

Town of Enfield Capital Plan 2020-2029



Beth McGee- Supervisor- Budget Officer
Becky Sims- Councilperson/ Deputy Supervisor
Virginia Bryant- Councilperson
Michael Carpenter- Councilperson
Mimi Mehaffey- Councilperson

**TOWN OF ENFIELD
TOWN BOARD RESOLUTION #2019- _____
ADOPTING 2020-2029 CAPITAL PLAN**

WHEREAS, in the coming years, equipment and buildings owned and operated by the Town of Enfield will require substantial capital investments as costs to obtain and maintain these assets at both a substantial and an unpredictable rate; and

WHEREAS, too often, local governments have not properly prepared to ensure that capital is available for the acquisition and maintenance of the large assets leaving those municipalities to acquire additional, and sometimes unnecessary debt; and

WHEREAS, the Town Board of the Town of Enfield recognizes the importance of planning for the Town's future capital costs, in an effort to prevent additional debt.

NOW, THEREFORE BE IT RESOLVED, that the Town Board of the Town of Enfield hereby adopts the following Capital Plan for the ten-year period of 2020-2029.

The question of the adoption of the foregoing resolution was duly put to a vote and upon roll call, the vote was as follows:

Beth McGee	Supervisor	Voted	Yes/No
Virginia Bryant	Councilperson	Voted	Yes/No
Michael Carpenter	Councilperson	Voted	Yes/No
Mimi Mehaffey	Councilperson	Voted	Yes/No
Becky Sims	Councilperson	Voted	Yes/No

Table of Contents

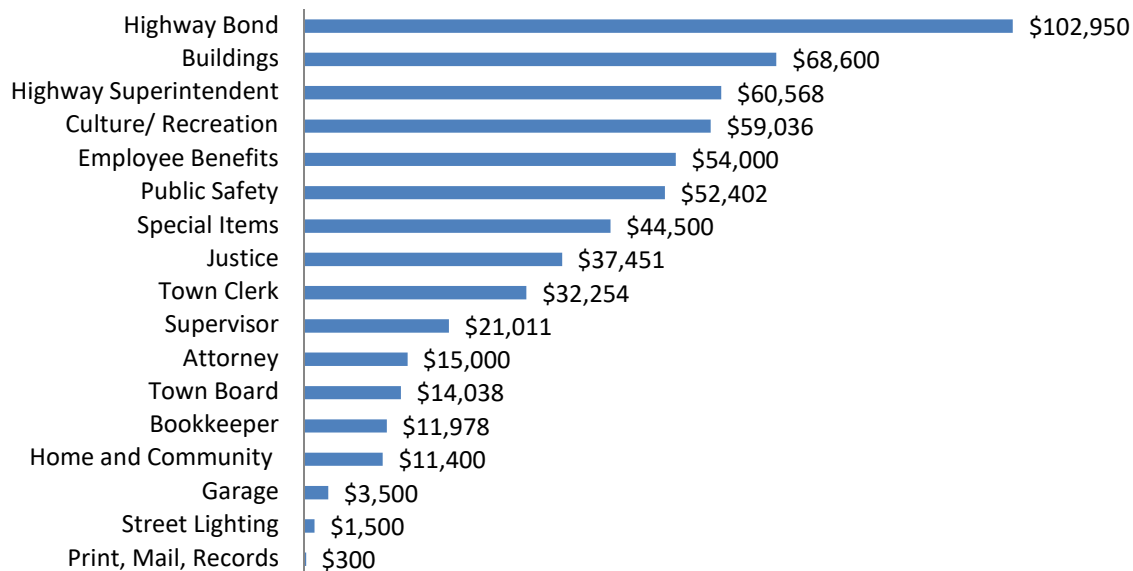
Background	4
Equipment	5
Road Maintenance and Repair	7
Debt	7
Buildings	8
Salt Storage	9
Aging Buildings Maintenance and Upgrades	12
Auxiliary Equipment for Highway Department	12
Anticipated Revenues	12
Fire Protection	13
Summary	13

