HIGHWAY	Salt and sand	2,647
FIRE	Fire Truck	10,000	HIGHWAY	Lower Hwy Garage	15,000
FIRE	Air Packs	12,874			
FIRE	Air pack tanks	10,000	AMBULANCE	Ambulance	120,621
FIRE	Air pack frames	39,600	AMBULANCE	Ambulance – VLCT	2,600
FIRE	2-way radios	6,000	AMBULANCE	Cardiac monitors	41,252
FIRE	Utility Truck	10,000	AMBULANCE	Portable computer	
FIRE	Hose	1,096			
EMS	LED lighting	4,000	AMBULANCE	Computer	7,500
EMS	Boiler Replacement	2,000	AMBULANCE	Pagers/Radios	6,000
EMS	EMS building study	6,000	AMBULANCE	2-way radios	10,000
COMMUNICATIONS	General	43,041	??	Computer Equipment	7,558
COMMUNICATIONS	Computer	5,462	GENEARL GOV	Office Equipment	10,146
DISPATCH	Receiver/transmitter B	8,000			
SEWER	I.I. Study	20,000	SEWER	Sludge disposal truck	7,378
SEWER	Pickup Truck	12,000	SEWER	Repairs and Maintenance	53,010
SEWER	Dechlorination Equipment	5,214	SEWER	Line flusher	40,000
SEWER	Ton truck (F-350)	16,000	SEWER	TV Camera	10,000
SEWER	Tractor	111,336	SEWER	Sewer line maintenance	3,696
SEWER	Manager’s Pickup	3,502	SEWER	Dechlorination equipment	4,000
SEWER	Test/monitor wells	4,508	SEWER	Other capital expenditures	90,483
SEWER	Influent Pump	2,000	SEWER	Test Monitor Well	4,508
SEWER	Contingency	90,483			

FISCAL IMPACT

One of the goals of the CIP is to stabilize future tax rates by anticipating capital needs and timing appropriations. Figure 8 shows the ratio of past capital expenditures to the total Town expenditures from 2015 to 2020. On average over this time period, capital expenditures made up 18.4% percent of the total Town expenditures which includes the two years when large grants for capital purchases were received.

Figure 8. Town of Woodstock Ratio of Capital Expenditures to Total Expenditures

Long-Term Debt						
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Capital Expenditure	\$ 872,045	\$ 860,059	\$ 550,204	\$ 2,309,326*	\$ 873,471	\$ 1,820,834
Total Town Expenditure	\$6,469,811	\$5,752,521	\$6,256,113	\$6,750,571	\$7,614,999	\$6,750,796
Ratio	13.4%	15%	8.8%	34%	11.4%	27%

* Includes Community Development Grant of \$912,431 for Safford Commons development
 Source: Town of Woodstock Audited Financial Statements

Figure 9 presents the property tax rate for the Town of Woodstock from fiscal year 2015 to 2020 as reported in annual Town Reports; the tax rate is broken out by municipal and education components. Education expenses have a greater impact on the local tax rate than municipal expenses. The non-residential rate is paid by commercial property owners and second homeowners.

Figure 9. Town of Woodstock Tax Rate, FY2015 to FY2020

Property Tax Rates	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Municipal & County Taxes	0.3667	0.3804	0.3693	0.4203	0.4466	0.5715
Homestead/Residential Education Tax	1.6549	1.6686	1.6686	1.6603	1.7025	1.7508
Non-Residential Education Tax	1.5305	1.5336	1.5336	1.5503	1.6197	1.7217
Police Assessment	0.0482	0.0527	0.0527	0.0577	0.064	0.0681
TOTAL - Residential Rate	2.0698	2.1017	2.0906	2.1383	2.2131	2.3904
TOTAL – Non-Residential Rate	1.9454	1.9667	1.9556	2.0283	2.1303	2.3613
Percent Change - Residential Rate	2%	2%	-1%	2%	3%	8%
Percent Change – Non-Residential Rate	3%	1%	-1%	4%	5%	11%

Source: Town of Woodstock Annual Reports

PLANNING FORWARD CAPITAL ASSETS & EQUIPMENT FY2023 to FY2028

The Town of Woodstock Capital Committee in conjunction with Management and Department Heads, has compiled existing and projected data to produce a six-year Capital Improvement Plan (CIP) for consideration by the Selectboard and Trustees. The CIP includes projections for General Government, Highway, Dispatch, Fire and Ambulance, and Sewer departments.