Background

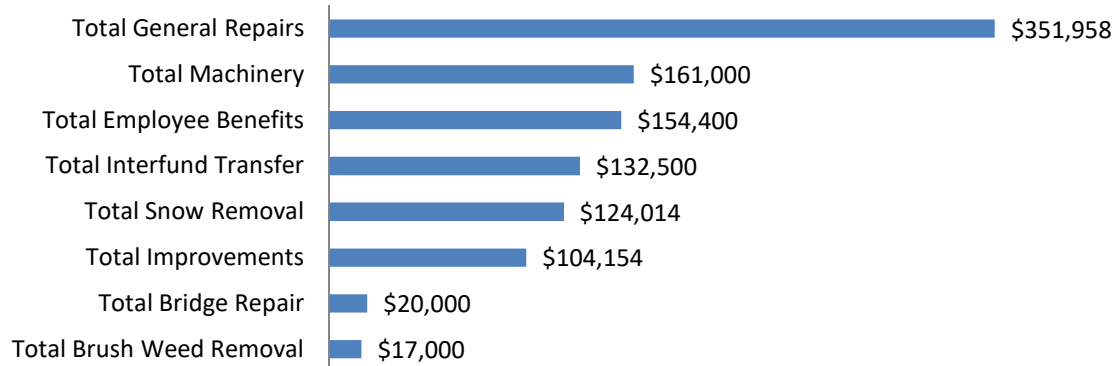
The Town of Enfield, Tompkins County, New York, has a 2010 population of 3,512 and a 2019 annual budget of \$1,789,998, which includes a \$320,093.00 fire protection contract with the Enfield Volunteer Fire Company. Additionally, the Town has contractual agreements included in the budget with the Enfield Community Council in the amount of \$49,430.87, the Tompkins County SPCA in the amount of \$16,800, the Enfield Senior Citizens for \$2500.00, and the Recreation Partnership for \$6210.00.

The town's budgeted revenues are derived from property tax (90%), the Consolidated Highway Improvement Program (5%), with the remaining (5%) derived from miscellaneous fees and state aid.

2019 General Town Expenditures- \$590,488



2019 Highway Expenditures- \$1,065,026



The 2019-2020 Town Board values a conservative approach to the financial management of the Town and strives to avoid additional debt. Instead, the Town Board prefers the use of liquid capital for large acquisitions. It is important, however, to recognize the unstable financial condition and unpredictable political environment of New York State and the unknown impacts that this may have on the Town's future budgets.

The Town must remain flexible regarding its financial management and adapt accordingly to unanticipated demands both internal and external. This Capital Plan is meant to be used as a tool to guide the Town Board during its deliberations in both the development of annual operating budgets and in the daily management of its budgets.

Equipment:

This Capital Plan will focus only on those assets anticipated to cost more than \$40,000.00 to replace during the time period of 2020-2029. Those assets include:

Asset	Year of Replacement	Anticipated Cost
2002 NH Mowing Tractor w/ Broom	2020	\$150,000.00
2004 Mack Truck w/Plow	2022	\$250,000.00
2008 Mack Truck w/Plow	2024	\$250,000.00
2009 Int. Truck w/Plow	2026	\$250,000.00
2007 Ford F250 Utility w/Plow	2027	\$60,000.00
2008 Drum Roller	2028	\$70,000.00
1989 CAT Road Grader	2029	\$350,000.00

As noted above, this is not a comprehensive list of the Town's major assets- other assets are not scheduled for replacement during the Capital Plan period. Less expensive and/or assets of limited use, pick-up trucks, leased items, etc. will be replaced outside of the capital plan as funds are available and at the discretion of the Town Board. There may be revenue generated by the resale of highway equipment, however these amounts are difficult to predict. Revenue from resale items will be reserved for future equipment needs.

The Town of Enfield has established a Highway Equipment Capital Reserve Fund that is used to assist in financing large equipment purchases. Based on the best information

available at this time, the 2018-2019 Town Board expects the Highway Equipment Capital Reserve Fund to have a balance as of January 1, 2020 to be \$71,173.00, and anticipates a minimum of \$130,000.00 to be allocated to the fund in the 2020 Town Budget, and each subsequent budget through 2029.