The CIP includes these identified major capital projects

- Woodstock Climate Action Projects ... Building Efficiency and Fuel Switching
- Repairing the Old Town Garage
- Rebuilding Carlton Hill Embankment
- South Woodstock Waste Water Treatment Plant
- Main Waste Water Treatment Facility (Maxham Meadow Way) ...Engineering Study costs

The CIP does not include these anticipated major capital projects that are in the research phase. Insufficient details are available to include the projects in the CIP this year.

- Main Waste Water Treatment Facility (Maxham Meadow Way) construction costs
- Town Hall Rejuvenation Project
- Rehabilitating the Green
- Replacing the Village Garage
- Rebuilding the Woodstock Union High School and Middle School

Details for each major project, both included and anticipated follow this summary.

Normal highway maintenance, including patching, maintaining dirt roads, and ditching is considered an operating expense. Roadway improvements such as repaving, curbing, extensive ditching with rock lining, and upgrades of culverts or other infrastructure will be included as capital projects. The Town is developing inventories of roads, culverts, ditches etc. to inform the CIP.

IMPACT ON FY2023 BUDGET

TOWN GENERAL FUND

Town General Fund expenditures of \$1,318,935 are proposed for the construction and acquisition of assets in FY2023. To put this figure into perspective, comparable expenditures were \$817,558 in FY2019, and \$1,169,752 in FY2020. Projected spending includes the following:

Climate Action Project (A)	\$415,935	(Portion B detailed in Sewer)
Highway Vehicles	\$425,000	
Road, Sidewalk & Curb Infrastructure	\$220,000	
Dispatch Consoles	\$144,000	
Retaining Walls and Embankments	\$50,000	
Fire Vehicles	\$25,000	
Fire Tools and Equipment	\$21,000	
Ambulance Equipment	\$10,000	
Highway Equipment	\$8,000	

The overall impact on taxes in FY2023 is \$1,267,855. This is combination of

- proposed operating budget line of \$150,000 for sidewalks
- proposed capital reserve transfers of \$412,295, and

- debt payments associated with new and existing capital related debt of \$711,019 (all budgeted for in the operating budget).

The proposed reserve transfers include a \$128,000 reserve transfer for road infrastructure which is a change in the method of budgeting for this item. By budgeting a stable amount that increases gradually over time, any excess in one year can roll forward to future years. This allows the tax payers to contribute a predictable amount over time but for the Town to address the uneven nature of road infrastructure projects through the capital budget.

To add a basis for comparison, in FY2022

- approximately \$270,000 was budgeted for reserve transfers
- \$50,000 was budgeted for paving and
- a special article was approved for an additional \$86,000 in paving.

Factoring in these three items, the FY2022 budget had \$406,000 in combined reserves and paving costs compared to the FY2023 proposed \$412,295 reserve transfers (including road infrastructure).

In addition to existing reserves and tax dollars, the FY2023 capital budget proposal includes new debt in the Town General Fund of \$1,327,057. Proposed new debt includes the following:

Climate Action Project (A)	\$385,935	(Portion B detailed in Sewer)
Retaining Walls and Embankments	\$500,000	
Highway Vehicles	\$360,000	
Dispatch Consoles	\$56,122	
Fire Vehicles	\$25,000	

SEWER FUND

FY2023 Sewer asset construction and acquisition is proposed at \$2,436,192. Projected spending includes the following:

Maxham Meadow WWTF (Engineering costs)	\$150,000	
South Woodstock WWTF (Engineering)	\$300,000	
South Woodstock WWTF (Year 1 Construction)	\$1,500,000	
Climate Action Project (B)	\$244,192	(Portion A detailed in Town General Fund)
Sewer Vehicles	\$220,000	
Sewer Equipment	\$22,000	

The cost figures for Maxham Meadow WWTF and South Woodstock WWTF projects are estimates at this time. Grant funding to cover half of the Maxham Meadow WWTF costs is included in the budget and the South Woodstock costs are covered by debt proceeds. The repayment on the South Woodstock bond is projected to begin in FY2024. The impact to rate payers in FY2023 is \$135,489 which covers

- establishing a \$6,000 reserve transfer for sewer vehicles
- transferring \$18,000 to cover the cost of sewer equipment
- the first year of a five-year lease on sewer vehicles for \$39,304
- the first year of a ten-year lease on the sewer portion of Climate Action Projects \$27,185
- half of the Maxham Meadow WWTF engineering costs of \$75,000.

New Sewer Fund debt is proposed to fund the replacement of sewer vehicles (\$180,000) and to fund Climate Action Project (B) (\$244,192).

IDENTIFIED CAPITAL PROJECT DETAILS

GENERAL GOVERNMENT

PROJECT: Woodstock Climate Action Projects - Building Efficiency & Fuel Switching	YEAR OF EXPECTED EXPENDITURE: FY 2023
TOTAL COST: \$660,127 ANNUAL COST: \$75,000 (lease payment) ANNUAL SAVINGS: \$20,000	FUNDING SOURCE: General Fund, Sewer Fund, Capital Reserve
<p>DESCRIPTION:</p> <p>In 2020, Woodstock passed a Climate Emergency Declaration, with a goal of achieving net-zero greenhouse gas (GHG) emissions by 2030. Woodstock has eight budget cycles to meet this goal, which means the town will need to reduce its emissions by at least 12.5% each year. Approximately one-third of Woodstock’s emissions come from heating municipal buildings, and this sector should be the focus for near-term emission reductions given the availability of proven technologies.</p> <p>Woodstock’s Regional Energy Coordinator assessed town buildings with Energy Efficient Investments (EEI), an Energy Services Company, and identified opportunities for lowering energy use and moving off fossil fuel that would reduce the town’s annual GHG emissions by approximately 12%. These projects represent a major step towards the town’s climate commitments, and would also result in better building performance and increased occupancy comfort and health.</p> <p>The project includes</p> <ul style="list-style-type: none"> - Installing heat pumps to meet most of the heating load at the Highway Garage, Old Town Garage, Visitors Center, Main Wastewater Treatment Plant (Maxham Meadow Way), and West Woodstock Fire Station - Replacing water heater with heat pump water in Main Waste Water Treatment Plant - Installing replacement roof with insulation at Old Town Garage - Making LED lighting upgrades wherever needed - Installing minor weatherization and weather stripping at the Town Garage, Main WWTP, West Woodstock Fire Station - Installing direct digital controls to manage the HVAC systems throughout these Woodstock municipal buildings. The controls will allow for municipal buildings to be managed through a centralized, online platform, and will ensure that the buildings’ systems are running optimally. <p>The project also includes corrective action in regard to the lack of ventilation in the headworks room and office/laboratory in the Main WWTP. This is a significant code violation and poses a serious safety threat. EEI has proposed to install a heat recovery ventilation system to prevent the buildup of noxious gas. While adding ventilation will not reduce energy use, it is an essential component of the energy project.</p> <p>Any improvements made at the Main WWTP would be done in coordination with the engineers, Hoyle, Tanner, and Associates in order to incorporate future upgrade plans for the facility. Upgrading the HVAC systems at the Main WWTP with EEI would allow the town to address serious health and safety issues and reduce fossil fuel use now without delay or compromise as the future upgrade of the facility is detailed.</p> <p>Note: Opportunities at the Town Hall are excluded from this plan and will be included in the Town Hall Rejuvenation Project.</p>	

PUBLIC WORKS: HIGHWAY

PROJECT: Retaining Walls and Embankment	YEAR OF EXPECTED EXPENDITURE: FY2023: Engineering Study FY2024: Construction
TOTAL COST: \$500,000 Engineering: \$50,000 Construction Estimate: \$450,000	FUNDING SOURCE: Capital Reserve, General Fund
The embankment on Carleton Hill Road is in poor shape. A geo-technical study is required, VTRANS estimates cost to fix the embankment at \$500k. FY2023 spending proposed at \$50k for the initial study and evaluation, with construction happening in future years. Debt financing is proposed for the completion of this project.	