In prior years, at the Highway Superintendent's request, the Town Board has authorized transfer of unexpended funds from each budget year to the Highway Equipment Capital Reserve Fund. For nine of the last ten years, at least \$10,000.00 has been allocated as Appropriated Fund Balance in the Highway (DA) Fund Annual Budget. This has left the Highway savings account/fund balance critically low, in that funds expected to be spent on CHIPS projects, as agreed upon by the Town Board and Highway Superintendent in January of each year through the 284 Agreement, cannot be funded fully without being in danger of working in a deficit.

A Fund Balance Policy (Policy #____) was adopted in 2019 that advises the Town Board of how much funds to maintain in each fund before unexpended funds may be transferred to the Highway Equipment or other Reserves.

The 2020-2029 Capital Plan calls for consistent effort in this area, allocating fund balance derived from the Property Tax Levy to the Highway Equipment Capital Reserve Fund only. Until such time as Fund Balance minimums have been met as prescribed in the Fund Balance Policy, only unexpended funds from the Highway General Fund Equipment line may be transferred to the Highway Reserve.

HIGHWAY EQUIPMENT RESERVE RECOMMENDATIONS				
Year	Budgeted Allocation	Fund Balance Allocation	Anticipated Expenditures	Anticipated Reserve Year-End Balance
2019				\$71,173.00
2020	\$130,000.00	\$0.00	\$150,000.00	\$51,173.00
2021	\$130,000.00	\$0.00	\$0.00	\$181,173.00
2022	\$130,000.00	\$0.00	\$250,000.00	\$61,173.00
2023	\$130,000.00	\$20,000.00	\$0.00	\$211,173.00
2024	\$130,000.00	\$20,000.00	\$250,000.00	\$111,173.00
2025	\$130,000.00	\$20,000.00	\$0.00	\$261,173.00
2026	\$130,000.00	\$20,000.00	\$60,000.00	\$351,173.00
2027	\$130,000.00	\$20,000.00	\$250,000.00	\$251,173.00
2028	\$130,000.00	\$20,000.00	\$70,000.00	\$331,173.00
2029	\$130,000.00	\$20,000.00	\$350,000.00	\$131,173.00

Road Maintenance and Repair

The Town of Enfield maintains 86.2 line miles of road. In 2017, the Town of Enfield participated in a Cornell Local Roads Program that provided an intern to assess the condition of our highway infrastructure and create a plan to address those conditions over time. The plan and recommendation report is available to the public by contacting the Town Clerk.

The following is a five-year view of recommended road maintenance and repair.

Year 1-5	Year Actual	Road	PCI	Repair	Cost
1	2020	Aiken (Waterburg→Buck Hill)	74	T&L Chip Seal	\$100,000
1	2020	Rockwell	71	T&L Chip Seal	\$110,000
1	2020	Woodard	77	2 Layers Oil + Stone	\$80,000
2	2021	Stonehouse	73	2 Layers Oil + Stone	\$80,000
2	2021	Porter Hill	58	T&L Chip Seal	\$100,000
2	2021	Hines	79	T&L Chip Seal	\$80,000
3	2022	Bostwick	85	T&L Chip Seal	\$80,000
3	2022	Van Dorn S. (Bostwick→Gray)	78	2 Layers Oil + Stone	\$60,000
3	2022	Black Oak	69	Hot or Cold Mix 1.5"	\$80,000
4	2023	Van Ostrand	78	2 Layers Oil + Stone	\$80,000
4	2023	Fish (Rothermich→Enfield Main)	74	T&L Chip Seal	\$80,000
4	2023	Griffin	76	T&L Chip Seal	\$80,000
5	2024	Colegrove	79	T&L Chip Seal	\$60,000
5	2024	Harvey Hill (Blk Oak→ Enf. Main)	57/68	T&L Chip Seal	\$180,000

T&L= True and Level/ PCI=Pavement Condition Index

With consistent adherence to levels of funding provided in the 2020 Budget, this five-year-plan is achievable. It is recommended that a Capital Road Improvement Reserve be created to capture end-of-year unexpended funds to the Highway Contractual allocation. As noted in the Cost column, some years require less in expenditures. However, if funding is consistent year to year, unexpended funds in lower cost years can be captured in the Reserve to ensure future commitment through the ten years of this Capital Plan to proper funding for infrastructure needs.

Debt

The Town of Enfield currently has Bond obligations for the Highway building built in 2011. In 2019 year-end, the outstanding Bond balances total \$610,000.00, with annual payments of approximately \$100,000.00. The final principal and interest payments of this obligation will total \$102,312.50 and paid in 2026.

Buildings

The Enfield Highway Department was built in 2011. Other buildings include the Enfield Community Building, built in 1949, and the Enfield Town Hall that housed the former Highway building built in 1966.

The Highway facility has experienced many problems associated with the original construction and the lack of a salt storage building, as included in the original plan, but retracted from the project due to cost overruns. A salt-spreader rack building was also included in the original plan, but not part of the final project.

The Community Building houses the Code Enforcement Office, Town Court, and Bookkeeper space on the top floor. The lower floor houses a community meeting space and the Enfield Food Pantry.

The Community Building has had recent updates with the installation of an accessible bathroom and renovations done to the downstairs community space using a grant award. The exterior of the building is in need of resurfacing/ painting and the roof is due for maintenance.

As of October 2019, the Town Hall garage has a leaking roof and outdated office spaces. It is primarily used for Highway Dept. equipment storage and town materials. The Town Clerk's office and Historian's office are housed in the Town Hall. There is no office space for the Town Supervisor.

Asset	Year Built	Year Renovated	Year of Roof	HVAC Year
Community Building	1949	Upstairs-2007 Downstairs-2018	Sealed and Repaired 2006	2012
Town Hall	1967	Exterior painted 2015	1993	2011-furnace Heat pump-2019
Highway Facility	2011	---	2011	2011

Decisions regarding construction or upgrades will be necessary in coming years to address space limitations and deteriorating building conditions and regular maintenance. Energy concerns are also a priority as existing equipment is operated with fuel oil and propane, rather than renewable energy. In the last decade, the Town has spent minimal resources on maintaining or updating town buildings aside from the Highway Department building. Exterior painting was completed at the Town Hall in 2015.

It is noted that the onsite wastewater treatment systems for the Town Hall and Community Building are more than 50 years old and are undersized by today's standards. If the building usage changes in a way that would affect the wastewater load, or the systems otherwise fail, replacement wastewater systems will need to be installed. The Town should be prepared for this expense, which would be substantial due to lot constraints.

If it is determined that an alternative building will not be constructed for five years or more, maintenance of these structures and energy efficient heating/cooling options are needs that should be considered by the Town Board to sustain these spaces until funds are available to make more comprehensive improvements or construct a new facility.

Although the facilities are in usable condition, the Town Board does expect the need to address items such as heating and doors, water issues, roofing, accessibility, space and energy upgrades in coming years as funds are available.

Salt/Sand Storage Building

A salt/sand storage building is needed to cover the materials inventory and to protect the Aquifer (14 feet below the surface) from leaching, and the Enfield Creek (approximately 650 feet from existing inventory piles) from runoff.

An award of up to \$340,640.00 was granted by the New York State Department of Environmental Conservation for the construction of a salt/sand storage building through the Water Quality Improvement Project grant opportunity. The Town is responsible for 50% matching funds for the construction/preparation cost of the project. Estimates range from \$400,000.00 to \$700,000.00 for project cost, depending upon the materials and contractor used.

The Town has not prepared for this expense. In order to construct the building without incurring debt and the additional expense of finance fees, allocating the Property Tax Levy over several years may be necessary to fund this match.