PROJECT: Old Town Garage	YEAR OF EXPECTED EXPENDITURE: FY 2022
TOTAL COST: \$34,500	FUNDING SOURCE: Capital Reserve, General Fund
DESCRIPTION: This building is used to store vehicles for which there is no space in the New Town Garage. The building is in poor repair and in particular its roof is failing. An insulated roof is included in the climate action project.	

PUBLIC WORKS: SEWER

PROJECT: South Woodstock Waste Water Treatment Plant	YEAR OF EXPECTED EXPENDITURE: FY 2022/23
TOTAL COST: Estimate \$4.1 million	FUNDING SOURCE: Bond, Grant (Infrastructure Bill, ARPA)
DESCRIPTION: The current plant is being replaced on the same site. This is a State mandated project. The project costs have increased to \$4.1 million from the original estimates of \$2.8 million. Woodstock residents voted for a \$2.8 million bond in March 2020. Town staff are currently seeking grants to make up this shortfall. Repayment on the South Woodstock bond is projected to begin in FY2024. FY2023 projected engineering costs of \$300,000 FY2023 projected first year construction costs estimated at \$1.5M.	

PROJECT: Main Waste Water Treatment Facility (Maxham Meadow Way)	YEAR OF EXPECTED EXPENDITURE: FY2022...Engineering Study FY ???...unknown
TOTAL COST: Unknown Engineering Study: \$150,000	FUNDING SOURCE: Bond, Grant (Infrastructure Bill, ARPA)
DESCRIPTION: The current plant is due for a major update. This is a State mandated project. The preliminary engineering report to scope the project is expected to be complete by February, 2022. In FY2022 engineers will detail the work necessary after which it will be possible to get an estimated cost. There could be funds in the Infrastructure Bill or ARPA to pay some of the costs. 50% of the FY2023 projected engineering costs will be paid for by grant funding.	

ANTICIPATED CAPITAL PROJECT DETAILS

GENERAL GOVERNMENT

PROJECT: Town Hall Rejuvenation Project	YEAR OF EXPECTED EXPENDITURE: FY2024/25
TOTAL COST: Unknown ESTIMATED BOND COST: \$5 million	FUNDING SOURCE: Bond, Grants, Private Funds
<p>DESCRIPTION: The Town Hall is the center of civic, cultural, and community life in Woodstock—municipal offices mix with record vaults, a theater, and public meeting rooms. The building was constructed in 1900, and having last been updated in 1987, it’s badly in need of repair, renovation and rejuvenation.</p> <p>The goal is to fulfill this historic building’s potential by making it a modern, accessible, energy-efficient community resource for all. The project will include repair, renovation and upgrades, much of which will be paid for with private funds and grants.</p> <p>In 2020 and 2021 the Town Hall Rejuvenation Project team worked with an architect and many professionals in order to take the Master Plan through a design phase. The team worked on private fundraising, grant investigations, initial design development and costs. So far, none of the design options investigated meet the project goals at an affordable price with the significant structural support work and increasing construction costs. The project the team learned: the Town Hall has serious structural issues that are costly to overcome; the HVAC and parts of other systems need replacing and air quality does not meet current standards; ADA access needs to be improved; major donors are willing to contribute; the opportunity for grants, federal and state funding could be significant and there is some urgency to take actions to maintain use of the theater.</p> <p>A proposed bond of \$5M has been included in FY2024 for planning purposes though no specific spending has been listed for FY2023.</p> <p>More information can be found at https://woodstockthrp.org</p>	

PROJECT: The Green	YEAR OF EXPECTED EXPENDITURE: Unknown
TOTAL COST: Unknown	FUNDING SOURCE: TBD
<p>DESCRIPTION: The Green is the center attraction for the Village and Town.</p> <p>After years of use by different groups and years of neglect it needs a major face lift. The walks are impassable after and rain or melting snow in the spring. The lawn areas have been compacted and puddle, the fence is in desperate need of repair.</p> <p>The proposal is to move the fence back to accommodate pedestrians to safely walk to the entrances of the Green without walking in the street, improve drainage, brick all walking paths and install a new lawn with irrigation.</p>	