As a result of the Town of Enfield Fund Balance Policy #2019-_____, it was determined that, if adequate funds are available in the General Fund, that reduction of Fund Balance could be used to apply needed funds to town needs. A fund balance reduction in the amount \$100,000.00 is recommended to be transferred to a reserve fund for Building Construction and Upgrades, for use toward the expense of the salt storage facility. This transfer shall only be completed if this reduction meets the Fund Balance policy standard for the General Fund Savings in 2020.

It is further advised that the funds reserved in the "Town Hall Reserve", with a current balance of \$73,957.00, be re-allocated (subject to referendum) toward the Building Construction and Upgrades Reserve, and used toward the expense of the salt storage

facility. These actions will bring the balance of the Building Construction and Upgrades reserve to \$173,957.00 in Q2- 2020.

The Town Board may explore investment options for this new reserve, as these funds will likely not be expended in 2020.

With the consideration of input from the Highway Superintendent, the Town Board shall determine a structure type and maximum Town share for the salt storage project in the first quarter of 2020. Following the filing of the Annual Update Document, the Supervisor will report the status of the General Fund- fund balance to determine if additional funds may be reserved for the purpose of a salt storage structure in 2020.

If the maximum amount of Town share is determined to be \$250,000.00 or less, the Town Board and Highway Superintendent may be in agreement to utilize a portion of CHIPS funds to complete the project in a timely manner, rather than incur finance fees through a BAN or BONDS. If this option is not agreed upon, further levying for the remainder of Town share may be accomplished over two years at a rate of \$35,000.00 per year.

Alternative methods of funding the salt storage include Bonds or Bond Anticipation Notes. A projection of this type of funding structure has been prepared by Municipal Solutions and is described as follows:

Proposed \$250,000 5-Year BAN Maturity Schedule				
Prepared For:	Town of Enfield Municipal Solutions,			
Prepared By:	Inc.			
Project:	Salt Storage Facility			
Amount Borrowed:	\$250,000			
Repayment:	5 Years (BANs)			
Fiscal Year Ended	Principal	Estimated	Interest	Total
31-Dec	Payment	Rate	Expense	Debt Service
2021	\$50,000	2.000%	\$5,000.00	\$55,000.00
2022	50,000	2.250%	4,500.00	54,500.00
2023	50,000	2.250%	3,375.00	53,375.00
2024	50,000	2.375%	2,375.00	52,375.00
2025	50,000	2.375%	1,187.50	51,187.50
Total	\$250,000		\$16,437.50	\$266,437.50
Initial BAN Issue:	August 1, 2020			
BANs renewed:	Annually on April 1, 2021 through 024			

Proposed \$250,000 5-Year Serial Bond Maturity Schedule

Prepared For: Town of Enfield
 Municipal Solutions,
 Prepared By: Inc.
 Project: Salt Storage Facility
 Amount Borrowed: \$250,000
 Repayment: 5 Years

Fiscal Year Ended	Principal	Estimated Interest	Interest	Interest	Total Debt
31-Dec	Payment	Rate	Expense	Expense	Service
2021	\$50,000	2.000%	\$2,812.50	2,812.50	\$55,625.00
2022	50,000	2.250%	2,312.50	2,312.50	54,625.00
2023	50,000	2.250%	1,750.00	1,750.00	53,500.00
2024	50,000	2.375%	1,187.50	1,187.50	52,375.00
2025	50,000	2.375%	593.75	593.75	51,187.50
Total	\$250,000		\$8,656.25	\$8,656.25	\$267,312.50

Bonds Dated: April 1, 2020
 Bonds Due: April 2021 - 2025

Proposed \$250,000 10-Year Serial Bond Maturity Schedule

Prepared For: Town of Enfield
 Municipal Solutions,
 Prepared By: Inc.
 Project: Salt Storage Facility
 Amount Borrowed: \$250,000
 Repayment: 10 Years

Fiscal Year Ended	Principal	Estimated Interest	Interest	Interest	Total Debt
31-Dec	Payment	Rate	Expense	Expense	Service
2021	\$25,000	2.375%	\$3,156.25	3,156.25	\$31,312.50
2022	25,000	2.375%	2,859.38	2,859.38	30,718.75
2023	25,000	2.375%	2,562.50	2,562.50	30,125.00
2024	25,000	2.375%	2,265.63	2,265.63	29,531.25
2025	25,000	2.500%	1,968.75	1,968.75	28,937.50
2026	25,000	2.500%	1,656.25	1,656.25	28,312.50
2027	25,000	2.625%	1,343.75	1,343.75	27,687.50
2028	25,000	2.625%	1,015.63	1,015.63	27,031.25
2029	25,000	2.750%	687.50	687.50	26,375.00
2030	25,000	2.750%	343.75	343.75	25,687.50
Total	\$250,000		\$17,859.38	\$17,859.38	\$285,718.75

Bonds Dated: April 1, 2020
 Bonds Due: April 2021 - 2030

Aging Building Upgrades and Maintenance

If fund balance limits are met, unexpended funds in the Buildings appropriation line of the annual Budget shall be locked in the Building Construction and Upgrades Reserve to provide for upgrades to aging town buildings in need of immediate improvement and maintenance to retain their value and extend their usefulness prior to the assessment of new building needs.

Further, beginning with the 2027 Budget, funds consistent with the previously appropriated funds for the Highway Building BOND shall be reserved in the Building Construction and Upgrades Reserve to prepare for new building construction and/or maintenance of aging facilities until a plan has been developed and these obligations have been met.

Auxiliary Equipment for Highway Department

The original design for the Highway facility included cold storage, as well as a 50'x74' salt storage building. These items were eliminated from the project due to cost overruns, leaving the Town and Highway Department without the benefit of these items for time-savings, environmental protections, and building preservation. The Town Board acknowledges the benefits of these items and will assess procurement opportunities over the course of this ten-year plan as conditions allow.

Anticipated Revenues:

A Capital Plan is incomplete without accounting for anticipated revenues necessary to pay for the scheduled capital expenditures. The Town's largest revenue source is property tax, accounting for 90% of revenue.

The Town receives approximately \$175,000.00 in State Aid annually. This accounts for 10% of revenue. The State budgeting process has left us in recent years uncertain if nearly half of this aid will be continued during the State budgeting process, long after we have already budgeted anticipating it. For this reason, maintaining a strong Fund Balance is imperative to insure against working in a deficit.

It is recommended that the Town pursue best practices to build upon our tax base and increase the total assessed value of taxable town parcels. Further, departments will actively seek alternative funding sources through grants and other opportunities within the authority of our municipality to enhance our ability to meet our needs without unreasonably increasing the financial responsibility of local residents.

In 2019, New York State made the Property Tax Cap permanent, limiting the allowable Property Tax increase levied by local governments without adopting a Tax Cap Override Law. The Town Board is permitted within the law to override this Tax Cap if

necessary; however, the Town Board shall make every effort to minimize the increase of property taxes above our calculated levy limit to abide by this Capital Plan. It is understood that following this plan gives the best opportunity for maintaining a predictable Property Tax Levy over time.

The Town Board recognizes that some years, a lower allowable levy limit may be calculated. The Town Board will be obligated to decide between utilizing available fund balance, adjusting this capital plan, or overriding the tax cap in those fiscal years.

Fire Protection

The Town Board anticipates continued incremental increases for fire protection through the contract with the Enfield Volunteer Fire Company. As the total assessed value of parcels taxable by the Fire Protection District is higher than that of the Town-wide total assessed value, it is unlikely that increases for these services will contribute to exceeding the levy limit. The EVFC has prepared a plan for replacement of three large pieces of equipment through 2024.

Summary

The Town of Enfield anticipates significant capital expenses in the coming ten years; however, the Town Board also anticipates revenues adequate to cover these expenses without adding increased debt to the Town. As stated previously, the 2019 Town Board values a conservative approach to the Town's financial management and seeks to cover large capital outlays with cash on hand. The 2019 Enfield Town Board believes that, through adoption and adherence to this Capital Plan, the Town of Enfield will achieve the Board's goals.

Review

This policy shall be reviewed by the Town Board on an annual basis.