PUBLIC WORKS: HIGHWAY

PROJECT: Village Garage	YEAR OF EXPECTED EXPENDITURE: Unknown
TOTAL COST: Unknown	FUNDING SOURCE: TBD
DESCRIPTION: This village building has been deemed unsafe. It is prime real estate, can it be put to more productive use? A study is suggested to investigate needs and alternative options	

SCHOOL

PROJECT: Rebuilding Woodstock Union High School and Middle School	YEAR OF EXPECTED EXPENDITURE: Unknown
TOTAL COST: Unknown	FUNDING SOURCE: TBD
DESCRIPTION: The existing school building constructed in 1957 is a dated facility with health and safety, programmatic and operating cost inefficiencies that require a long-term solution. With changes in teaching and learning methods the sizes, layout and relationships of most of the spaces within the current school are obsolete. A future ready school has the potential to attract new residents, increase tuition paying students and be a catalyst for economic development in addition to the positive outcomes for student achievement and faculty and staff performance. The 2019 Master Plan to create an inspiring 21st century learning environment described building a new school that optimizes the site and river achieves all the Master Plan goals, is easy and less disruptive to build, offers the best long-term value, and creates an accessible, flexible and future-ready 21st Century learning environment. To renovate the existing building would require significant cost without addressing most of the solutions needed. To renovate and add to the existing buildings would cost more than a new facility with inferior results. Initial cost estimates of \$65 million would be shared by school district taxpayers, grants and private donations. More details can be found at https://www.wcsu.net/school-facility-plan	

CIP FINANCIAL SUMMARY

TOWN CAPITAL PROJECTS

The following figures and text summarize the proposed capital projects for the Town of Woodstock and associated impacts on the Town General Fund including the proposed issuance of new debt, payments of existing debt, the total value of assets purchased or constructed, and impact to the tax levy. Figure 11 and Figure 12 focus on funding uses, amounts that will be paid out. Figure 13 through Figure 15 focus on funding sources, where the money is coming from to support the amounts being paid out.

Figure 11 summarizes by expense type, the cost of asset acquisition or construction for FY2023 through FY2028. The reader can see, for example, that in FY2023 the capital budget proposes \$1,318,935 in capital expenses. This includes \$50,000 for Engineering, \$183,000 for Equipment, \$220,000 for Road and Sidewalk Infrastructure, \$450,000 for Vehicles, and \$415,935 for Building Improvements.

Figure 11. Cost of Asset Acquisition or Construction, Town General Fund

Fund, Type	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Total (2023-2028)
Construction	-	-	-	-	30,000	-	30,000
Engineering	50,000	50,000	-	-	-	-	100,000
Equipment	183,000	98,500	67,500	23,500	272,500	23,500	668,500
Infrastructure	220,000	750,000	295,000	255,000	150,000	-	1,670,000
Vehicles	450,000	490,000	1,455,000	910,000	1,150,000	750,000	5,205,000
Building Improvements	415,935	-	-	-	-	-	415,935
Grand Total	1,318,935	1,388,500	1,817,500	1,188,500	1,602,500	773,500	8,089,435

Figure 12 shows existing and proposed annual debt payments related to capital projects for the Town General Fund in summary and broken out by project. A combination of pay-as-you-go financing and debt financing has been proposed throughout the project sheets. Most equipment projects and some vehicles reflect a pay-as-you-go (aka pay-go or reserve funding) approach. Larger vehicles and longer-lived assets are debt financed.

Figure 12. Existing and Proposed Debt Service Payments by Project, Town General Fund

Fund, Type	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Total (2023-2028)
Debt Service	711,019	791,980	732,829	787,417	810,539	734,079	4,567,863
Climate Action Projects A	42,965	42,965	42,965	42,965	42,965	42,965	257,789
Dispatch Consoles	12,254	12,254	12,254	12,254	12,254	-	61,270
Emergency Services Building	250,000	250,000	250,000	250,000	250,000	250,000	1,500,000
Fire and Ambulance Apparatus	75,805	130,394	142,512	197,100	290,885	378,807	1,215,503
Fire Vehides	5,459	14,193	28,639	28,639	28,639	23,180	128,748
Highway Buildings	70,000	70,000	70,000	70,000	70,000	-	350,000
Highway Vehicles	248,686	233,047	147,332	147,332	76,670	-	853,068
Retaining Walls and Embankments	-	33,276	33,276	33,276	33,276	33,276	166,380
Welcome Center	5,851	5,851	5,851	5,851	5,851	5,851	35,106
Grand Total	711,019	791,980	732,829	787,417	810,539	734,079	4,567,863

Various funding sources are proposed to finance projects in the capital budget. A funding source essentially tells the reader where the money is coming from to support the proposed purchases. These range from transfers to reserves from property taxes, debt financing, grants, or leveraging existing reserve balances. Figure 13 through Figure 15 shows how proposed projects in the Town General Fund will be financed.

Figure 13 shows the summary of the proposed financing sources that will impact the tax levy. These include debt service payments (Town GF – Debt Service) which are budgeted directly into the Town General Fund Budget, operating costs (Town GF – Operating) budgeted directly into the Town General Fund Budget, and transfers to reserves (Transfer In: 1 – Town GF) from the Town General Fund Budget.

Figure 13. Summary of Funding Sources which Impact the Tax Levy, Town General Fund

Fund, Type	Opening Balance	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Reserve Opening Balance	632,087	-	-	-	-	-	-
Transfer In: 1 - Town GF	-	412,295	448,106	505,988	531,400	517,615	538,000
Town GF - Operating	-	150,000	60,000	60,000	60,000	60,000	60,000
Town GF - Debt Service	-	705,560	777,787	704,190	758,778	781,901	710,899
Grand Total	632,087	1,267,855	1,285,893	1,270,178	1,350,178	1,359,516	1,308,899

Figure 14 shows the proposed new debt financing by project, by year. For each of the projects listed, the cost of the asset will be funded in part or in whole by the proceeds from the issuance of debt. For Vehicles and Equipment, lease financing is proposed and for larger projects such as Retaining Walls and Embankments notes or bonds will be issued.

Figure 14. Proposed New Debt by Project, Town General Fund

Fund, Type	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Debt Financing						
Climate Action Projects A	385,935	-	-	-	-	-
Dispatch Consoles	56,122	-	-	-	-	-
Fire and Ambulance Apparatus	-	250,000	750,000	250,000	800,000	750,000
Fire Vehicles	25,000	40,000	90,000	-	-	-
Highway Vehicles	360,000	-	-	-	-	-
Retaining Walls and Embankments	500,000	-	-	-	-	-
Grand Total	1,327,057	290,000	840,000	250,000	800,000	750,000

In addition to debt financing and property tax sources, known or anticipated grants are also a consideration. For the Town Capital Projects there is some anticipated grant financing in FY2024 for \$80,000 for Culvert work. Figure 15 shows all funding sources and includes the amounts already shown in Figure 13 and Figure 14.

Figure 15. Summary of All Funding Sources, Town General Fund

Fund, Type	Opening Balance	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Debt Financing	-	1,327,057	290,000	840,000	250,000	800,000	750,000
Grants	-	-	80,000	-	-	-	-
Reserve Opening Balance	632,087	-	-	-	-	-	-
Town GF - Debt Service	-	705,560	777,787	704,190	758,778	781,901	710,899
Town GF - Operating	-	150,000	60,000	60,000	60,000	60,000	60,000
Transfer In: 1 - Town GF	-	412,295	448,106	505,988	531,400	517,615	538,000
Grand Total	632,087	2,594,912	1,655,893	2,110,178	1,600,178	2,159,516	2,058,899

SEWER CAPITAL PROJECTS

The following figures and text summarize the proposed capital projects for the Town of Woodstock Sewer Fund including the proposed issuance of new debt, payments of existing debt, the total value of assets purchased or constructed, and impact to user fees. Figure 16 details in summary by expense type and by project, the cost of asset acquisition or construction for FY2023 through FY2028. The reader can see, for example, that in FY2023 the capital budget proposes \$2,436,192 in capital expenses. Construction and Engineering costs are estimates.

Figure 16. Cost of Asset Acquisition or Construction by Project, Sewer Fund

Fund, Type	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Total (2023-2028)
Building Improvements							
Climate Action Projects B	244,192	-	-	-	-	-	244,192
Construction							
Maxham Meadow WWTF Upgrade	-	-	-	-	-	-	-
South Woodstock WWTF Upgrade	1,500,000	2,000,000	-	-	-	-	3,500,000
Engineering							
Maxham Meadow WWTF Upgrade	150,000	-	-	-	-	-	150,000
South Woodstock WWTF Upgrade	300,000	-	-	-	-	-	300,000
Equipment							
Sewer Equipment	22,000	12,000	-	-	-	-	34,000
Vehicles							
Sewer Vehicles	220,000	195,000	12,000	-	-	-	427,000
Grand Total	2,436,192	2,207,000	12,000	-	-	-	4,655,192

Figure 17 shows proposed annual debt payments related to capital projects for the Sewer Fund in summary and by project. A combination of pay-as-you-go financing and debt financing has been proposed throughout the project sheets. Most equipment projects and some vehicles reflect a pay-as-you-go (aka pay-go or reserve funding) approach. Larger vehicles and longer-lived assets lean more heavily toward debt financing.

Figure 17. Existing and Proposed Debt Service Payments by Project, Sewer Fund

Fund, Type	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	Total (2023-2028)
Debt Service	66,489	237,689	237,689	237,689	237,689	198,385	1,215,630
Climate Action Projects B	27,185	27,185	27,185	27,185	27,185	27,185	163,110
Sewer Vehicles	39,304	39,304	39,304	39,304	39,304	-	196,520
South Woodstock WWTF Upgrade	-	171,200	171,200	171,200	171,200	171,200	856,000
Grand Total	66,489	237,689	237,689	237,689	237,689	198,385	1,215,630

The following series of figures shows how proposed projects in the Sewer Fund will be financed. Figure 18 shows the summary of the proposed funding sources that will impact user fees, namely debt service payments which are budgeted directly into Sewer Fund Budget (Sewer Fund) and transfers to reserves from the Sewer Fund Budget (Transfer In: 3 – Sewer).

Figure 18. Summary of Funding Sources which Impact User Fees, Sewer Fund

Fund, Type	Opening Balance	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Reserve Opening Balance	228,246	-	-	-	-	-	-
Sewer Fund	-	141,489	237,689	237,689	237,689	237,689	198,385
Transfer In: 3 - Sewer	-	24,000	6,000	6,000	6,000	6,000	6,000
Grand Total	228,246	165,489	243,689	243,689	243,689	243,689	204,385

Figure 19 shows the sum total of proposed new debt financing by year and by project, by year. For Climate Action Projects B (the Sewer Fund portion of Climate Action Projects) and Sewer Vehicles, lease financing is proposed. For the South Woodstock WWTF Upgrade a bond has already been approved by voters and will be issued to fund the project during FY2022 or FY2023.

Figure 19. Proposed New Debt by Project, Sewer Fund

Fund, Type	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Debt Financing						
Climate Action Projects B	244,192	-	-	-	-	-
Sewer Vehicles	180,000	-	-	-	-	-
South Woodstock WWTF Upgrade	2,800,000	-	-	-	-	-
Grand Total	3,224,192	-	-	-	-	-

In addition to debt financing and property tax sources, known or anticipated grants are also a consideration. For the Sewer Capital Projects there is some anticipated grant financing in FY2023 and FY2024 for the preliminary studies on the Maxham Meadow WWTF upgrade and funding to offset costs on the South Woodstock WWTF upgrade. Grant financing is shown in Figure 20 as part of the overall summary of Funding Sources for the Sewer Fund.

Figure 20. Summary of All Funding Sources, Sewer Fund

Fund, Type	Opening Balance	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
Debt Financing	-	3,224,192	-	-	-	-	-
Grants	-	75,000	1,000,000	-	-	-	-
Reserve Opening Balance	228,246	-	-	-	-	-	-
Sewer Fund	-	141,489	237,689	237,689	237,689	237,689	198,385
Transfer In: 3 - Sewer	-	24,000	6,000	6,000	6,000	6,000	6,000
Grand Total	228,246	3,464,681	1,243,689	243,689	243,689	243,689	204,385